



**Public Utility Board Agenda
Rochester Boards & Commissions - Public Utility Board
January 21, 2025
4:00 p.m.**

Attending and Viewing the Meeting

Attend in person at 4000 E River Rd NE, RPU Community Room, Rochester, MN or via [MS Teams](#).

Call in audio only number: 347-352-4853 Conference ID: 394 201 036#

A recording is made available after the meeting at the [City's website](#).

Call to Order/Roll Call

- 1. Approval of Agenda**
- 2. Safety Moment**
- 3. Consent Agenda**

3.A. Minutes of the Rochester Public Utility Board Meeting of December 17, 2024.

Approve the minutes and video of the December 17, 2024, meeting of the Rochester Public Utility (RPU) Board.

3.B. MnWARN Mutual Aid Agreement

Adopt a resolution approving the Minnesota Water Agency Response Network (MnWARN) Mutual Aid Agreement.

3.C. Review of Accounts Payable

Review the list of consolidated and summarized transactions for 12/10/2024 to 01/09/2025 in the total amount of \$14,499,438.00.

Open Public Comment Period

This agenda section is for the purpose of allowing citizens to address the Utility Board. Comments are limited to 2 minutes, total comment period limited to 20 minutes. Any speakers not having the opportunity to be heard will be the first to present at the next Board meeting.

4. Regular Agenda

4.A. Lead Service Line Replacement Supplemental Budget

Approval to accept the Minnesota Public Facilities Authority grant for lead service line replacement and approval of the multiyear project, access fee, and operating budget adjustments to account for this program.

4.B. Lead Service Line Replacement Program Authorization

Approve Master Grant Agreement and 2025 Project Orders for Lead Service Line Replacement

4.C. Sale of MISO Excess Accredited Generation Capacity

Authorize the RPU General Manager to approve bilateral sales agreements for the sale of excess generation capacity as measured in Zonal Resource Credits (ZRC) for MISO planning years PY25/26 (June 1, 2025 to May 31, 2026) and PY26/27 (June 1, 2026 to May 31, 2027).

5. Informational

5.A. Incentive Rate Treatment Filing and Project Update for Grid North Partners

Informational only.

6. Board Policy Review

6.A. RPU Index of Board Policies

Review the Index of Board Policies to summarize progress on policy updates and determine future policy review items.

7. General Managers Report

7.A. General Manager's Report for January 2025

8. Division Reports & Metrics

8.A. Division Reports and Metrics - January 2025

Review the reports from each of RPU's divisions: Safety, Water Division, Power Delivery, Power Resources, Customer Relations, and Corporate Services.

Due to the early January board meeting, the financial summary for December will be presented in the February Board Packet.

9. Other Business

10. Adjournment



REQUEST FOR ACTION

Minutes of the Rochester Public Utility Board Meeting
of December 17, 2024.

MEETING DATE:

January 21, 2025

ORIGINATING DEPT:

Rochester Public Utilities

AGENDA SECTION:

Consent Agenda

PRESENTER:

Tim McCollough

Action Requested:

Approve the minutes and video of the December 17, 2024, meeting of the Rochester Public Utility (RPU) Board.

Report Narrative:

Official minutes of the RPU Board are published in accordance with Open Meeting Law, capturing the official record of the RPU Board.

Policy Considerations & DEI Impact:

Minutes and video of the appointed boards of the City provide access and transparency to RPU systems, processes, and decision making.

Prior Legislative Actions & Community Engagement:

Minutes of the previous RPU Board meeting are generated monthly.

Fiscal & Resource Impact:

No fiscal impact of publishing minutes.

Prepared By:

Erin Henry-Loftus

Attachments:

[20241217 Public Utility Board Meeting Minutes](#)



**CITY OF ROCHESTER, MINNESOTA
Public Utility Board MINUTES**

Attending and Viewing the Meeting

[Call to Order/Roll Call](#)

Meeting started at 4:00 p.m.

| Attendee Name | Status |
|------------------------|---------------|
| Melissa Graner Johnson | Present |
| Brian Morgan | Present |
| Brett Gorden | Present |
| Patrick Keane | Present |
| Malachi McNeilus | Present |

1) [Approval of Agenda](#)

Motion to approve the agenda.

MOVER: Brett Gorden
SECONDER: Brian Morgan
AYES: Melissa Graner Johnson, Brian Morgan, Brett Gorden,
Patrick Keane, Malachi McNeilus
RESULT: **APPROVED [UNANIMOUS]**

2) [Recognition](#)

All members of the Board signified their approval of the Resolution.

2.A) Recognition of Brian Morgan

Official Act: Recognize and thank retiring Board Member Brian Morgan for his service.

[Cover Page](#) 

[20241217_Resolution - Recognition of Brian Morgan](#) 

3) [**Safety Moment**](#)

Safety Manager Bob Cooke presented to the Board.

4) [**Consent Agenda**](#)

4.A) Minutes of the Rochester Public Utility Board Meeting of November 26, 2024

Official Act: Approve the minutes and video of the November 26, 2024, meeting of the Rochester Public Utility (RPU) Board.

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[20241126 Public Utility Board Meeting Minutes](#) 

4.B) Review of Accounts Payable

Official Act: Review the list of consolidated and summarized transactions for 11/12/2024 to 12/09/2024 in the total amount of \$17,712,486.90.

[Cover Page](#) 

[AP Board List Current Month](#) 

Motion to approve the consent items in block (3.A - 3.B).

MOVER: Patrick Keane
SECONDER: Malachi McNeilus
AYES: Melissa Graner Johnson, Brian Morgan, Brett Gorden,
Patrick Keane, Malachi McNeilus
RESULT: **APPROVED [UNANIMOUS]**

[**Open Public Comment Period**](#)

None.

5) [**Regular Agenda**](#)

5.A) [Westside Energy Station - Approval to Purchase Spare Parts under Minnesota State Statute, Section 453.](#)

Official Act: Approve a resolution to purchase two long cartridge turbos from Motor-Services Hugo Stamp Inc., (MSHS) in the amount of \$215,189.46. Funding for this purchase is within the Major Maintenance Allocation budget for Power Resources.

[Cover Page](#) 

[Estimate](#) 

[20241217_Resolution_-_Westside Energy Station](#) 

Power Production Manager Tony Dzubay presented to the Board.

Motion to approve a resolution to purchase two long cartridge turbos from Motor-Services Hugo Stamp Inc., (MSHS) in the amount of \$215,189.46. Funding for this purchase is within the Major Maintenance Allocation budget for Power Resources.

MOVER: Patrick Keane
SECONDER: Malachi McNeilus
AYES: Melissa Graner Johnson, Brian Morgan, Brett Gorden, Patrick Keane, Malachi McNeilus
RESULT: **APPROVED [UNANIMOUS]**

5.B) [Steam Sales Agreement Contract Amendment Two](#)

Official Act: Grant authorization for RPU's General Manager to sign Contract Amendment Two to the Steam Sales Agreement between the City of Rochester/RPU and The Franklin Heating Station, a Minnesota General Partnership by Mayo Clinic.

[Cover Page](#) 

[20241217_Resolution_-_Mayo Steam Contract Amendment](#) 

[MAYO Steam Agreement Amendment Two - 20241209.pdf](#) 

Director of Power Resources Bill Bullock presented to the Board.

Motion to grant authorization for RPU's General Manager to sign Contract Amendment Two to the Steam Sales Agreement between the City of Rochester/RPU and The Franklin Heating Station, a Minnesota General Partnership by Mayo Clinic.

MOVER: Malachi McNeilus
SECONDER: Patrick Keane
AYES: Melissa Graner Johnson, Brian Morgan, Patrick Keane, Malachi McNeilus
ABSTAIN: Brett Gorden
RESULT: **APPROVED [4 - 0 - 1]**

[Brett Gorden abstained from the discussion of this item and also abstained from voting.](#)

6) **Informational**

6.A) [Lead and Copper Rule Planning](#)

Official Act: Informational only.

[Cover Page](#) 

Director of Water Todd Blomstrom presented to the Board.

6.B) [Customer Portal Replacement Project Introduction](#)

Official Act: Informational only.

[Cover Page](#) 

Director of Customer Relations Patty Hanson presented to the Board.

7) **Board Policy Review**

7.A) RPU Index of Board Policies

Official Act: Review the Index of Board Policies to summarize progress on policy updates and determine future policy review items.

[Cover Page](#) 

[Rochester Public Utilities Index of Board Policies](#) 

8) **General Managers Report**

8.A) General Manager's Report for December 2024

[Cover Page](#) 

[December 2024 General Manager's Major Projects Update.pdf](#) 

[December 2024 General Manager's Report Presentation](#) 

General Manager Tim McCollough presented to the Board.

9) **Division Reports & Metrics**

9.A) Division Reports and Metrics - December 2024

Official Act: Review the reports from each of RPU's divisions: Safety, Water Division, Power Delivery, Power Resources, Customer Relations, and Corporate Services.

Due to the December board meeting being scheduled early, the financial summary for November will be presented in the January Board Packet.

[Cover Page](#) 

[December Division Report](#) 

10) **Other Business**

None.

11) **Adjournment**

Meeting adjourned at 5:32 p.m.

11) Adjournment

MOVER: Brian Morgan
SECONDER: Patrick Keane
AYES: Melissa Graner Johnson, Brian Morgan, Brett Gorden,
Patrick Keane, Malachi McNeilus
RESULT: **APPROVED [UNANIMOUS]**

President

Secretary

Date



REQUEST FOR ACTION

MnWARN Mutual Aid Agreement

MEETING DATE:

January 21, 2025

ORIGINATING DEPT:

Rochester Public Utilities

AGENDA SECTION:

Consent Agenda

PRESENTER:

Todd Blomstrom

Action Requested:

Adopt a resolution approving the Minnesota Water Agency Response Network (MnWARN) Mutual Aid Agreement.

Report Narrative:

Water utility agencies throughout the state have joined together to create the Minnesota Water/Wastewater Utilities Agency Response Network (MnWARN) to provide a formal mutual aid response program for Minnesota. Under this program, water utilities sustaining physical damage from disasters can obtain emergency assistance in the form of personnel, equipment, and materials from partner agencies to assist with protect the health and welfare of their customers. Assistance is provided in conformance with the terms of the attached mutual aid agreement.

MnWARN can be activated only when there has been a formal declaration of an emergency issued by a community's authorized official. Participation in the program does not create a duty to respond to requests for assistance. When a member receives a request for assistance, their authorized official has discretion as to the availability of resources. Requests for assistance are initiated through the Minnesota State Duty Officer.

When responding to a mutual aid request, the responding party is reimbursed from the receiving party for actual costs paid for personnel, equipment and materials provided during the incident. The receiving party must pay undisputed portions of billed response costs within 45 days following the billing date. There is no cost or fee for a utility's general membership in MnWARN.

Prepared By:

Todd Blomstrom

Attachments:

[20250121_MnWarn_Rochester_Public_Uilities_Resolution](#)

[MNWARNMutualAidAgreementFinal](#)

**RESOLUTION AUTHORIZING GOVERNMENTAL UNIT TO BE A PARTY TO THE
MINNESOTA WATER AGENCY RESPONSE NETWORK (MnWARN)**

WHEREAS, Minnesota Statutes, Section 471.59 authorizes governmental units by agreement of their governing bodies to jointly or cooperatively exercise any power common to them; and

WHEREAS, MnWARN has been established by the adoption of a Mutual Aid Agreement (the Agreement) among Government Units to allow their water, wastewater, and storm water utilities to assist each other in case of an emergency; and

WHEREAS, the Agreement allows other governmental units to become a party to the Agreement by the adoption of a Resolution and sending notice to the Secretary of the Statewide Committee for MnWARN; and

WHEREAS, the governing body of the Public Utility Board of the City of Rochester considers it to be in the best interest of the utility to be a party to the Agreement.

BE IT RESOLVED, by the Public Utility Board of the City of Rochester:

1. The President is authorized to sign this resolution evidencing the intent of Rochester Public Utilities to be a party to MnWARN for the water supply and distribution system; and
2. The Director of Water is directed to send a certified copy of this resolution and a completed membership information form to the Secretary of the Statewide Committee of MnWARN; and
3. Rochester Public Utilities agrees to comply with all terms of the Agreement.

IN WITNESS WHEREOF, Rochester Public Utilities by action of its governing body caused this Resolution to be approved on January 21, 2025.

PRESIDENT

SECRETARY



MINNESOTA WATER AGENCY RESPONSE NETWORK (MnWARN) MUTUAL AID AGREEMENT

This Minnesota Water Agency Response Network (MnWARN) Mutual Aid Agreement is made and entered into by the undersigned Parties.

WHEREAS, the Parties hereto are authorized by law or home rule charter to establish a water, wastewater or storm water utility; and

WHEREAS, the Parties hereto have established a water, wastewater and/or storm water utility; and

WHEREAS, the Parties recognize that an Emergency may require Assistance in the form of personnel, equipment and supplies from a Utility outside the Governmental Unit; and

WHEREAS, the governing bodies of the Parties have investigated the facts and determined that it is in their best interests to authorize their Utilities to work cooperatively with another Party's Utilities when there is an Emergency; and

WHEREAS, Minnesota Statutes, Section 471.59 authorizes the Parties by agreement of their governing bodies to jointly or cooperatively exercise any power common to them.

NOW, THEREFORE, in consideration of the mutual covenants made herein, the Parties agree as follows:

ARTICLE I PURPOSE

The Parties recognize that in an Emergency, their Utilities may require Assistance in the form of personnel, equipment and supplies from outside the area of impact. The purpose of this Agreement is to provide a framework, in the event of an Emergency, for the Parties to participate in an intrastate program for mutual aid assistance to provide water, wastewater and storm water utility services. The Parties authorize their Utilities to cooperatively assist other Party's Utilities when there is an Emergency, subject to the discretion of the Responding Party's Authorized Official as set forth in Article IV.

ARTICLE II DEFINITIONS

- A. Agreement — This Water Agency Response Network Mutual Aid Agreement.
- B. Assistance — Resources, including but not limited to personnel, equipment, material and supplies that a Responding Party's Utility provides to a Receiving Party's Utility.
- C. Authorized Official — An employee or official of a Party's Utility that is authorized by the Party's governing body to request Assistance or provide Assistance under this Agreement.
- D. Emergency — Any occurrence that is, or is likely to be, beyond the control of the services, personnel, equipment or facilities of a Party's Utility.
- E. Governmental Unit — A city, county or township in Minnesota or a city's public utilities commission.
- F. MnWARN — The framework for public water, wastewater and storm water utilities in Minnesota to assist other public water, wastewater and storm water utilities when there is an Emergency that requires Assistance from another Utility. The framework includes this Agreement and other resources to be developed and coordinated by the Statewide Committee to implement the purpose of this Agreement.
- G. National Incident Management System (NIMS) — A national, standardized approach to incident management and response that sets uniform processes and procedures for emergency response operations.
- H. Party/Parties — One or more governmental units that has a water, wastewater or stormwater utility that executes this Agreement or adopts this Agreement by resolution pursuant to Article XIV.
- I. Period of Assistance — The period of time when a Responding Party assists a Receiving Party. The period commences when personnel, equipment or supplies depart from a Responding Party's facility and ends when the resources return to their facility. All protections identified in the Agreement apply during this period. The Period of Assistance may occur during response to or recovery from an Emergency.
- J. Receiving Party — A Party who requests and receives Assistance under this Agreement.
- K. Responding Party — A Party that provides Assistance to another Party pursuant to this Agreement.
- L. Statewide Committee — The committee responsible for overseeing MnWARN on a statewide level.
- M. Steering Committee — The leadership group that established MnWARN and the development of this Agreement.
- N. Utility/Utilities — A water, wastewater and/or storm water utility of a Party.

ARTICLE III ADMINISTRATION

A. Statewide Committee.

1. Voting Members. MnWARN shall be administered through a Statewide Committee. The Statewide Committee shall be comprised of nine (9) voting members. The voting members of the Statewide Committee shall be comprised as follows: (i) an employee or official of a Utility located in Region 1 of the Minnesota Division of Homeland Security and Emergency Management Regions; (ii) an employee or official of a Utility located in Region 2 of the Minnesota Division of Homeland Security and Emergency Management Regions; (iii) an employee or official of a Utility located in Region 3 of the Minnesota Division of Homeland Security and Emergency Management Regions; (iv) an employee or official of a Utility located in Region 4 of the Minnesota Division of Homeland Security and Emergency Management Regions; (v) an employee or official of a Utility located in Region 5 of the Minnesota Division of Homeland Security and Emergency Management Regions; (vi) an employee or official of a Utility located in Region 6 of the Minnesota Division of Homeland Security and Emergency Management Regions; (vii) an employee or official of the Minnesota Rural Water Association; (viii) a representative from the Minnesota Section of the American Water Works Association; and (ix) a representative of the Minnesota Wastewater Operator's Association.
 - a. Initial Voting Members. The initial voting members representing the six regions of the Minnesota Division of Homeland Security and Emergency Management Regions shall be selected by the Steering Committee. The other three voting members shall be selected by the organization they represent.
 - b. Subsequent Voting Members. The appointment or election of subsequent voting members shall be done in accordance with bylaws to be adopted by the Statewide Committee.
 - c. Terms. The terms of the voting members shall be established by the bylaws to be adopted by the Statewide Committee.
 - d. Changes. The Statewide Committee may change the number or composition of the voting members in accordance with its bylaws.
2. Advisory Members. There shall be at least six (6) advisory members of the Statewide Committee who shall not be entitled to vote. The advisory member shall consist of a representative to be selected by each of the following organizations: (i) the Minnesota Pollution Control Agency; (ii) the Minnesota Department of Health; (iii) Minnesota Homeland Security and Emergency Management; (iv) the Association of Minnesota Emergency Managers; (v) the Minnesota Municipal Utilities Association; and (vi) the League of Minnesota Cities. The voting members of the Statewide Committee may change the number or composition of the advisory members in accordance with its bylaws. The terms of the advisory members shall be established by the bylaws of the Statewide Committee.
3. Officers. The Statewide Committee shall have the following officers: a Chair, a Vice-Chair and a Secretary. The initial officers shall be elected by the Statewide Committee at its first meeting. The terms of the initial officers and subsequently elected officers

shall be established by the bylaws of the Statewide Committee. The officers shall have the following powers:

- a. Chair. The Chair shall have no more power than any other member of the Statewide Committee except that the Chair shall act as the presiding officer at all Statewide Committee meetings and may have other duties as assigned from time to time and prescribed by the Statewide Committee.
- b. Vice-Chair. The Vice-Chair shall act as the presiding officer at any Statewide Committee meeting not attended by the Chair and shall perform the Chair's duties in the Chair's absence. The Vice-Chair may have other duties as assigned from time to time and prescribed by the Statewide Committee.
- c. Secretary. The Secretary shall be responsible for ensuring that minutes are prepared for all Statewide Committee meetings. The Secretary shall also keep all books and records of the Statewide Committee and shall give all notices required by law, and may have other duties as assigned from time to time and prescribed by the Statewide Committee. The Statewide Committee may delegate all or part of the Secretary's duties required under this Section to another person; provided that such delegation shall not relieve the Secretary of ultimate responsibility for these duties

4. Powers. The Statewide Committee shall have the following powers:

- a. To coordinate emergency planning and response activities of Utilities in coordination with the emergency management and public health system of the State;
- b. To adopt policies and procedures to further the purpose of MnWARN;
- c. To establish committees, including regional committees, to assist in implementing the purpose of MnWARN;
- d. To develop a resource list of personnel, equipment, supplies and other resources that may be used to provide Assistance;
- e. To establish a website to facilitate the Parties' use of MnWARN;
- f. To develop protocols, forms or procedures for Parties to request assistance;
- g. To develop educational materials; and
- h. To develop training materials and conduct training for Parties.

5. Meetings. The Statewide Committee shall hold meetings as follows:

- a. Organizational Meeting. An organizational meeting shall be held at a time and place to be determined by the Steering Committee.
- b. Regular Meetings. Thereafter, the Statewide Committee shall meet at least annually. A schedule of regular meetings may be adopted by the Statewide

Committee at the organizational meeting. A schedule of regular meetings may be changed from time to time as deemed necessary by the Statewide Committee.

- c. Special Meetings. Special meetings of the Statewide Committee may be called by the Chair and must be called by the Chair upon written request of two Statewide Committee members.
- d. Quorum. The Statewide Committee shall not take official action unless a majority of the voting members are present in person or via electronic communication.

ARTICLE IV REQUESTS FOR ASSISTANCE

- A. Party Responsibility. The Parties shall identify an Authorized Official and one or more alternates; provide contact information including 24-hour access; and maintain the resource information required contained in the member information form to be developed by the Statewide Committee. The Parties shall update this information as required by the bylaws.

In the event of an Emergency, a Party's Authorized Official may request Assistance from a Party's Utility. The Authorized Official must specifically state that Assistance is being requested under MnWARN to activate the provisions of this Agreement. Requests for Assistance can be made orally or in writing. When made orally, the request for Assistance shall be prepared in writing as soon as practicable. Requests for Assistance shall be directed to the Authorized Official of a Party. Specific protocols for requesting Assistance shall be established by the Statewide Committee.

- B. Response to a Request for Assistance. After a Party receives a request for Assistance, the Authorized Official should evaluate if resources are available to respond to the request for Assistance. Following the evaluation, the Responding Party's Authorized Official shall inform, as soon as possible, the Receiving Party's Authorized Official if it can provide Assistance. If Assistance is provided, the Responding Party shall inform the Receiving Party about the type of available resources and the approximate arrival time of such resources.
- C. Discretion of Responding Party's Authorized Official. Adoption of this Agreement does not create any duty to provide Assistance. When a Party receives a request for Assistance, the Authorized Official shall have absolute discretion to provide Assistance or to not provide Assistance. A Party's decision to provide Assistance or not provide Assistance shall be final. No Party nor any employee or officer of any Party shall be liable to any other Party or to any person for failure of any Party to furnish Assistance or for recalling Assistance.

ARTICLE V RESPONDING PARTY PERSONNEL

- A. National Incident Management System (NIMS). When providing Assistance under this Agreement, the Requesting Party's Utility and the Responding Party's Utility shall be organized and function under NIMS.
- B. Control. The personnel of a Responding Party providing Assistance shall be under the direction and control of the Receiving Party until the Responding Party's Authorized Official withdraws Assistance. The Receiving Party's Authorized Official shall coordinate response

activities with the Responding Party's Authorized Official. Whenever practical, Responding Party personnel should plan to be self sufficient for up to 72 hours.

- C. Food and Shelter. The Receiving Party shall supply reasonable food and shelter for Responding Party personnel for Assistance that is provided for more than 72 hours. If the Receiving Party is unable to provide food and shelter for a Responding Party's personnel, the Responding Party's Authorized Official or designee is authorized to secure food and shelter for its personnel and shall be entitled to reimbursement for such expenses from the Receiving Party. Reimbursement for food and shelter shall reflect the actual costs incurred by the Responding Party. If receipts are not available, the Responding Party cannot request reimbursement in excess of the State per diem rates for that area.
- D. Communication. The Receiving Party shall provide Responding Party personnel with radio equipment as available, or radio frequency information to program existing radios, in order to facilitate communication among personnel providing Assistance.
- E. Status. Unless otherwise provided by law, the Responding Party's officers and employees retain the same privileges, immunities, rights, duties, and benefits as provided in their respective jurisdictions.
- F. Licenses and Permits. To the extent permitted by law, Responding Party personnel who hold licenses, certificates, or permits evidencing professional, mechanical, or other skills shall be allowed to carry out activities and tasks relevant and related to their respective credentials during the Period of Assistance.
- G. Right to Withdraw. The Responding Party's Authorized Official retains the right to withdraw some or all of its resources at any time. Notice of intention to withdraw must be communicated to the Receiving Party's Authorized Official as soon as possible.

ARTICLE VI COST REIMBURSEMENT

Unless otherwise mutually agreed in whole or in part, the Receiving Party shall reimburse the Responding Party for each of the following categories of costs incurred while providing Assistance during the Period of Assistance.

- A. Personnel. A Responding Party shall be reimbursed for its actual costs paid to personnel providing Assistance during the Period of Assistance. The Responding Party's designated supervisor(s) must keep accurate records of work performed by personnel during the Period of Assistance. Reimbursement to the Responding Party must consider all personnel costs, such as salaries or hourly wages, including overtime, and costs for fringe benefits and indirect costs.
- B. Equipment. The Receiving Party shall reimburse the Responding Party for the use of equipment during a Period of Assistance pursuant to the Responding Party's rate schedule. If the Responding Party does not have a rate schedule, the rates for equipment use must be based on the Federal Emergency Management Agency's (FEMA) Schedule of Equipment Rates. If a Responding Party uses rates different from those in the FEMA Schedule of Equipment Rates, the Responding Party must provide such rates in writing to the Receiving Party prior to supplying Assistance. Reimbursement for equipment not referenced on a Party's rate schedule or the FEMA Schedule of Equipment Rates must be developed based on actual recovery of costs.

- C. Materials and Supplies. The Receiving Party must reimburse the Responding Party in kind or at actual replacement cost, plus handling charges, for use of expendable or non-returnable supplies. The Responding Party must not charge direct fees or rental charges to the Receiving Party for other supplies and reusable items that are returned to the Responding Party in a clean, damage-free condition. Reusable supplies that are returned to the Responding Party with damage must be treated as expendable supplies for purposes of cost reimbursement.
- D. Payment Period. The Responding Party must provide an itemized bill to the Receiving Party for all expenses it incurred as a result of providing Assistance under this Agreement. The Responding Party must send the itemized bill not later than ninety (90) days following the end of the Period of Assistance. The Receiving Party must pay the undisputed portion of the bill in full on or before the forty-fifth (45th) day following the billing date. Unpaid bills become delinquent upon the forty-sixth (46th) day following the billing date, and, once delinquent, the bill accrues interest at the standard rate of interest charged by the Responding Party for unpaid bills. If the Responding Party does not have a standard rate, the interest rate shall be the rate of prime, as reported by the *Wall Street Journal*, plus two percent (2%) per annum. Any undisputed amount must be resolved using the procedures set forth in Article VII.

ARTICLE VII DISPUTES

The Parties agree to act in good faith to undertake resolution of disputes, in an equitable and timely manner and in accordance with the provisions of this Agreement. If disputes cannot be resolved informally by the Parties, the following procedures shall be used:

- A. Mediation. If there is a failure between Parties to resolve a dispute on their own, the Parties shall first attempt to mediate the dispute. The Parties shall agree upon a mediator, or if they cannot agree, the Statewide Committee Chair shall select a mediator. If the Chair of the Statewide Committee, has a conflict of interest, the duty for selecting a mediator shall pass to the Vice-Chair.
- B. Arbitration. If the dispute remains unresolved following mediation, the dispute shall be submitted to arbitration under the Uniform Arbitration Act, Minnesota Statutes, Sections 572.08-.30. If the Parties cannot agree on one or more arbitrators, the arbitrator(s) shall be selected using the same procedure set forth for selecting a mediator. The decision of the majority of the arbitrators shall not be binding upon the Parties. If the arbitration decision is not accepted, the Parties may pursue any other legal remedy to resolve the dispute.

ARTICLE VIII RECEIVING PARTY'S DUTY TO INDEMNIFY

For the purposes Minnesota Municipal Tort Liability Act, Minnesota Statutes, Chapter 466, the employees and officers of the Responding Party are deemed to be employees (as defined in Minnesota Statutes, Section 466.01, subdivision 6) of the Receiving Party.

The Receiving Party shall defend, indemnify and hold harmless, the Responding Party, its officers, employees, volunteers and agents from all claims, loss, damage, injury, and liability of

every kind, nature, and description, directly or indirectly arising from the Responding Party's Assistance during the Period of Assistance. The scope of the Receiving Party's duty to indemnify includes, but is not limited to, suits arising from, or related to, negligent or wrongful use of equipment or supplies on loan to the Receiving Party, or faulty workmanship or other negligent acts, errors, or omissions by the Responding Party personnel. The Receiving Party shall not be required to defend and indemnify the Responding Party for any willful or wanton misconduct of the Responding Party or its officer, employees, volunteers or agents. Under no circumstances, however, shall a party be required to pay on behalf of itself and other parties, any amounts in excess of the limits of liability established in Minnesota Statutes, Chapter 466 applicable to any one party. The intent of this article is to impose on each Receiving Party a limited duty to defend and indemnify a Responding Party for claims arising within the Receiving Party's jurisdiction subject to the limits of liability under Minnesota Statutes, Chapter 466. The purpose of creating this duty to defend and indemnify is to simplify the defense of claims by eliminating conflicts among defendants and to permit liability claims against multiple defendants from a single occurrence to be defended by a single attorney.

The Receiving Party's duty to indemnify is subject to, and shall be applied consistent with, the conditions set forth in Article X.

ARTICLE IX DAMAGE TO EQUIPMENT

Each Party shall be responsible for damages to or loss of its own equipment. Each Party waives the right to sue any other Party for any damages to or loss of its equipment, even if the damages or losses were caused wholly or partially by the negligence of any other Party or its officers, employees, or volunteers.

ARTICLE X WORKERS' COMPENSATION

Each Party shall be responsible for injuries or death of its own personnel. Each Party will maintain workers' compensation insurance or self-insurance coverage, covering its personnel while they are providing Assistance pursuant to this Agreement. Each Party waives the right to sue another Party for any workers' compensation benefits paid to its own personnel while they are providing Assistance pursuant to this Agreement. Each Party waives the right to sue another Party for any workers' compensation benefits paid to its own employee or volunteer or their dependents, even if the injuries were caused wholly or partially by the negligence of another Party or its officers, employees or volunteers.

ARTICLE XI INSURANCE

Parties to this Agreement shall maintain the following liability coverages: (1) commercial general liability; and (2) automobile liability, including owned, hired, and non-owned automobiles. Each policy shall have a limit at least equal to the maximum municipal liability limit in Section 466.04, subd. 1. If the policy contains a general aggregate limit, the general aggregate limit shall not be less than double the maximum municipal liability limit in Section 466.04, subd. 1.

**ARTICLE XII
WITHDRAWAL**

A Party may withdraw from this Agreement by providing written notice of its intent to withdraw to the Statewide Committee Secretary. Withdrawal takes effect 60 days after notice is sent.

**ARTICLE XIII
INTRASTATE AND INTERSTATE MUTUAL AID AND ASSISTANCE PROGRAMS**

To the extent practicable, Parties to this Agreement are encouraged to participate in mutual aid and assistance activities conducted under the State of Minnesota Intrastate Mutual Aid and Assistance Program and the Interstate Emergency Management Assistance Compact (EMAC). Parties may voluntarily agree to participate in an interstate Mutual Aid and Assistance Program for Utilities through this Agreement if such a Program were established.

**ARTICLE XIV
NEW MEMBERS**

Other Governmental Units may be added to this Agreement upon approval of their governing body as evidenced by adoption of the resolution attached as Exhibit I to this Agreement and execution by the Governmental Unit's authorized representatives. A Governmental Unit shall not become a Party to this Agreement until a certified copy of the resolution is received by the Statewide Committee Secretary. The Statewide Committee Secretary shall maintain a master list of all Parties to this Agreement.

**ARTICLE XV
GENERAL PROVISIONS
MODIFICATION**

- A. Modification. No provision of this Agreement may be modified, altered or rescinded by individual parties to the Agreement. Modifications to this Agreement may be due to programmatic operational changes to support the Agreement. Modifications require a simple majority vote of the Parties to this Agreement. The Statewide Committee Secretary shall provide written notice to all Parties of approved modifications to this Agreement. Approved modifications take effect 60 days after the date upon which notice is sent to the Parties.
- B. Signatory Indemnification. In the event of a liability, claim, demand, action or proceeding of whatever kind or nature arising out of a Period of Assistance, the Parties who receive and provide Assistance shall indemnify and hold harmless those Parties whose involvement in the transaction or occurrence that is the subject of such claim, action, demand or other proceeding is limited to execution of this Agreement.
- C. Prohibition on Third Parties and Assignment of Rights/Duties. This Agreement is for the sole benefit of the Parties and no person or entity shall have any rights under this Agreement as a third-party beneficiary. Assignments of benefits and delegations of duties created by this Agreement are prohibited and are without effect.
- D. Notice. A Party who becomes aware of a claim or suit that in any way, directly or indirectly, contingently or otherwise, affects or might affect other Parties to this Agreement shall

provide prompt and timely notice to the Parties who may be affected by the suit or claim. Each Party reserves the right to participate in the defense of such claims or suits as necessary to protect its own interests.

- E. Effective Date. This Agreement shall be effective after approval by the Parties' governing body and execution by the Parties' authorized representatives.
- F. Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Minnesota.
- G. Captions. Article and section headings contained in this Agreement are included for convenience only and form no part of the Agreement among the Parties.
- H. Waivers. The waiver by a Party of any breach or failure to comply with any provision of this Agreement by another Party shall not be construed as, or constitute a continuing waiver of such provision or a waiver of any other breach of or failure to comply with any other provision of this Agreement.
- I. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original, all of which shall constitute but one and the same instrument.
- J. Savings Clause. If any court finds any article, section or portion of this Agreement to be contrary to law or invalid, the remainder of the Agreement will remain in full force and effect.

IN WITNESS WHEREOF, the Parties, by action of their respective governing bodies, caused this Agreement to be approved on the dates below.

City of _____, Minnesota

The City Council of _____, Minnesota duly approved this Agreement on the _____ day of _____, 20__.

By: _____
Its Mayor

And: _____
Its Clerk

EXHIBIT I

RESOLUTION AUTHORIZING GOVERNMENTAL UNIT TO BE A PARTY TO MINNESOTA WATER AGENCY RESPONSE NETWORK (MnWARN)

WHEREAS, Minnesota Statutes, Section 471.59 authorizes governmental units by agreement of their governing bodies to jointly or cooperatively exercise any power common to them;

WHEREAS, MnWARN has been established by the adoption of a Mutual Aid Agreement (the Agreement) among Governmental Units to allow their water, wastewater and storm water utilities to assist each other in case of an emergency;

WHEREAS, the Agreement allows other governmental units to become a party to the Agreement by the adoption of this Resolution and sending notice to the Secretary of the Statewide Committee for MnWARN; and

WHEREAS, the governing body of [name of governmental unit] considers it to be in the best interests of the [City][County][Town] to be a party to the Agreement.

NOW, THEREFORE, BE IT RESOLVED, that [name of governmental unit]:

1. Authorizes [position title of designated employee or official] and [position title of designated employee or official] to sign this resolution evidencing the intent of [name of governmental unit] to be a party to MnWARN; and
2. [Name of designated employee or official] is directed to send a certified copy of this resolution and a completed membership information form to the Secretary of the Statewide Committee of MnWARN; and
3. [Name of political subdivision] agrees to comply with all terms of the Agreement.

IN WITNESS WHEREOF, [name of governmental unit], by action of its governing body, caused this Resolution to be approved on [Month/Date/Year].

By: _____

Its _____

And: _____

Its _____



REQUEST FOR ACTION

Review of Accounts Payable

MEETING DATE:
January 21, 2025

ORIGINATING DEPT:
Rochester Public Utilities

AGENDA SECTION:
Consent Agenda

PRESENTER:
Tim McCollough

Action Requested:

Review the list of consolidated and summarized transactions for 12/10/2024 to 01/09/2025 in the total amount of \$14,499,438.00.

Report Narrative:

Reference the detailed Rochester Public Utilities A/P Board Listing by Dollar Range Report (attached).

Policy Considerations & DEI Impact:

This item is in compliance with Minnesota statute 412.271 requiring all claims to be reviewed by boards and councils.

Fiscal & Resource Impact:

This is for payment of previously approved amounts, through budget or other Board action.

Prepared By:
Erin Henry-Loftus

Attachments:

[AP Board List Current Month](#)

ROCHESTER PUBLIC UTILITIES
A/P Board Listing By Dollar Range
For 12/10/2024 To 01/09/2025
Consolidated & Summarized Below 1,000

Greater than 50,000 :

| | | | |
|----|-------------------------------|---|----------------------|
| 1 | SOUTHERN MN MUNICIPAL POWER A | December SMMPA Bill | 8,242,048.07 |
| 2 | VEIT & CO INC (CONSTRUCTION) | Marion Rd Duct Bank Parks | 841,913.40 |
| 3 | MN DEPT OF REVENUE | November Sales & Use Tax | 773,114.07 |
| 4 | ITRON INC | AMI Professional Services | 511,422.00 |
| 5 | UTIL-ASSIST INC | AMI Systems Integrator | 195,082.61 |
| 6 | L & S ELECTRIC INC (P) | Hydro Controls Project | 183,091.00 |
| 7 | ePLUS GROUP INC. | EMS Smartnet Cisco Hardware and Software | 175,216.03 |
| 8 | CONSTELLATION NEWENERGY-GAS D | November Gas - SLP | 156,574.43 |
| 9 | ITRON INC | 2000EA-Itron, 500W, Gen5 Pit Ert Mod 3-P | 154,000.00 |
| 10 | ITRON INC | 1264EA-Meter, Diehl-Hydrus, V2, 3/4"(57) | 151,882.24 |
| 11 | SAP PUBLIC SERVICES INC | 2025 SAP Enterprise Support | 141,451.29 |
| 12 | EOCENE ENVIRONMENTAL GROUP IN | 2024 Vegetation Program Improvements | 103,838.00 |
| 13 | ASPLUNDH TREE EXPERT LLC (P) | 2024 Hourly Tree Trimming | 88,186.59 |
| 14 | NPL CONSTRUCTION | 2024 Joint Trench Directional Boring | 84,913.77 |
| 15 | HIGH FOREST AUTOMOTIVE EQUIPM | Truck Lift Installation - Fleet Shop | 83,637.41 |
| 16 | ELCOR CONSTRUCTION INC | 7th ST Station Paving Area - 32,000 SF | 79,650.00 |
| 17 | ADVANTAGE DIST LLC (P) | 4540GAL-Oil, Chevron HDAX 5200 SAE 40 Gr | 76,518.01 |
| 18 | MMUA | 2025 MMUA Membership Dues | 75,575.00 |
| 19 | DOBLE ENGINEERING COMPANY (P) | 8EA-CALISTO 2, Model C250 | 66,108.60 |
| 20 | ITRON INC | 480EA-Meter, Diehl-Hydrus, V2, Ultra, 1/2 | 62,668.80 |
| 21 | GRAYBAR ELECTRIC COMPANY INC | 40EA-SL Pole, 30' 9" Mtg Ht | 58,401.42 |
| 22 | THE ENERGY AUTHORITY INC | November Transmission | 58,145.09 |
| 23 | ROCH AREA ECONOMIC DEVELOPMEN | 2025 Investment | 55,697.00 |
| 24 | HYLAND SOFTWARE INC | 2025 Perceptive Software Maintenance | 55,577.97 |
| 25 | N HARRIS COMPUTER CORP | Cayenta AMI Test Environment Phase 1 | 55,019.26 |
| 26 | N HARRIS COMPUTER CORP | 2024-25 SmartWorks Annual Subscription | 52,700.00 |
| 27 | PAYMENTUS CORPORATION | November Electronic Bill Payment Services | 51,820.70 |
| 28 | | | |
| 29 | | Price Range Total: | 12,634,252.76 |
| 30 | | | |

5,000 to 50,000 :

| | | | |
|----|-------------------------------|--|-----------|
| 33 | BURNS & MCDONNELL INC (P) | Peaker Development and Bids | 49,881.83 |
| 34 | WHITLOCK CONSULTING GROUP LLC | AMI & MDM Implementation Services | 44,732.22 |
| 35 | A & A ELECT & UNDERGROUND CON | 2024 Directional Boring | 43,665.00 |
| 36 | DOXIM UTILITEC LLC | December Bill Print/Mail Services | 41,370.23 |
| 37 | CEMSOURCE INC | 1JOB-PLC Programming | 38,510.00 |
| 38 | TRAUT COMPANIES | Well Sealing Services RPU OlmstedCo well | 38,133.50 |
| 39 | HTP ENERGY | 15,000GAL-Fuel Oil, Gas Turbine | 37,528.70 |
| 40 | VESSCO INC | 2EA-Cornell,6X4 Base Elbow | 34,500.00 |
| 41 | MN DEPT OF COMMERCE | Q3 2025 Indirect Assessment | 32,689.04 |
| 42 | DLT SOLUTIONS, LLC | 2025-28 AutoCad Subscription | 32,397.95 |
| 43 | WASHINGTON ENERGY LAW LLP | Legal Services 10/01/24-10/31/24 | 28,939.00 |
| 44 | ELCOR CONSTRUCTION INC | Watermain Reconstruction | 26,558.01 |
| 45 | BELL LUMBER & POLE COMPANY | 15EA-Pole, 50ft, WRC, CL3 | 26,160.00 |
| 46 | PEOPLES ENERGY COOPERATIVE (P | December Compensable | 26,051.32 |
| 47 | N HARRIS COMPUTER CORP | Cayenta AMI Integration-Phase 1 | 24,580.01 |
| 48 | EPLUS TECHNOLOGY INC | Install and Configuration of CISCO | 23,437.50 |

ROCHESTER PUBLIC UTILITIES
A/P Board Listing By Dollar Range
For 12/10/2024 To 01/09/2025
Consolidated & Summarized Below 1,000

| | | | |
|----|-------------------------------|--|-----------|
| 49 | PEOPLES ENERGY COOPERATIVE (P | November Compensable | 23,434.94 |
| 50 | BURNS & MCDONNELL INC (P) | Wind RFI | 23,033.16 |
| 51 | CONSTELLATION NEWENERGY-GAS D | November Gas - WES | 22,818.81 |
| 52 | VALOR MECHANICAL | Well #35 HVAC Improvements | 20,000.00 |
| 53 | USIC HOLDINGS INC | November & December Locating Services | 19,886.97 |
| 54 | SPENCER FANE LLP | Legal Services 2030 Plan | 19,126.00 |
| 55 | ASPLUNDH TREE EXPERT LLC (P) | 2025 Hourly Tree Trimming | 18,634.76 |
| 56 | US BANK-VOYAGER | November Fuel | 18,757.10 |
| 57 | SPENCER FANE LLP | AMI Contract Legal Review | 18,112.00 |
| 58 | US BANK-VOYAGER | December Fuel | 17,022.04 |
| 59 | HAWKINS INC | 2024 Chlorine Gas | 16,619.26 |
| 60 | IRBY UTILITIES dba | 10EA-Metal Sec. Encl,3ph,30" x 67" x 22" | 16,400.00 |
| 61 | GRAYBAR ELECTRIC COMPANY INC | 15EA-Mast Arm, 9' for 2690 | 15,810.82 |
| 62 | BELL LUMBER & POLE COMPANY | 10EA-Pole, 45ft, WRC, CL3 | 15,020.00 |
| 63 | POWER SYSTEMS ENGINEERING INC | Distribution System Planning Study | 14,608.00 |
| 64 | SPARKMETER INC | 35% SetUp/Migration Fees-GridFin & Praxis | 14,568.75 |
| 65 | CITY OF ROCHESTER | Street Opening Repairs | 14,274.08 |
| 66 | RVNA TECHNOLOGIES LLC | November Vena Support Services | 14,017.50 |
| 67 | DAVIES PRINTING COMPANY INC | 2024 Plugged In Printing Services | 13,022.33 |
| 68 | VERIZON WIRELESS | November & December 2024 Cell & iPad Srvcs | 12,994.37 |
| 69 | WILLDAN ENERGY SOLUTIONS INC | Energy Design Assistance Services | 12,852.00 |
| 70 | TOTAL TOOL SUPPLY INC (P) | 1JOB-WES Engine Hall Welding Repair | 12,841.70 |
| 71 | GRAYBAR ELECTRIC COMPANY INC | 2EA-Heater, Engine Enc Heater, GT2 | 12,653.30 |
| 72 | DAVIES PRINTING COMPANY INC | 2025 Plugged In Printing Services | 12,444.53 |
| 73 | KATAMA TECHNOLOGIES INC | AMI CONSULTING | 12,369.03 |
| 74 | CENTURYLINK (P) | 2024 Monthly Telecommunications | 12,347.51 |
| 75 | CONSTELLATION NEWENERGY-GAS D | November Gas - Cascade Creek | 12,080.89 |
| 76 | BELL LUMBER & POLE COMPANY | 10EA-Pole, 40ft, WRC, CL3 | 11,980.00 |
| 77 | KATAMA TECHNOLOGIES INC | Project Managment for AMI and MDM | 11,895.00 |
| 78 | HAWKINS INC | 990GAL-2024 Carus 8500 | 11,827.24 |
| 79 | PDS | Backup & Recovery For Software | 11,487.16 |
| 80 | TESCO - THE EASTERN SPECIALIT | 30000EA-Meter Seal, Green | 11,221.88 |
| 81 | ADVANTAGE DIST LLC (P) | 5196GAL-Urea 32, WES | 11,171.40 |
| 82 | DAKOTA SUPPLY GROUP-ACH | 2000FT-Wire, Copper, 600V, 4/0 Str, XLP | 10,720.00 |
| 83 | BOLTON AND MENK (P) | Water Tower Inspection and Specification | 10,538.10 |
| 84 | BAKER TILLY US, LLP | 2023-2025 Audit Fees | 10,299.40 |
| 85 | COMMERCIAL PROPERTY MANAGEMEN | Customer Refunds 27370 | 9,200.00 |
| 86 | KATS EXCAVATING LLC | Water SA-Service Repair | 9,100.00 |
| 87 | PDS | 2EA-DL380 Gen11 Support | 8,744.83 |
| 88 | N HARRIS COMPUTER CORP | SmartWorks AMI Integration | 8,474.63 |
| 89 | TEST EQUIPMENT DEPOT | 1EA-Power Logger, 3 Phase, Flex Probes, 15 | 8,179.00 |
| 90 | BELL LUMBER & POLE COMPANY | 4EA-Pole, 55ft, WRC, CL3 | 8,120.00 |
| 91 | BADGER METER INC (P) | 47EA-Meter, Bare 1" Badger Disk (DWG) | 8,069.15 |
| 92 | TOTAL TOOL SUPPLY INC (P) | WES Maintenance Shop Runway Repair | 7,976.43 |
| 93 | NALCO COMPANY LLC | 1DRM-Antiscale, PermaTreat, Nalco | 7,569.12 |
| 94 | PDS | 4EA-Intel Xeon Gold 6426Y / 2.5 GHz Proc | 7,450.48 |
| 95 | DOBLE ENGINEERING COMPANY | 8EA-All-metal SS Flex Hose Kits | 7,440.00 |
| 96 | AWWA RESEARCH FOUNDATION | AWWA Utility Membership-2025 | 7,386.00 |
| 97 | WINTHROP & WEINSTINE P.A. | November and December Legal Services | 7,200.00 |
| 98 | TIME CONSULTING LLC | SAP HCM/Payroll Assistance | 7,200.00 |

ROCHESTER PUBLIC UTILITIES
A/P Board Listing By Dollar Range
For 12/10/2024 To 01/09/2025
Consolidated & Summarized Below 1,000

| | | | |
|-----|--------------------------------|---|--------------|
| 99 | BURNS & MCDONNELL INC (P) | Resource Planning | 7,192.94 |
| 100 | PDS | Cloud Storage Svc-Commvault Addn'l Cap | 7,092.23 |
| 101 | SCHWEITZER ENGINEERING LABORA | 24EA-Fault Indicator, Overhead, SEL-AR36 | 6,998.64 |
| 102 | DOBLE ENGINEERING COMPANY (P) | Annual Subscription INSIDEVIEW SaaS Cloud | 6,957.56 |
| 103 | MEGGER (P) | 1EA-1Ã Handheld Turns Ratiometer - 125 | 6,695.00 |
| 104 | ANTHONY BRADLEY COOK | Electrical Testing | 6,671.24 |
| 105 | VISION COMPANIES LLC (P) | Leadership & Cultural Development | 6,667.00 |
| 106 | SOUTHERN MN MUNICIPAL POWER A | December NERC Services-Shawn Timbers | 6,300.00 |
| 107 | VIKING ELECTRIC SUPPLY (P) | 2640FT-Conduit, 3", PVC Sch 40 | 6,251.61 |
| 108 | MCCOLLOUGH TIM | Travel,Green Energy Seminar,Berlin,Germany | 6,129.00 |
| 109 | HTP ENERGY | 1996GAL-Fuel Oil, Gas Turbine | 6,067.84 |
| 110 | WHITE SPACE LLC NEIGHBORLY CR | 2024 Plugged In Design | 6,000.00 |
| 111 | HAWKINS INC | 11723.25LB-2024 Hydrofluosilicic Acid | 5,984.72 |
| 112 | TWIN CITY SECURITY INC | 2024 Security Services | 5,809.72 |
| 113 | HYBRID MECHANICAL (P) | New Water Bypass Installation | 5,780.00 |
| 114 | SCHMIDT GOODMAN OFFICE PRODUC | 1LOT-Cubicle Walls and Furniture | 5,570.60 |
| 115 | BOLTON AND MENK (P) | John Adams (#83) Water Tower Repairs | 5,410.50 |
| 116 | REDS ELECTRIC LLC | Upgrade Metering for 3-Phase/Single Phase | 5,343.75 |
| 117 | GLOBAL RENTAL COMPANY INC | Rental - TDA58 Backyard Aerial Vehicle | 5,343.75 |
| 118 | CORE & MAIN LP (P) | 1EA-Hydrant, 6' 6" | 5,341.79 |
| 119 | POWERS VENTURES LLC | Employee Holiday Luncheon | 5,245.43 |
| 120 | RESCO | 50EA-Crossarm, Wood, 8' HD | 5,138.00 |
| 121 | IHEART MEDIA dba | October Radio Ads-Utility Scams | 5,000.00 |
| 122 | | | |
| 123 | | Price Range Total: | 1,337,125.30 |
| 124 | | | |
| 125 | <u>1,000 to 5,000 :</u> | | |
| 126 | | | |
| 127 | WESCO DISTRIBUTION INC | 1EA-Switch, Air, Unit Top, 3ph, 900A, LB | 4,950.00 |
| 128 | REINHAUSEN MANUFACTURING INC | 1EA-LTC Service Kit,RMV-II-2000 | 4,749.38 |
| 129 | A & A ELECT & UNDERGROUND CON | Extend 4" Conduit | 4,600.17 |
| 130 | WHKS & CO | Booster Station Feasibility Analysis | 4,402.50 |
| 131 | BORENE LAW FIRM P.A. | December Legal Services File 4570 | 4,330.72 |
| 132 | L & S ELECTRIC INC (P) | 2JOB-MA1 480V Aux Breaker, Clean & Test | 4,275.00 |
| 133 | A & A ELECT & UNDERGROUND CON | 2430 Marion Rd SE, OH to UG 5989 | 4,265.00 |
| 134 | DELL MARKETING LP | 10EA-OptiPlex 3000 Thin Client | 4,186.30 |
| 135 | DELL MARKETING LP | 15EA-Dell UltraSharp 27 Monitor - U2724D | 4,031.85 |
| 136 | STOEL RIVES LLP | November GNP-LRTP4 Project Legal Assistance | 3,995.10 |
| 137 | IDEAL SERVICE COMPANY INC | 2024 VFD maintenance | 3,990.00 |
| 138 | CONSOLIDATED COMMUNICATIONS d | December Network and Co-Location Services | 3,898.04 |
| 139 | REDS ELECTRIC LLC | Re-Wire Service on Pole for Metering | 3,886.62 |
| 140 | DAKOTA SUPPLY GROUP-ACH | 6300FT-Wire, Copper, #6 SD Solid, Bare | 3,763.87 |
| 141 | CISCO SYSTEMS INC | 1EA-RMA# 803779250 | 3,746.39 |
| 142 | WESCO DISTRIBUTION INC | 35EA-Term, No Skirts 15kv, 500-750 MCM, | 3,710.00 |
| 143 | DAKOTA SUPPLY GROUP-ACH | 220GAL-Cable Pulling Lube | 3,668.32 |
| 144 | MINNESOTA ENERGY RESOURCES CO | November Gas - SLP | 3,606.50 |
| 145 | QUANTITATIVE MARKET INTELLIGE | 2024 Qtly Customer Satisfaction Survey | 3,526.88 |
| 146 | NARDINI FIRE EQUIPMENT CO INC | CCT-Fire Alarm/Supp. Inspect. Srvs. | 3,526.88 |
| 147 | TECH SAFETY LINES | 3EA-Kit, Self Rescue, 65' Line | 3,459.54 |
| 148 | PDS | 6EA-HPE 1.92TB SATA RI SFF BC MV SSD | 3,433.98 |

ROCHESTER PUBLIC UTILITIES
A/P Board Listing By Dollar Range
For 12/10/2024 To 01/09/2025
Consolidated & Summarized Below 1,000

| | | | |
|-----|-------------------------------|---|----------|
| 149 | PDS | 2EA-HPE DL380 Gen11 8SFF NC CTO Svr | 3,361.40 |
| 150 | LRS OF MINNESOTA LLC | 2025 Waste Removal (SC) | 3,253.98 |
| 151 | MINNESOTA ENERGY RESOURCES CO | November Gas - WES | 3,229.78 |
| 152 | WESCO DISTRIBUTION INC | 10EA-Grd Sleeve,3ph Encl,18" x 67" x 23" | 3,218.20 |
| 153 | US BANK PURCHASING CARD | Travel,Priyanka V,Perceptive Class-Registration | 3,200.00 |
| 154 | AMERICAN BUSINESS FORMS INC | Hard Hat Stress Reliever,Caribiner Giveaway | 3,158.16 |
| 155 | STELLAR INDUSTRIAL SUPPLY INC | 50EA-Face Mask, Balaclava, AR-3- Winter | 3,061.97 |
| 156 | METRO SALES INC | 2022-2027 Multifunction Devices | 3,058.17 |
| 157 | DELL MARKETING LP | 2EA-Dell, Laptop, Latitude 5550 | 3,037.11 |
| 158 | VIKING ELECTRIC SUPPLY (P) | 880FT-Conduit, 4", PVC Sch 40 | 2,873.36 |
| 159 | SCHMIDT GOODMAN OFFICE PRODUC | GM Office Shelving | 2,844.94 |
| 160 | MIDCONTINENT ISO INC | December MISO Fees | 2,750.93 |
| 161 | US BANK PURCHASING CARD | Microsoft Subscription-Server Management | 2,734.50 |
| 162 | GRAYBAR ELECTRIC COMPANY INC | 6ROL-Pole Wrap, Animal Guard, 30" x 100' | 2,717.17 |
| 163 | BOLTON AND MENK (P) | TMOB TWR#83 Decomissioning Services | 2,705.00 |
| 164 | US BANK PURCHASING CARD | LCD Panel | 2,703.61 |
| 165 | VIKING ELECTRIC SUPPLY (P) | 580FT-Conduit, 5", PVC Sch 40, 10' | 2,674.88 |
| 166 | BARR ENGINEERING COMPANY (P) | General Groundwater Consulting Services | 2,628.00 |
| 167 | DM CREATIVE LLC | Videos-Posted-Unlimited Video Review Lin | 2,615.00 |
| 168 | MINNESOTA ENERGY RESOURCES CO | WES Bldg Heat | 2,599.94 |
| 169 | MITSUBISHI POWER AERO LLC (P) | 1EA-Brake Kit, Actuator,PTTB Valve,G2 | 2,498.74 |
| 170 | ARCHKEY TECHNOLOGIES dba | Camera replacement-Silver Lake Dam | 2,489.12 |
| 171 | IRBY UTILITIES dba | 40EA-U-Guard, 3" Steel Boot | 2,458.13 |
| 172 | ON SITE SANITATION INC | 2024 Toilet Rental Services | 2,436.76 |
| 173 | IRBY UTILITIES dba | 48KIT-Repair Kit, Pedestal, 6" X 9" | 2,397.60 |
| 174 | SOMA CONSTRUCTION INC | Rock for Watermain Break | 2,368.07 |
| 175 | BORENE LAW FIRM P.A. | November Legal Services File 4570 | 2,341.60 |
| 176 | EXPRESS SERVICES INC | 2024/2025 Temp Staff Marketing | 2,198.89 |
| 177 | NEW LINE MECHANICAL (P) | RPZ Annual Inspections | 2,196.28 |
| 178 | PDS | 8EA-HPE 32GB 2Rx8 PC5-4800B-R Smart Kit | 2,172.80 |
| 179 | DAKOTA SUPPLY GROUP-ACH | 880FT-Conduit, 3", PVC Sch 40 | 2,128.81 |
| 180 | VERIZON CONNECT NWF INC | December 2024 Monthly Charge - GPS Fleet Trac | 2,117.14 |
| 181 | BREHM JERRY G | CIP-AirSrc Heat Pumps-Incentives/Rebates | 2,080.00 |
| 182 | MISSISSIPPI WELDERS SUPPLY CO | Various Gasses Cascade Creek | 2,076.27 |
| 183 | WILHELM MIKE | CIP-AirSrc Heat Pumps-Incentives/Rebates | 2,068.00 |
| 184 | APPLIED AIR SYSTEMS INC | Air Compressor Repair | 2,067.37 |
| 185 | JONES DOUGLAS | CIP-AirSrc Heat Pumps-Incentives/Rebates | 2,038.00 |
| 186 | CARLSON-VAGT HEATHER A | CIP-AirSrc Heat Pumps-Incentives/Rebates | 2,028.00 |
| 187 | CUMMINS MELISSA J | CIP-AirSrc Heat Pumps-Incentives/Rebates | 2,027.00 |
| 188 | BACON MICHAEL N | CIP-AirSrc Heat Pumps-Incentives/Rebates | 2,027.00 |
| 189 | THOMPSON GARAGE DOOR CO INC | Overhead Door Repair | 2,026.14 |
| 190 | KENISON JAMES | CIP-AirSrc Heat Pumps-Incentives/Rebates | 2,022.00 |
| 191 | YOUNGER TIM P | CIP-AirSrc Heat Pumps-Incentives/Rebates | 2,022.00 |
| 192 | VUE PHENG | CIP-AirSrc Heat Pumps-Incentives/Rebates | 2,013.00 |
| 193 | BOLTON AND MENK (P) | TMOB Airport Anchor | 2,010.00 |
| 194 | BOOTH JAMES | CIP-AirSrc Heat Pumps-Incentives/Rebates | 2,008.00 |
| 195 | DING DONGLIN | CIP-AirSrc Heat Pumps-Incentives/Rebates | 2,008.00 |
| 196 | MCMANIMON DONALD K | CIP-AirSrc Heat Pumps-Incentives/Rebates | 2,008.00 |
| 197 | UNITED STATES POST OFFICE (US | Annual Caller Box Fee #4011 | 1,980.00 |
| 198 | RESCO | 17EA-Conn, Trans, 1/0-1000, 6-Tap, Bare | 1,956.87 |

ROCHESTER PUBLIC UTILITIES
A/P Board Listing By Dollar Range
For 12/10/2024 To 01/09/2025
Consolidated & Summarized Below 1,000

| | | | |
|-----|-------------------------------|--|----------|
| 199 | BORDER STATES ELECTRIC SUPPLY | 20EA-Marker, Locate, Fiber Orange 66" | 1,862.62 |
| 200 | VAN METER INC dba | WTB RO PLC HMI | 1,859.49 |
| 201 | PDS | 2EA-HPE MR416i-p Gen11 SPDM Storage Cntl | 1,849.10 |
| 202 | ULINE | 1EA-IBC Tank Heater, 275Gal | 1,843.59 |
| 203 | ITRON INC | 12EA-Meter,Test,Gen 5,12S,CL200,120V | 1,828.68 |
| 204 | NARDINI FIRE EQUIPMENT CO INC | SLP- Fire Alarm/Supp. Inspect. Srvs. | 1,827.56 |
| 205 | STELLAR INDUSTRIAL SUPPLY INC | 50EA-Cap, AR-3, Beanie, Med - Weight | 1,819.55 |
| 206 | STELLAR INDUSTRIAL SUPPLY INC | 50EA-Cap, AR-4, Beanie, Light - Weight | 1,819.55 |
| 207 | ITRON INC | 12EA-Meter,Test,Gen 5,2S,CL320,240V | 1,795.20 |
| 208 | ITRON INC | 12EA-Meter, Gen 5, 2S, CL320, 240V | 1,795.20 |
| 209 | BORDER STATES ELECTRIC SUPPLY | 40EA-Elbow, 15kV, 200A, LB,1/0 Sol,175-2 | 1,761.20 |
| 210 | ONLINE INFORMATION SERVICES I | December 2024 Utility Exchange Report | 1,753.83 |
| 211 | STELLAR INDUSTRIAL SUPPLY INC | 48EA-Cap, Beanie Style Stocking Cap, FR | 1,751.38 |
| 212 | FLOURISH CONSULTING LLC | Consulting Srvs-Employee Development | 1,750.00 |
| 213 | POLLARDWATER dba | 3EA-Valve, Fluoride & Diaphragm Kit | 1,731.00 |
| 214 | VAN METER INC dba | WTB RO PLC | 1,727.15 |
| 215 | CITY OF ROCHESTER | Road Salt - 2024 | 1,716.00 |
| 216 | SORENSEN & SORENSEN PAINTING | Northern - NHS | 1,710.00 |
| 217 | ADVANTAGE DIST LLC (P) | 55GAL-Oil, DTE Heavy Med. (55 Gal Drum) | 1,702.31 |
| 218 | RLH INDUSTRIES INC | 3EA-PSC-D-75-24-UPS4-1 | 1,680.00 |
| 219 | MAILE ENTERPRISES INC | 60EA-Flag, Hydrant - 2-1/2" Loop | 1,650.00 |
| 220 | BAKER TILLY US, LLP | GASB 96 Post-Adoption Support | 1,625.00 |
| 221 | ITRON INC | 12EA-Meter,Test,Gen 5,2S,CL200,240V | 1,605.84 |
| 222 | ITRON INC | 12EA-Meter,Test,Gen 5,1S,CL200,120V | 1,605.84 |
| 223 | SECURITYMETRICS INC. | Quarterly Renewal | 1,603.11 |
| 224 | CHS ROCHESTER | Hydro Heat LP Gas | 1,549.07 |
| 225 | PDS | 2024 Technical Support Services | 1,537.50 |
| 226 | STELLAR INDUSTRIAL SUPPLY INC | 2EA-Harness, X-Style Full Body, XL | 1,531.82 |
| 227 | GRAINGER INC | 10EA-Valve,Solenoid,REDHAT,2 way 110VAC | 1,495.80 |
| 228 | US BANK PURCHASING CARD | Travel,Jerrold K,Electrical Safety,CA-Registration | 1,477.00 |
| 229 | CORE & MAIN LP (P) | 20EA-Riser, Slip Type (Rite Hite) | 1,424.80 |
| 230 | RENTAL DEPOT INC | Employee Event | 1,417.70 |
| 231 | BORDER STATES ELECTRIC SUPPLY | Misc Lighting & Electrical Materials | 1,383.90 |
| 232 | CORE & MAIN LP (P) | 50EA-Riser, 2-1/4" Slip Type (65-A) | 1,375.00 |
| 233 | SCHMIDT GOODMAN OFFICE PRODUC | File Cabinets | 1,366.09 |
| 234 | UTIL-ASSIST INC | AMI Contract Negotiation SOW | 1,358.00 |
| 235 | WESCO DISTRIBUTION INC | 25EA-Arrester, 10kV, Dist, Riser MOV | 1,347.50 |
| 236 | ARNOLDS A KLEEN-TECH COMPANY | 10CAS-Bonded Wipers (SC) | 1,335.94 |
| 237 | STELLAR INDUSTRIAL SUPPLY INC | 24EA-Vest, FR, Mesh, Lime, XL | 1,314.00 |
| 238 | BLUEBEAM INC | 2024 NEW AECO Licenses (7) | 1,301.74 |
| 239 | GRAINGER INC | 3EA-Container,Flammable,Defender,Metal | 1,285.32 |
| 240 | WESCO DISTRIBUTION INC | 20EA-Anchor, 14" Power Screw | 1,270.00 |
| 241 | OPEN ACCESS TECHNOLOGY | January 2025-Tag Agent,webSmartTag | 1,241.31 |
| 242 | GDS ASSOCIATES INC | Prof Srvs 10/26-11/29/24 FERC Incentive | 1,223.75 |
| 243 | WESCO DISTRIBUTION INC | 50EA-Cable Support Grip, 1"-1.24" Tinned | 1,218.00 |
| 244 | DELL MARKETING LP | 6EA-Monitor, Computer, 27", Dell QHD | 1,207.54 |
| 245 | VIKING ELECTRIC SUPPLY (P) | Well 36 VFD Project | 1,201.92 |
| 246 | BORDER STATES ELECTRIC SUPPLY | 300EA-Conn, CRP SL, #4-2/0 CU only | 1,200.00 |
| 247 | SHERWIN WILLIAMS CO #3526 | Paint for Hoist Addition | 1,198.80 |
| 248 | CORE & MAIN LP (P) | 6EA-Repair Clamp, 8" x 12"LL, DI | 1,193.28 |

ROCHESTER PUBLIC UTILITIES
A/P Board Listing By Dollar Range
For 12/10/2024 To 01/09/2025
Consolidated & Summarized Below 1,000

| | | | |
|-----|-------------------------------|--|------------|
| 249 | FERGUSON ENTERPRISES | 6EA-Gasket, 2" HT Flex, G2, CBS | 1,176.00 |
| 250 | PREMIER ELECTRICAL CORP dba | Added Outlets | 1,173.49 |
| 251 | US BANK PURCHASING CARD | Travel,Adam H,AMMP-Flight | 1,139.40 |
| 252 | WIRKUS MIKE | Travel,Doble,Morrisville,NC-Lodging | 1,129.70 |
| 253 | LAACK JOSHUA | CIP-AirSrc Heat Pumps-Incentives/Rebates | 1,129.00 |
| 254 | NFRONT CONSULTING LLC | Task Order 8 - MISO Forecast | 1,125.00 |
| 255 | PODEINS POWER EQUIPMENT (P) | Winshield Kit | 1,120.04 |
| 256 | DAKOTA SUPPLY GROUP-ACH | 100FT-Copper Tubing, K, 1.00, 100/rl | 1,102.98 |
| 257 | READY MIX CONCRETE COMPANY LL | Concrete for Temp Patch | 1,100.75 |
| 258 | SPECTRUM PRO-AUDIO dba | AV Reinforcement | 1,100.00 |
| 259 | ARNOLDS A KLEEN-TECH COMPANY | 10CAS-Towel, Hand Towels, Roller, (SC) | 1,100.00 |
| 260 | KEY BUILDERS INC | Garage Doors for SLP Building | 1,084.00 |
| 261 | STELLAR INDUSTRIAL SUPPLY INC | 8EA-Sweatshirt, Lined, Hi-Vis, Hooded (W | 1,071.92 |
| 262 | HENGEL DAVID | Customer refunds 27389 | 1,071.80 |
| 263 | KENNEDY & GRAVEN CHARTERED | November Legal Services | 1,035.00 |
| 264 | MIRATECH GROUP LLC | 10EA-Pump Heads, New Style, Condensate | 1,018.95 |
| 265 | CUSTOM COMMUNICATIONS INC | Fire Alarm Repair | 1,017.50 |
| 266 | DAKOTA SUPPLY GROUP-ACH | 24EA-Filter, 12 X 24 X 4, AHU WES | 1,011.38 |
| 267 | TOP SHOP OF ROCH INC | Workstation Counter | 1,008.77 |
| 268 | READY MIX CONCRETE COMPANY LL | Temp Concrete for Watermain Break | 1,006.50 |
| 269 | US BANK PURCHASING CARD | Leadership Journey | 1,003.29 |
| 270 | US BANK PURCHASING CARD | Willow/Bear Creek Permit Fee | 1,000.00 |
| 271 | US BANK PURCHASING CARD | Bear Creek Permit Fee | 1,000.00 |
| 272 | | | |
| 273 | | Price Range Total: | 312,553.18 |
| 274 | | | |
| 275 | <u>0 to 1,000 :</u> | | |
| 276 | | | |
| 277 | US BANK PURCHASING CARD | Summarized transactions: 75 | 12,432.56 |
| 278 | CUSTOMER REFUNDS (CIS) | Summarized transactions: 106 | 10,919.57 |
| 279 | FIRST CLASS PLUMBING & HEATIN | Summarized transactions: 19 | 9,136.72 |
| 280 | BORDER STATES ELECTRIC SUPPLY | Summarized transactions: 32 | 8,584.35 |
| 281 | IRBY UTILITIES dba | Summarized transactions: 41 | 7,327.14 |
| 282 | VIKING ELECTRIC SUPPLY (P) | Summarized transactions: 103 | 6,097.34 |
| 283 | AMARIL UNIFORM COMPANY | Summarized transactions: 40 | 6,056.99 |
| 284 | REBATES | Summarized transactions: 31 | 5,761.22 |
| 285 | PDS | Summarized transactions: 39 | 5,684.21 |
| 286 | DAKOTA SUPPLY GROUP-ACH | Summarized transactions: 43 | 5,476.79 |
| 287 | CITY LAUNDERING COMPANY | Summarized transactions: 25 | 5,469.57 |
| 288 | WESCO DISTRIBUTION INC | Summarized transactions: 11 | 3,609.63 |
| 289 | LAWSON PRODUCTS INC (P) | Summarized transactions: 21 | 3,582.61 |
| 290 | BOLTON AND MENK (P) | Summarized transactions: 6 | 3,273.90 |
| 291 | CRESCENT ELECTRIC SUPPLY CO | Summarized transactions: 36 | 3,205.17 |
| 292 | READY MIX CONCRETE COMPANY LL | Summarized transactions: 4 | 3,095.75 |
| 293 | CORE & MAIN LP (P) | Summarized transactions: 7 | 3,070.06 |
| 294 | HAWKINS INC | Summarized transactions: 11 | 3,044.37 |
| 295 | DAVIES PRINTING COMPANY INC | Summarized transactions: 10 | 3,001.03 |
| 296 | VIKING ELECTRIC SUPPLY (P) | Summarized transactions: 20 | 2,346.61 |
| 297 | CENTURYLINK (P) | Summarized transactions: 6 | 2,326.35 |
| 298 | CORPORATE WEB SERVICES INC | Summarized transactions: 4 | 2,313.17 |

ROCHESTER PUBLIC UTILITIES
A/P Board Listing By Dollar Range
For 12/10/2024 To 01/09/2025
Consolidated & Summarized Below 1,000

| | | | |
|-----|-------------------------------|-----------------------------|----------|
| 299 | RESCO | Summarized transactions: 11 | 2,240.81 |
| 300 | EXPRESS SERVICES INC | Summarized transactions: 3 | 2,105.86 |
| 301 | TWIN CITY SECURITY INC | Summarized transactions: 3 | 2,050.72 |
| 302 | STELLAR INDUSTRIAL SUPPLY INC | Summarized transactions: 29 | 2,042.49 |
| 303 | SAP PUBLIC SERVICES INC | Summarized transactions: 4 | 2,017.06 |
| 304 | DOBLE ENGINEERING COMPANY (P) | Summarized transactions: 4 | 1,892.66 |
| 305 | MINNESOTA ENERGY RESOURCES CO | Summarized transactions: 5 | 1,886.79 |
| 306 | NALCO COMPANY LLC | Summarized transactions: 13 | 1,876.19 |
| 307 | CITY OF ROCHESTER | Summarized transactions: 5 | 1,848.82 |
| 308 | AIRGAS SAFETY INC | Summarized transactions: 12 | 1,773.38 |
| 309 | NETWORK SERVICES COMPANY | Summarized transactions: 5 | 1,748.97 |
| 310 | INNOVATIVE OFFICE SOLUTIONS L | Summarized transactions: 17 | 1,687.10 |
| 311 | ITRON INC | Summarized transactions: 8 | 1,618.70 |
| 312 | MCCOLLOUGH TIM | Summarized transactions: 7 | 1,533.80 |
| 313 | MENARDS ROCHESTER NORTH | Summarized transactions: 11 | 1,421.03 |
| 314 | MIRATECH GROUP LLC | Summarized transactions: 6 | 1,420.86 |
| 315 | WARNING LITES OF MN INC (P) | Summarized transactions: 4 | 1,416.09 |
| 316 | NORTH CENTRAL INTERNATIONAL L | Summarized transactions: 2 | 1,415.82 |
| 317 | ARCHKEY TECHNOLOGIES dba | Summarized transactions: 5 | 1,409.68 |
| 318 | G A ERNST & ASSOCIATES INC | Summarized transactions: 3 | 1,406.25 |
| 319 | WARTSILA NORTH AMERICA | Summarized transactions: 6 | 1,391.40 |
| 320 | GARCIA GRAPHICS INC | Summarized transactions: 7 | 1,388.00 |
| 321 | ARNOLDS A KLEEN-TECH COMPANY | Summarized transactions: 29 | 1,352.14 |
| 322 | ULINE | Summarized transactions: 10 | 1,277.41 |
| 323 | STELLAR INDUSTRIAL SUPPLY INC | Summarized transactions: 8 | 1,176.38 |
| 324 | UNITED RENTALS INC | Summarized transactions: 2 | 1,156.69 |
| 325 | MINNESOTA POWER AERO LLC (P) | Summarized transactions: 5 | 1,147.83 |
| 326 | BOWMANS DOOR SOLUTIONS | Summarized transactions: 3 | 1,140.50 |
| 327 | ERC WIPING PRODUCTS INC | Summarized transactions: 3 | 1,089.31 |
| 328 | GRAYBAR ELECTRIC COMPANY INC | Summarized transactions: 5 | 1,048.24 |
| 329 | CITY LAUNDERING COMPANY | Summarized transactions: 5 | 1,037.85 |
| 330 | HACH COMPANY | Summarized transactions: 5 | 1,025.78 |
| 331 | GDS ASSOCIATES INC | Summarized transactions: 1 | 997.50 |
| 332 | GEARGRID LLC | Summarized transactions: 6 | 993.94 |
| 333 | TOTAL TOOL SUPPLY INC (P) | Summarized transactions: 5 | 934.50 |
| 334 | BLUEBEAM INC | Summarized transactions: 1 | 916.65 |
| 335 | VIOLA NURSERY & GREENHOUSE | Summarized transactions: 1 | 897.75 |
| 336 | SHERWIN WILLIAMS CO #3526 | Summarized transactions: 3 | 894.31 |
| 337 | ROCHESTER CHEVROLET CADILLAC | Summarized transactions: 1 | 893.68 |
| 338 | N HARRIS COMPUTER CORP | Summarized transactions: 8 | 887.88 |
| 339 | THE ENERGY AUTHORITY INC | Summarized transactions: 1 | 887.32 |
| 340 | NAPA AUTO PARTS dba | Summarized transactions: 11 | 871.51 |
| 341 | MISSISSIPPI WELDERS SUPPLY CO | Summarized transactions: 10 | 867.06 |
| 342 | SIEMENS INDUSTRY INC (P) | Summarized transactions: 2 | 865.79 |
| 343 | ADVANTAGE DIST LLC (P) | Summarized transactions: 2 | 860.34 |
| 344 | AT&T | Summarized transactions: 1 | 842.95 |
| 345 | CUSTOM COMMUNICATIONS INC | Summarized transactions: 2 | 831.29 |
| 346 | BARR ENGINEERING COMPANY (P) | Summarized transactions: 1 | 828.00 |
| 347 | UTIL-ASSIST INC | Summarized transactions: 1 | 826.43 |
| 348 | LRS OF MINNESOTA LLC | Summarized transactions: 2 | 819.89 |

ROCHESTER PUBLIC UTILITIES
A/P Board Listing By Dollar Range
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| | | | |
|-----|-------------------------------|-----------------------------|--------|
| 349 | RONCO ENGINEERING SALES INC | Summarized transactions: 5 | 804.14 |
| 350 | BRAUN INTERTEC CORPORATION | Summarized transactions: 1 | 750.00 |
| 351 | SCHUMACHER ELEVATOR COMPANY | Summarized transactions: 1 | 737.93 |
| 352 | PEOPLES ENERGY COOPERATIVE | Summarized transactions: 3 | 734.54 |
| 353 | HOVDEN ADAM | Summarized transactions: 3 | 733.77 |
| 354 | RONCO ENGINEERING SALES INC | Summarized transactions: 5 | 721.58 |
| 355 | CENTURYLINK | Summarized transactions: 1 | 718.08 |
| 356 | DELL MARKETING LP | Summarized transactions: 6 | 708.91 |
| 357 | DIGIKEY CORPORATION | Summarized transactions: 4 | 691.58 |
| 358 | KFI ENGINEERS | Summarized transactions: 1 | 687.00 |
| 359 | VEIT DISPOSAL SYSTEMS dba | Summarized transactions: 1 | 673.31 |
| 360 | B & H PHOTO | Summarized transactions: 3 | 661.21 |
| 361 | GRAINGER INC | Summarized transactions: 1 | 636.76 |
| 362 | ROBERTSON ASSET GROUP | Summarized transactions: 4 | 624.32 |
| 363 | WIRKUS MIKE | Summarized transactions: 3 | 606.98 |
| 364 | NORTHERN / BLUETARP FINANCIAL | Summarized transactions: 13 | 602.78 |
| 365 | MCMASTER CARR SUPPLY COMPANY | Summarized transactions: 7 | 602.33 |
| 366 | HIGHUM JODY | Summarized transactions: 1 | 595.00 |
| 367 | ITRON INC | Summarized transactions: 1 | 585.64 |
| 368 | CLARK CONCRETE INC | Summarized transactions: 1 | 575.00 |
| 369 | GRAINGER INC | Summarized transactions: 6 | 562.71 |
| 370 | TEST EQUIPMENT DEPOT | Summarized transactions: 1 | 562.31 |
| 371 | OSI - OPEN SYSTEMS INTERNATIO | Summarized transactions: 2 | 557.56 |
| 372 | MEGGER (P) | Summarized transactions: 2 | 531.99 |
| 373 | DOBLE ENGINEERING COMPANY | Summarized transactions: 5 | 511.50 |
| 374 | EAGLE EYE POWER SOLUTIONS LLC | Summarized transactions: 3 | 507.10 |
| 375 | TREICHEL MATTHEW | Summarized transactions: 1 | 475.00 |
| 376 | CONLIN THOMAS | Summarized transactions: 2 | 468.00 |
| 377 | USA BLUE BOOK dba | Summarized transactions: 2 | 450.38 |
| 378 | FRONTIER PRECISION INC | Summarized transactions: 1 | 450.00 |
| 379 | VISION METERING LLC | Summarized transactions: 2 | 448.88 |
| 380 | VAN METER INC dba | Summarized transactions: 11 | 444.74 |
| 381 | TESCO - THE EASTERN SPECIALIT | Summarized transactions: 1 | 426.05 |
| 382 | PEOPLES ENERGY COOPERATIVE | Summarized transactions: 2 | 419.49 |
| 383 | PROTECH SKILLS INSTITUTE | Summarized transactions: 2 | 415.80 |
| 384 | O'REILLY AUTO PARTS | Summarized transactions: 12 | 413.56 |
| 385 | GOPHER STATE ONE CALL | Summarized transactions: 1 | 407.70 |
| 386 | CITY OF ROCHESTER | Summarized transactions: 3 | 383.74 |
| 387 | J & W INSTRUMENTS INC (P) | Summarized transactions: 5 | 364.68 |
| 388 | CDW GOVERNMENT INC | Summarized transactions: 2 | 341.62 |
| 389 | NUVERA | Summarized transactions: 1 | 329.16 |
| 390 | WATER SYSTEMS COMPANY | Summarized transactions: 4 | 319.80 |
| 391 | SMART ENERGY SYSTEMS LLC | Summarized transactions: 1 | 300.00 |
| 392 | INSPEC INC. | Summarized transactions: 1 | 300.00 |
| 393 | MENARDS ROCHESTER SOUTH | Summarized transactions: 3 | 298.99 |
| 394 | SCHMIDT GOODMAN OFFICE PRODUC | Summarized transactions: 1 | 293.91 |
| 395 | MSC INDUSTRIAL SUPPLY CO INC | Summarized transactions: 6 | 276.57 |
| 396 | CISCO SYSTEMS INC | Summarized transactions: 1 | 257.56 |
| 397 | TEREX UTILITIES INC | Summarized transactions: 2 | 256.65 |
| 398 | SCHUMACHER EXCAVATING INC. | Summarized transactions: 2 | 256.50 |

ROCHESTER PUBLIC UTILITIES
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| | | | |
|-----|-------------------------------|-----------------------------|--------|
| 399 | VANCO SERVICES LLC | Summarized transactions: 1 | 242.76 |
| 400 | ROCH PLUMBING & HEATING CO IN | Summarized transactions: 1 | 230.52 |
| 401 | AMERICAN BUSINESS FORMS INC | Summarized transactions: 2 | 225.89 |
| 402 | KAMAN INDUSTRIAL TECHNOLOGIES | Summarized transactions: 5 | 225.17 |
| 403 | REINHAUSEN MANUFACTURING INC | Summarized transactions: 1 | 214.14 |
| 404 | GOPHER SEPTIC SERVICE INC | Summarized transactions: 1 | 213.75 |
| 405 | FASTENAL COMPANY | Summarized transactions: 6 | 213.00 |
| 406 | JOHN HENRY FOSTER MN INC (P) | Summarized transactions: 5 | 211.51 |
| 407 | INSPEC INC. | Summarized transactions: 1 | 200.00 |
| 408 | RISCO PRODUCTS INC | Summarized transactions: 3 | 199.48 |
| 409 | MAILE ENTERPRISES INC | Summarized transactions: 1 | 197.64 |
| 410 | FEDEX SHIPPING | Summarized transactions: 12 | 195.16 |
| 411 | REBATES | Summarized transactions: 3 | 192.98 |
| 412 | ULTEIG OPERATIONS LLC | Summarized transactions: 1 | 190.00 |
| 413 | FARRISH JOHNSON LAW OFFICE CH | Summarized transactions: 1 | 187.00 |
| 414 | PAAPE ENERGY SERVICE INC | Summarized transactions: 1 | 180.00 |
| 415 | RLH INDUSTRIES INC | Summarized transactions: 2 | 177.49 |
| 416 | NORTHERN / BLUETARP FINANCIAL | Summarized transactions: 3 | 175.93 |
| 417 | POLLARDWATER dba | Summarized transactions: 2 | 168.13 |
| 418 | STAR ENERGY SERVICES LLC | Summarized transactions: 1 | 166.00 |
| 419 | NEUBAUER WADE | Summarized transactions: 1 | 165.00 |
| 420 | CHARTER COMMUNICATIONS | Summarized transactions: 1 | 164.43 |
| 421 | HOGAN PETER | Summarized transactions: 1 | 159.65 |
| 422 | NICKELS SCOTT | Summarized transactions: 1 | 159.19 |
| 423 | ALTEC INDUSTRIES INC | Summarized transactions: 3 | 158.91 |
| 424 | SORENSEN & SORENSEN PAINTING | Summarized transactions: 1 | 156.04 |
| 425 | EARLS SMALL ENGINE REPAIR INC | Summarized transactions: 3 | 148.11 |
| 426 | BARRY SCREEN PRINT CO dba | Summarized transactions: 2 | 148.03 |
| 427 | FERGUSON ENTERPRISES | Summarized transactions: 3 | 144.75 |
| 428 | SANCO ENTERPRISES | Summarized transactions: 2 | 144.55 |
| 429 | C & D OIL SERVICES OF WASECA | Summarized transactions: 1 | 140.00 |
| 430 | HTP ENERGY | Summarized transactions: 3 | 139.22 |
| 431 | MENARDS ROCHESTER NORTH | Summarized transactions: 2 | 136.99 |
| 432 | JOHNS AUTO ELECTRIC dba | Summarized transactions: 1 | 135.00 |
| 433 | KELLER TOM A JR | Summarized transactions: 1 | 131.21 |
| 434 | VERIFIED CREDENTIALS, LLC | Summarized transactions: 1 | 129.00 |
| 435 | PROLINE DISTRIBUTORS | Summarized transactions: 2 | 125.91 |
| 436 | BOB THE BUG MAN LLC | Summarized transactions: 2 | 118.94 |
| 437 | STILLER NEIL | Summarized transactions: 1 | 111.00 |
| 438 | STRUVES PAINT & DECORATING (P | Summarized transactions: 3 | 110.51 |
| 439 | MENARDS ROCHESTER SOUTH | Summarized transactions: 2 | 108.86 |
| 440 | FLEETPRIDE INC | Summarized transactions: 2 | 99.76 |
| 441 | MCFARLAND JESSE | Summarized transactions: 1 | 96.82 |
| 442 | BECK MICHAEL | Summarized transactions: 1 | 93.00 |
| 443 | KRANZ JEFFREY A | Summarized transactions: 1 | 93.00 |
| 444 | HALL SHAUN | Summarized transactions: 1 | 93.00 |
| 445 | PROPERTY RECORDS OLMSTED COUN | Summarized transactions: 2 | 92.00 |
| 446 | SLEEPY EYE TELEPHONE CO | Summarized transactions: 1 | 90.59 |
| 447 | BAUER BUILT INC (P) | Summarized transactions: 2 | 85.65 |
| 448 | INGRAM PRODUCTS INC | Summarized transactions: 3 | 83.82 |

ROCHESTER PUBLIC UTILITIES
A/P Board Listing By Dollar Range
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| | | | |
|-----|-------------------------------|----------------------------|-------|
| 449 | DAKOTA SUPPLY GROUP-ACH | Summarized transactions: 1 | 81.84 |
| 450 | MARCO INC | Summarized transactions: 2 | 81.22 |
| 451 | ARBOR DAY FOUNDATION | Summarized transactions: 1 | 80.16 |
| 452 | STATE OF MINNESOTA | Summarized transactions: 2 | 80.00 |
| 453 | US BANK PURCHASING CARD | Summarized transactions: 1 | 79.00 |
| 454 | ADVANCE AUTO PARTS | Summarized transactions: 5 | 77.38 |
| 455 | AUTO VALUE | Summarized transactions: 1 | 76.69 |
| 456 | METRO SALES INC | Summarized transactions: 1 | 68.26 |
| 457 | ULINE | Summarized transactions: 3 | 62.92 |
| 458 | TOWNE MELANI | Summarized transactions: 1 | 62.44 |
| 459 | POWERS VENTURES LLC | Summarized transactions: 1 | 61.35 |
| 460 | GOODIN COMPANY | Summarized transactions: 2 | 59.18 |
| 461 | COOK STEVEN J | Summarized transactions: 1 | 59.06 |
| 462 | ALTERNATIVE TECHNOLOGIES INC | Summarized transactions: 2 | 55.00 |
| 463 | HYLAND SOFTWARE INC | Summarized transactions: 1 | 54.81 |
| 464 | GLOBAL RENTAL COMPANY INC | Summarized transactions: 2 | 53.57 |
| 465 | HY VEE | Summarized transactions: 1 | 47.92 |
| 466 | ADVANCED BUSINESS SYSTEMS INC | Summarized transactions: 2 | 42.00 |
| 467 | JOHN HENRY FOSTER MN INC (P) | Summarized transactions: 3 | 38.57 |
| 468 | ON SITE SANITATION INC | Summarized transactions: 3 | 37.57 |
| 469 | BUCHOLZ MICHAEL | Summarized transactions: 1 | 23.00 |
| 470 | GREAT RIVER ENERGY | Summarized transactions: 1 | 22.92 |
| 471 | BATTERIES PLUS | Summarized transactions: 1 | 20.15 |
| 472 | MINNESOTA ENERGY RESOURCES CO | Summarized transactions: 1 | 19.95 |
| 473 | TECH SAFETY LINES | Summarized transactions: 1 | 19.27 |
| 474 | KOSTER COLTON | Summarized transactions: 1 | 19.00 |
| 475 | FLAGSOURCE dba | Summarized transactions: 1 | 18.71 |
| 476 | T E C INDUSTRIAL INC | Summarized transactions: 1 | 17.15 |
| 477 | RENTAL DEPOT INC | Summarized transactions: 1 | 16.58 |
| 478 | FLEETPRIDE INC | Summarized transactions: 2 | 13.19 |
| 479 | CONSTELLATION NEWENERGY-GAS D | Summarized transactions: 1 | 11.65 |
| 480 | FEDEX SHIPPING | Summarized transactions: 1 | 7.56 |
| 481 | PODEINS POWER EQUIPMENT (P) | Summarized transactions: 1 | 5.24 |
| 482 | DAVE SYVERSON TRUCK CENTER IN | Summarized transactions: 1 | 4.64 |

Price Range Total: 215,506.76

Grand Total: 14,499,438.00



REQUEST FOR ACTION

Lead Service Line Replacement Supplemental Budget

MEETING DATE:

January 21, 2025

ORIGINATING DEPT:

Rochester Public Utilities

AGENDA SECTION:

Regular Agenda

PRESENTER:

Peter Hogan, Director of
Corporate Services

Action Requested:

Approval to accept the Minnesota Public Facilities Authority grant for lead service line replacement and approval of the multiyear project, access fee, and operating budget adjustments to account for this program.

Report Narrative:

RPU is in the process of making a grant application and has been provisionally granted \$1,020,000 plus contingency in the budget year 2025 by the Minnesota Public Facilities Authority (MPFA) to participate in a Lead Service Line Replacement Program. All water service lines in Rochester are owned by the property owner.

The current program is anticipated to take four years to replace between 910 and 1,310 services. This anticipates a range of 50% to 100% of the services with unknown service materials will be either lead or galvanized materials and will need to be replaced. There are a total of 800 services with unknown materials. The direct expense to replace between 910 and 1,310 services is currently estimated to be between \$18.5M and \$26.7M or an average of \$20k per household. Management intends to continue participating in this grant program while the grant funds are available and until all customers who want to participate, have received the benefit of this grant program. Anticipated grant income, costs, and fee income will be included in future budget years provided funding is available. The Water Utility may need to borrow up to \$5,000,000 in short-term borrowing to maintain the minimum cash reserves until the project is completed and the reimbursements are received. Management anticipates a future request of the Board and Council to approval short-term borrowing toward the end of 2025.

One hundred percent of the direct expense of replacing a qualified service is eligible for reimbursement while funds are available at the State level. However, overhead, grant audit, and carrying costs of expending funds and waiting for reimbursement are not currently reimbursable. We currently estimate this amount will be around \$500 per household or less. Under the MN State Statue and the RPU Charter, water enterprise funds cannot be used for improvements to privately owned property. This would mean that the overhead and carrying costs would be billed to the building owner or funding would need to come from another source outside the RPU enterprise funds. Management is currently in discussions with MPFA to see if these indirect expenses could be submitted for reimbursement.

This project was not included in the 2025 Water Utility Budget. According to the Home Rule Charter, Section 15.07(B): The board may enter into any contract, so long as the board's approved annual budget contains an appropriation to pay the contract amount...

Management is requesting the Board approve the acceptance of the MPFA grant and the related project costs up to the amount of the approved grant. Management further requests approval for an access fee of up to \$500 for each location that participates in the Lead Service Line Replacement program. The short-term borrowing will require action by the Board and Council. If the Board approves these actions, management will forward this request to the City Council for its approval.

Priorities & Foundational Principles:

Fiscal Responsibility & Sustainability

Fiscal & Resource Impact:

This program may require short-term borrowing of up to \$5,000,000.00 and related interest expense.

Prepared By:

Peter Hogan

Attachments:

[20250121_Resolution_Water_Budget LSLR Supplemental.](#)

RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester to approve a supplement to the 2025 Water Utility budget to include acceptance of a Minnesota Public Facilities Authority (MPFA) grant for Lead Service Line Replacement. Contingent upon receiving the MPFA grant, the Board approves a multiyear (2025-2028) project of up to \$26.7M and the related operating budget costs and associated access fee to the property owner for indirect costs not covered by the grant for improvements to customer owned property. This fee is expected to be \$500 per residence or less, based on what expenses are reimbursed through the grant for indirect costs of the program.

BE IT FURTHER RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, that the Common Council of the said City is requested to approve the supplemental 2025 Water Utility multi-year project, access fee, and operating budget adjustments.

PASSED AND ADOPTED BY THE PUBLIC UTILITY BOARD OF THE CITY OF ROCHESTER,
MINNESOTA, THIS 21 st DAY OF JANUARY, 2025.

PRESIDENT

SECRETARY



REQUEST FOR ACTION

Lead Service Line Replacement Program Authorization

MEETING DATE:

January 21, 2025

ORIGINATING DEPT:

Rochester Public Utilities

AGENDA SECTION:

Regular Agenda

PRESENTER:

Todd Blomstrom, Director of
Water

Action Requested:

Approve Master Grant Agreement and 2025 Project Orders for Lead Service Line Replacement

Report Narrative:

In October 2024, the Environmental Protection Agency issued the final version of the National Primary Drinking Water Regulations for Lead and Copper Rule Improvements (LCRI) that requires drinking water systems to develop plans to replace all lead water service pipes. The LCRI also requires more rigorous testing of drinking water, expands lead service inventory requirements, and sets a lower lead concentration threshold requiring communities to take action to protect people from exposure to lead in drinking water.

Rochester Public Utilities completed an initial inventory of water service connections in 2024, leveraging property records, plumbing permits, and other documentation to identify material types used for small-diameter water service lines connecting water mains to individual property water meters. The inventory included all of RPU's 42,000 water services and identifies 225 properties having lead water service pipes, 285 properties having galvanized service pipes, and 800 properties where the water service material is not known from historical records. Staff continues to refine the inventory database.

Grant funding is available through the Minnesota Drinking Water Revolving Fund to assist water utilities with the cost of replacing lead water services from a combination of dedicated state and federal funding sources. This grant program would reimburse RPU for the cost of project design, construction, and coordination work to replace lead and galvanized water services. The total cost to replace lead and galvanized water services within our service area is \$26,627,500.

Staff recommends that RPU proceed with establishing a lead service line replacement program beginning in 2025 with a goal of replacing all known lead and galvanized water services over the next four years to the extent that Drinking Water Revolving Funds are available. An initial step in program implementation is to enter into a master grant agreement that establishes the conditions and eligible expenses for grant funding, which is administered by the Minnesota Public Facilities Authority and Minnesota Department of Health. These agencies will then issue individual project orders to fund future projects as the utility solicits bids for construction work to replace lead and galvanized services.

The proposed 2025 lead service replacement work includes licensed childcare facilities, potential leaking lead services, and approximately 80 properties identified within the project boundary shown in Attachment A. The estimated cost for 2025 lead service replacements is \$1,225,200.

The master grant agreement and project order documents are still being finalized by the Minnesota Public Facilities Authority. Draft copies of both documents are attached to this memorandum and the terms and conditions are not expected to significantly change. Staff requests Board approval of the agreement and project order, subject to final review and approval by the General Manager and City Attorney.

Priorities & Foundational Principles:

Fiscal Responsibility & Sustainability

Fiscal & Resource Impact:

This program will require an amendment to the 2025 budget, which is outlined in a separate Board agenda item.

Prepared By:

Todd Blomstrom

Attachments:

[MPFA LSLR Master Contract_templateV01072025](#)

[MPFA_LSLR_ProjectOrder_templateV01072024](#)

[20250121_Resolution_Approving_Agreements](#)

[Attachment A - Project Map](#)

State of Minnesota

Lead Service Line Replacement Program

Master Loan (Bond Purchase) and/or Grant Agreement

This Master Loan (Bond Purchase) and/or Grant Agreement (“Master Contract”) is between the State of Minnesota, acting through its Chair of the Public Facilities Authority (“Authority”) and the _____ (“Recipient”). The Authority and Recipient may be referred to jointly as “Parties.”

RECITALS

1. Pursuant to Minnesota Statutes § 446A.04, Subd. 6a: the Authority may make and contract to make loans and grants to eligible recipients to finance projects that the eligible recipient may construct or acquire. The Authority may acquire or contract to acquire notes and bonds issued by eligible recipients to finance those projects.
2. Pursuant to Minnesota Statutes §§ 446A.077 and 446A.081 the Authority is empowered to enter into this Master Contract and subsequent Project Orders to provide grants and zero percent loans to eligible recipients for eligible costs under the Authority’s Lead Service Line Replacement Program.
3. The Authority will issue a “Project Order” pursuant to this Master Contract to encumber specific loan and/or grant dollar amounts for each Project.
4. The Recipient represents that it is duly qualified and agrees to perform all services described in this Master Contract and all Project Orders to the satisfaction of the Authority. Pursuant to Minnesota Statutes § 16B.98, Subd. 1, the Recipient agrees to minimize administrative costs as a condition of this Master Contract. For this Master Contract, no administrative costs will be allowed without prior Authority approval.
5. The Recipient agrees to comply with the grants management policies and procedures created pursuant to Minnesota Statutes § 16B.97, Subd. 4(a)(1).
6. The Recipient acknowledges that payments by the Authority to the Recipient under this Master Contract may be made from federal funds obtained by the Authority through Section 1452 of the Safe Drinking Water Act as amended. The Recipient is responsible for complying with all federal requirements imposed from time to time on these funds and accepts full financial responsibility for any requirements imposed by the Recipient’s failure to comply with federal requirements. Exhibit A contains a not necessarily complete list of federal requirements.

DEFINITIONS

Defined Terms. As used in this Master Contract and each Project Order, each of the following terms will have the meaning set forth below after each term (each meaning to be equally applicable to both the singular and plural forms of the terms defined), unless the context specifically indicates otherwise:

“Act” means Minnesota Statutes, Chapter 446A, as amended.

“Authority” means the Minnesota Public Facilities Authority as created pursuant to the Act.

“Debt Grant” means a grant under a specific Project Order for Project Order Costs-Debt Service.

“Loan” means the portion of a specific Project Order paid out to the Recipient as a Loan under the Act that is evidenced by a Note and to be repaid by a Debt Grant.

“LSLR” means Lead Service Line Replacement.

“LSLR Substantial Completion Date” for a Project Order means the date the Recipient certifies to the MDH and the Authority, on a form prescribed by the Authority, that no further Project Costs except Project Costs-Post Substantial Completion for the Project Order will be submitted.

“LSLR Program” means the program created pursuant to Minnesota Statutes §§ 446A.077 and 446A.081.

“Master Contract” means this Master Loan (Bond Purchase) and/or Grant Agreement, between the Authority and the Recipient as amended or supplemented by each Project Order for each Project that has been approved by the Authority for funding under the LSLR Program.

“MDH” means the Minnesota Department of Health.

“MDH Project Certification” means MDH’s approval to the Authority that all applicable technical requirements have been met in accordance with Minnesota Rules part 4720.9060, and includes the list of associated property addresses for lead service line replacement.

“Note” means each Taxable Grant Anticipation Revenue Note issued by a Recipient to the Authority, to evidence its obligation to repay the Loan from a specific Project Order, from proceeds of a Debt Grant from that same Project Order.

“Parties” means collectively the Authority and the Recipient.

“Project” means the LSLR activities spelled out under a specific Project Order.

“Project Costs” means eligible LSLR Program costs for a Project, within these categories:

1. “Project Costs-Construction” means costs related to construction activities, including but not limited to planning, design, and engineering, and site restoration, as described in Minnesota Statutes § 446A.077, Subd. 4(a)(1) and 4(a)(4).
2. “Project Costs-Debt Service” means the required debt service payments under a specific Project Order as pursuant to Minnesota Statutes § 446A.077, Subd. 4(a)(2) as required under the terms of the Note.
3. “Project Costs-Non-Construction” means costs under specific Project Orders related to providing information to residents on the benefits of removing lead service lines as pursuant to Minnesota Statutes § 446A.077, Subd. 4(a)(3) and other eligible non-construction costs including but not limited to water testing and temporary lead abatement costs.

4. “Project Costs-Post Substantial Completion” means those Project Costs-Construction and Project Costs-Non-Construction incurred after the LSLR Substantial Completion Date.

“Project Grant” means a grant under a specific Project Order to reimburse the recipient for Project Order Costs-Construction and Project Order Costs-Non-Construction.

“Project Order” means a LSLR Program contract issued by the Authority to the Recipient pursuant to this Master Contract to:

- identify the scope of a Project (both budget and explicit property addresses),
- encumber dollar amounts for Project Costs,
- describe the Loan (if any) repayment terms,
- identify the Project Order Managers.

“Project Order Manager” means (i) for the Authority, the authorized representative(s) of the Authority identified in a Project Order, and (ii) for the Recipient, the authorized representative(s) of the Recipient identified in a Project Order.

“Recipient” means the _____.

“Recipient Resolution” means both (i) the resolution of the governing body of the Recipient authorizing the execution and delivery of this Master Contract, and (ii) a resolution of the governing body of the Recipient accepting a specific Project Order and authorizing the execution and delivery of a specific Project Order and providing for the issuance of the related Note and Loan for such Project related to such Project Order.

STANDARD TERMS AND CONDITIONS

1 Term of Master Contract

1.1 Effective date

September 16, 2024, or the date the Authority obtains all required signatures under Minnesota Statutes § 16C.05, Subd. 2, whichever is later. Per Minnesota Statutes § 16B.98, Subd. 7, no payments will be made to the Recipient until this Master Contract is fully executed.

1.2 Expiration date

June 30, 2033, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

1.3 Project Order Contracts

The term of work under Project Order contracts issued under this Master Contract may not extend beyond the expiration date of this Master Contract.

1.4 Survival of Terms

The following clauses survive the expiration or cancellation of this Master Contract: 8. Liability; 9. State Audits; 10. Government Data Practices and Intellectual Property; 12. Publicity and Endorsement; 13. Governing Law, Jurisdiction, and Venue; and 15 Data Disclosure.

2 Recipient's Duties

The Recipient, who is not a state employee, will complete work under the LSLR Project as detailed in each Project Order issued pursuant to this Master Contract, in compliance with applicable federal and state laws, regulations or rules.

3 Time

The Recipient must comply with all the time requirements described in this Master Contract and each Project Order.

4 Consideration and Payments

4.1 Consideration

The Authority will pay for all services satisfactorily performed by the Recipient under each Project Order issued pursuant to this Master Contract as follows:

(a) Project Order disbursements

Each disbursement request and related invoice backup must be for a specific Project Order.

(b) Delivery of Note

If a Project Order includes a Loan, then no funds will be disbursed by the Authority to the Recipient until the Recipient has delivered its Note to the Authority for that Project Order.

(c) Reimbursement for Project Costs

(1) Construction

Reimbursement for costs related to Project Costs-Construction for each property address will be paid only after that property's LSLR has been fully completed including any publicly and privately owned portions.

(2) Non-Construction

Reimbursement for costs related to Project Costs-Non-Construction will be paid after the Authority approves the related disbursement request.

(3) Debt Service

The Debt Grant will be paid only after MDH and the Authority have accepted the Recipient's certification of the LSLR Substantial Completion Date for a Project Order, and arrangements are made for the Recipient to immediately pay to the Authority, upon receipt of the Debt Grant, the agreed upon amount to pay off the Loan.

(d) Total obligation of the Authority

Each Project Order will identify the total obligation of the Authority pursuant to that Project Order, detailing the portions of the total obligation for a) Project Costs-Construction, b) Project Costs-Non-Construction, and c) Project Costs-Debt Service.

4.2 Payment

All Recipient disbursement requests will be promptly paid after Authority approval and must be submitted on forms prescribed by the Authority and include all requested backup. The Authority may withhold or disallow all or part of the amount requested if the Authority determines the request is not in compliance with this Master Contract and the applicable Project Order, and/or applicable federal and state laws, regulations or rules as then in effect.

4.3 State Contracting and Bidding Requirements

Pursuant to Minnesota Statutes § 471.345, grantees that are municipalities as defined in Subd. 1 must follow the law.

(a) For projects that include construction work of \$25,000 or more, prevailing wage rules

apply pursuant to Minnesota Statutes §§ 177.41 through 177.44. These rules require that the wages of laborers and workers should be comparable to wages paid for similar work in the community as a whole.

(b) The grantee must not contract with vendors who are suspended or debarred in

5

Minnesota: <https://mn.gov/admin/osp/government/suspended-debarred/index2.jsp>

Conditions of Payment

All services provided by the Recipient under this Master Contract and each Project Order must be performed to the Authority's satisfaction, as determined at the sole discretion of the Authority's Authorized Representative and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Recipient will not receive payment for work found by the Authority to be unsatisfactory or performed in violation of federal, state, or local law.

6

Authorized Representatives and Project Order Managers

6.1 Authorized Representatives

The Authority's Authorized Representative is Drew Brooksbank, Senior Loan Officer, 651-259-7131, drew.brooksbank@state.mn.us, or his/her successor, and has the responsibility to monitor the Recipient's performance and the authority to accept the services provided under this Master Contract. If the services are satisfactory, the Authority's Authorized Representative will certify acceptance on each invoice submitted for payment.

The Recipient's Authorized Representative is _____, or his/her successor. If the Recipient's Authorized Representative changes at any time during this Master Contract, the Recipient must immediately notify the Authority.

6.2 Project Order Managers

Project Order Managers will be identified in each Project Order.

The Authority's Project Order Manager will be the Authority's primary contact for the Project and will review disbursement requests.

The Recipient's Project Order Manager will be the individual authorized to sign off on disbursement requests. If the Recipient's Project Order Manager changes at any time during the Project Order contract, the Recipient must immediately notify the Authority.

7

Assignment Amendments, Waiver, and Master Contract Complete

7.1 Assignment

The Recipient shall not assign or transfer any rights or obligations under this Master Contract without the prior written consent of the Authority. The rights of the Authority may be approved by the same parties who executed and approved this Master Contract, or their successors in office.

7.2 Amendments

Any amendments to this Master Contract must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original Master Contract, or their successors in office.

7.3 Waiver

If the Authority fails to enforce any provision of this Master Contract, that failure does not waive the provision or the Authority's right to enforce such provision in the future. Except where required by law, the Authority may waive any provision of this Master Contract or a Project Order in a writing signed by the Authority's Project Order Manager.

7.4 Contract Complete

This Master Contract and any Project Order contracts contain all negotiations and agreements between the Authority and the Recipient. No other understanding regarding this Master Contract and subsequent Project Order, whether written or oral, may be used to bind either party.

7.5 Nature of Project Orders

The Project Orders are supplements to this Master Contract. This Master Contract and the Project Orders shall be interpreted together. No other understanding regarding this Master Contract and subsequent Project Order, whether written or oral, may be used to bind either party.

8 Liability

Each party shall be responsible for its own acts and omissions and the results thereof to the extent authorized by law and shall not be responsible for the other party's acts and omissions and the results thereof. The Authority's liability is governed by the Minnesota Tort Claims Act, Minnesota Statutes § 3.736 and other applicable laws. The Recipient's liability shall be governed by the provisions of Minnesota Statutes, Chapter 466 or other applicable law.

9 State Audits

Under Minnesota Statutes § 16B.98, Subd. 8, the Recipient's books, records, documents, and accounting procedures and practices of the Recipient or other party relevant to this Master Contract or transaction are subject to examination by the Commissioner of Administration, by the Authority and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Master Contract, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

10 Government Data Practices and Intellectual Property Rights

10.1 Government Data Practices

The Recipient and Authority must comply with the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13, as it applies to all data provided by the Authority under this Master Contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Recipient under this Master Contract. The civil remedies of Minnesota Statutes § 13.08 apply to the release of the data referred to in this clause by either the Recipient or the Authority. If the Recipient receives a request to release

the data referred to in this Clause, the Recipient must immediately notify the Authority. The Authority will give the Recipient instructions concerning the release of the data to the requesting party before the data is released. The Recipient's response to the request shall comply with applicable law.

11 Workers Compensation

The Recipient certifies that it is in compliance with Minnesota Statutes § 176.181, Subd. 2, pertaining to workers' compensation insurance coverage. The Recipient's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the Authority's obligation or responsibility.

12 Publicity and Endorsement, State Requirements

12.1 Publicity

Any publicity regarding the subject matter of this Master Contract must identify the Authority as the sponsoring agency and must not be released without prior written approval from the Authority's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Recipient individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Master Contract. All projects primarily funded by state grant appropriations must publicly credit the State of Minnesota, including on the Recipient's website when practicable.

12.2 Endorsement

The Recipient must not claim that the Authority endorses its products or services.

13 Governing Law, Jurisdiction, and Venue

Minnesota law, without regard to its choice-of-law provisions, governs this Master Contract. Venue for all legal proceedings out of this Master Contract, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

14 Termination

14.1 (a) Termination by the Authority

The Authority may immediately terminate this Master Contract with or without cause, upon 30 days' written notice to the Recipient. Upon termination, the Recipient will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

(b) Termination by The Commissioner of Administration

The Commissioner of Administration may unilaterally cancel this Master Contract if further performance under the agreement would not serve agency purposes or is not in the best interest of the Authority.

14.2 Termination for Cause

The Authority may immediately terminate this Master Contract if the Authority finds that there has been a failure to comply with the provisions of this Master Contract, that reasonable progress has not been made or that the purposes for which the funds were

granted have not been or will not be fulfilled. The Authority may take action to protect the interests of the State of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

14.3 Termination for Insufficient Funding

The Authority may immediately cease awarding Project Orders under this Master Contract if:

- (a) Funding for federal grants to the Authority for the LSLR Program are withdrawn.
- (b) It does not obtain funding from the Minnesota Legislature or existing funding is withdrawn.
- (c) Or, if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Recipient. The Authority is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Recipient will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The Authority will not be assessed any penalty if the Master Contract is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The Authority must provide the Recipient notice of the lack of funding within a reasonable time of the Authority's receiving that notice.

15 Data Disclosure

Under Minnesota Statutes § 270C.65, Subd. 3, and other applicable law, the Recipient consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the Authority, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Recipient to file state tax returns and pay delinquent state tax liabilities, if any.

The remainder of this page is left blank intentionally

Recipient name:

Authority Contract ID:

The Authority and the Recipient have caused this Master Contract to be duly executed by their duly authorized undersigned representatives. Statutory Cities must execute this Project Order contract as provided in Minnesota Statutes § 412.201, as amended. Home Rule Charter Cities must execute this Master Contract as provided in Minnesota Statutes, Chapter 410, as amended.

Minnesota Public Facilities Authority:

Recipient:

By _____
Name/
Title _____
Date _____

By _____
Name/
Title _____
Date _____

Encumbered: Individual signing certifies that funds have been encumbered as required by MN Statute § 16A and 16C.

By _____
Name-Title S
Date _____

By _____
Name/ 0, 0
Title 0
Date _____

By _____
Name/
Title _____
Date _____

By _____
Name/
Title _____
Date _____

By _____
Name/
Title _____
Date _____

Exhibit A, Additional State and Federal Requirements

In addition to requirements stated in the body of this Master Contract, the Recipient must comply with certain state and federal laws, rules and regulations, including but not limited to those identified in this exhibit.

State:

Minnesota Statutes § 181.59, Discrimination on Account of Race, Creed, or Color Prohibited in Contract.

Minnesota Statutes § 16C.285, Responsible Contractor Requirements.

Minnesota Statutes § 574 .26 to 574.32, the Public Contractors' Performance and Payment Bond Act, as applicable.

Minnesota Statutes § 290.9705, Surety Deposits Required for Construction Contracts.

Minnesota Statutes § 363A.36, Certificates of Compliance for Public Contracts.

Federal:

Section 1452 of the Safe Drinking Water Act (Public Law 93-523) as amended.

Safe Drinking Water Act amendments of 1990 (42 U.S. Code § 7601). Encourages recipients to award construction, supply and professional service contracts to minority, women's business enterprises (MBE/WBE's) and small businesses and requires recipients to utilize affirmative steps in procurement.

Safe Drinking Water Act amendments of 2018 by America's Water Infrastructure Act that requires all of the iron and steel products used in the CWSRF and DWSRF Projects are to be produced in the United States ("Use of American Iron and Steel Requirement"), unless (i) the Borrower has requested and obtained a waiver from the Environmental Protection Agency pertaining to the Project or (ii) the MPFA has otherwise advised the Borrower in writing that the American Iron and Steel Requirement is not applicable to the project.

Safe Drinking Water Act amendments related to Federal Build America, Buy America (BABA): The Recipient is subject to the Buy America Sourcing requirements under the BABA provisions of the Infrastructure Investment and Jobs Act (IIJA) (PUBLIC LAW 117-58 §§70911-70917) unless the project has been granted a waiver from the EPA.

National Environmental Policy Act (PUBLIC LAW 91-190 (1970)); National Historic Preservation Act (PUBLIC LAW 89-665 as amended, 80 Stat. 917 (1966)); Archeological and Historic Preservation Act (PUBLIC LAW 93-291(1974)); Protection of Wetlands, Executive Order No. 11990 (1977), as amended by Executive Order No. 12608 (1997); Flood Plain Management, Executive Order No 11988 (1977), as amended by Executive Order No. 12148 (1979); Farmland Protection Policy Act (PUBLIC LAW No 97-98 (1981)); Coastal Zone Management Act (PUBLIC LAW 92-583 (1972), as amended); Coastal Barriers Resources Act

(PUBLIC LAW 97-378, 96 Stat 1653 (1982)); Wild and Scenic Rivers Act (PUBLIC LAW 90-542, 82 Stat. 913 (1968)); Endangered Species Act (PUBLIC LAW 93-205 (1973), as amended); Essential Fish Habitat Consultation Process under the Magnuson-Stevens Fishery Conservation and Management Act (PUBLIC LAW 94-265 (1976), as amended) and; Clean Air Act Conformity (PUBLIC LAW 95-95 (1977), as amended).

Title VI of the Civil Rights Act of 1964 (P.L 88-352), Section 13 of the Federal Water Pollution Control Act Amendments of 1972 (33 U.S.C. Sec. 1251), Section 504 of the Rehabilitation Act of 1973 (PUBLIC LAW 93-1123, 87 Stat. 355, 29 U.S.C. Sec. 794), The Age Discrimination Act of 1975 (PUBLIC LAW 94-135 Sec. 303, 89 Stat. 713, 728, 42 U.S.C. Sec. 6102), and subsequent regulations, ensures access to facilities or programs regardless of race, color, national origin, sex, age or handicap.

Federal Executive Order 11246, as amended by Executive Orders 11375 and 12086 and subsequent regulations. Prohibits employment discrimination on the basis of race, color, religion, sex or national origin. Inclusion of the seven clauses in Section 202 of E. O. 11246 as amended by E. O. 11375 and 12086 are required in all project related contracts and subcontracts over \$10,000.

Federal Executive Orders 11625, 12138 and 12432; 40 CFR part 33 Participation by Disadvantaged Business Enterprises in Procurement under Environmental Protection Agency (EPA) Financial Assistance Agreements; Section 129 of P. L. 100-590 Small Businesses Reauthorization & Amendment Act of 1988; Public Law 102-389 (42 U.S.C. 437d); a 1993 appropriations act ; Public Law 101-549, Title X of the Clean Air Acts.

Federal Executive Orders 12549 and 12689, Subpart C of 2 CFR Part 180 and 2 CFR Part 1532 entitled "Responsibilities of Participants Regarding Transactions (Doing Business with Other Persons)." Prohibits entering into contracts or sub-contracts with individuals or businesses that are debarred or suspended. Borrowers are required to check and keep a record of the status of all contractors (construction and professional services) and must require contractors to check and keep a record of the status of subcontractors for contracts expected to be equal to or over \$25,000 via this internet address below (or search the internet for System for Award Management):

SAM.gov | [Home](#)

2 CFR part 200, Subpart F, which establishes audit requirements for state and local units of governments receiving federal funds.

2 CFR part 200.216 which prohibits the use of certain telecommunications and video surveillances services or equipment.

40 CFR Part 35, Subpart L, Section 35.3550(i) require Borrowers to maintain project accounts in accordance with generally accepted government accounting standards (GAAP), and to issue annual financial statements that include the reporting of infrastructure assets in accordance with GASB 34.

Section 504 of the Federal Rehabilitation Act of 1973, the Americans with Disabilities Act. Requires that all public spaces and programs be designed and constructed to be accessible to the physically handicapped.

Section 1450(e) of the Safe Drinking Water Act (42 U.S.C. 300j-9(e)). Requires that all laborers and mechanics employed by contractors or subcontractors be paid wages at rates not less than those prevailing for the same type of work as determined by the U. S. Secretary of Labor in accordance with the federal Davis-Bacon Act (46 Stat. 1494; 40 U.S.C., sec. 276a through 276a-5). Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Davis-Bacon Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276c).

To be eligible for LSLR Program funding, the lead service lines must be replaced in their entirety.

The Recipient will post a physical sign at the project site during the construction phase to inform the public that the project funding was made available by the State of Minnesota and the Federal Infrastructure Investment and Jobs Act.

State of Minnesota
Lead Service Line Replacement Program
Project Order ID
MDH Project ID

This Project Order contract is issued under *Master Loan (Bond Purchase) and/or Grant Agreement ID* between the Authority and the (“Recipient”). Capitalized terms used but not defined in this Project Order have the meaning ascribed to them in the Master Contract. All of the duties, obligations, policies, procedures, and terms of the Master Contract associated with this Project Order are incorporated herein by this reference.

1 Term of Project Order

1.1 Effective date:

November 18, 2024, or the date the Authority obtains all required signatures under Minnesota Statutes § 16C.05, Subd. 2, whichever is later. Per Minnesota Statutes § 16B.98 Subd. 7, no payments will be made to the Recipient until this Project Order is fully executed. Notwithstanding the effective date of this Project Order, the Authority shall reimburse the Recipient for all eligible Project Order costs incurred by the Recipient on or after July 1, 2023.

1.2 Expiration date:

June 30, 2027, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

2 Scope of Project Order

2.1 Activities:

Reimbursement is limited to the project activity identified in Exhibit A attached hereto.

2.2 Total Obligation:

The total obligation of the Authority for all reimbursements to the Recipient under this Project Order will not exceed as detailed in Exhibit A.

3 Loan Repayment Terms

Unless repaid earlier, the Recipient must repay the Loan (if any), in the amounts and on the dates set forth in Exhibit B attached hereto (notwithstanding the rate of disbursement of the Loan).

4 Project Order Managers

The Authority’s Project Order Manager is Drew Brooksbank, Senior Loan Officer, 651-259-7131, drew.brooksbank@state.mn.us, or his/her successor.

The Recipient’s Project Order Manager is

Recipient name:

Authority Contract ID:

The Authority and the Recipient have caused this Project Order contract to be duly executed by their duly authorized undersigned representatives. Statutory Cities must execute this Project Order contract as provided in Minnesota Statutes § 412.201, as amended. Home Rule Charter Cities must execute this Project Order contract as provided in Minnesota Statutes, Chapter 410, as amended.

1. State Encumbrance verification: *Individual certifies that funds have been encumbered as required by MN Statute § 16A.15*

By _____
Name/ Steve Walter
Title MPFA CFO
Date _____

2. Recipient.

By _____
Name/ _____
Title _____
Date _____

By _____
Name/ _____
Title _____
Date _____

3. State Agency-MN Public Facilities Authority.

By _____
Name/ Jeff Freeman
Title Executive Director
Date _____

Exhibit A: Scope of Project Order ID

Project-related cost (may be combination of grant and loan):

1. Project Order Costs-Construction

Costs related to construction activities, including but not limited to planning, design, and engineering, and site restoration, as described in Minnesota Statutes § 446A.077, Subd. 4(a)(1) and 4(a)(4).

2. Project Order Costs-Non-Construction

Costs related to providing information to residents on the benefits of removing lead service lines as pursuant to Minnesota Statutes § 446A.077, Subd. 4(a)(3) and other eligible non-construction costs including but not limited to water testing and temporary lead abatement costs.

Total reimbursable Project-related costs under this Project Order

Debt Grant to repay the Project Order Costs-Debt Service:

Total obligation of the Authority:

Original Encumbrance worksheet for this Project Order (specific funding sources are subject to change):

| Description & MPFA Funding IDs | Allotment & PO Ids | BFY | Fund | Appr | BusFinID | Account | Amount |
|--------------------------------|--------------------|-----|------|------|----------|---------|--------|
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Total | | | | | | | |

Note: This Project Order encumbers _____ for the Authority to pay out to the Recipient. This includes the approved budget for project costs of _____, plus a grant of _____ from the Authority to be used by the Recipient to repay the portion of the project costs paid out as a loan.

Exhibit B: Pro Forma Loan Schedule for Project Order ID

MPFA-LSLF-L-053-FY25

LSLR 1240001-4 171 addresses

Rate: 0%

Approv Date:

Maturity:

Term:

final loan amount:

| Date | Effecti | Source | Disburseme | Repayment | Interest | Principal | Loan Balanc |
|------|---------|--------|------------|-----------|----------|-----------|-------------|
|------|---------|--------|------------|-----------|----------|-----------|-------------|

totals

Notes:

Per 446A.081 Subd. 8.Loan conditions: (h) The interest rate for loans to replace lead service lines shall be zero percent with principal payments commencing not later than 18 months after completion of the project.

This will be backed by a temporary-obligation Grant Anticipation Note. The award of the grant to repay the loan will occur simultaneously, and in the same contract, with the loan.

When disbursement of the loan portion of this Project Order is complete: that is when the Recipient would request disbursement of the grant to repay the loan.

Upon receipt of that grant, the Recipient will immediately repay the loan.

RESOLUTION

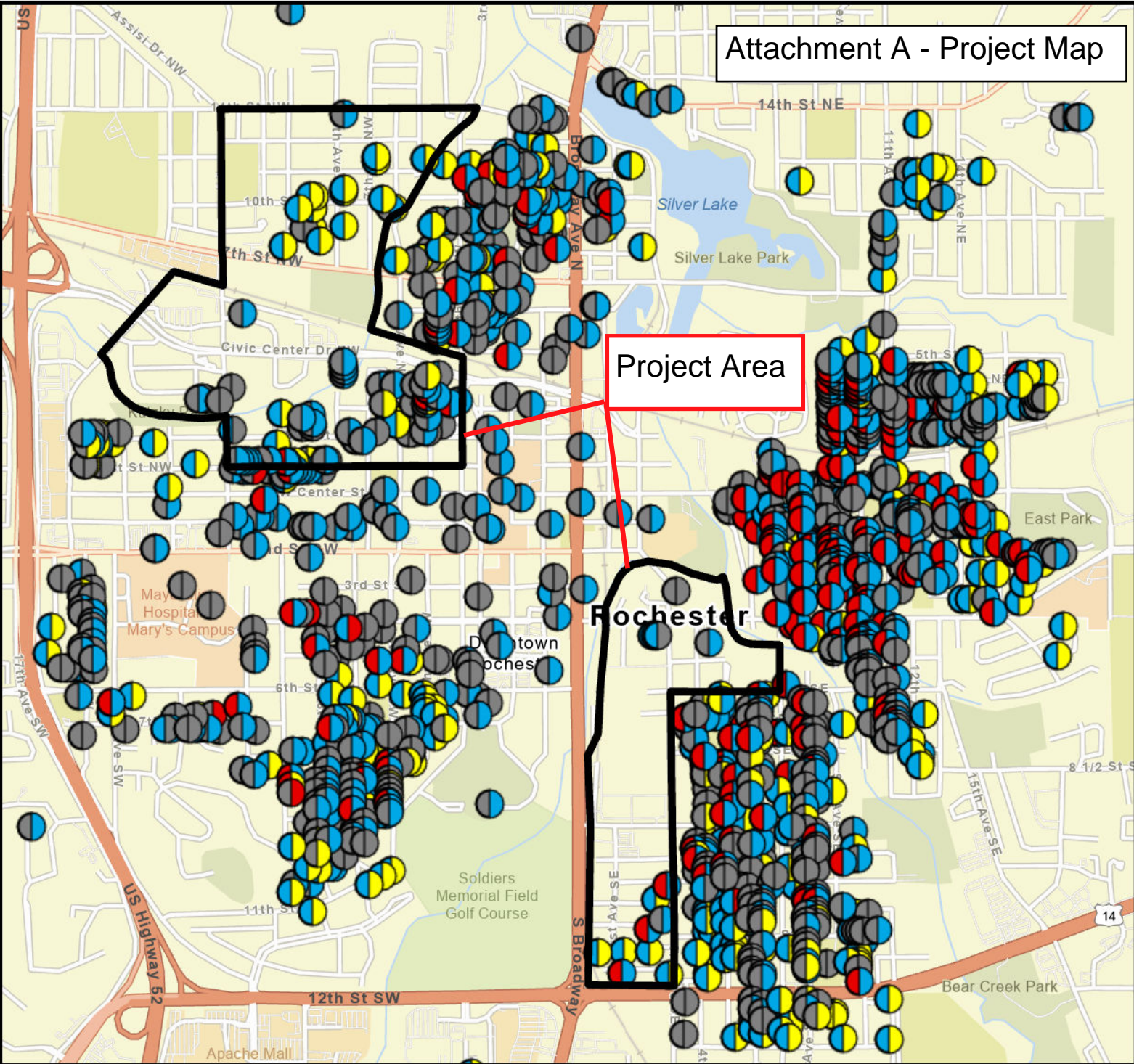
BE IT RESOLVED by the Public Utility Board of the City of Rochester to approve the Master Grant Agreement and Project Order document with the State of Minnesota, acting through its Chair of the Public Facilities Authority, for implementation of the Lead Service Line Replacement Program, subject to final review and approval by the General Manager and City Attorney, and authorize the RPU Director of Water to perform the acts to execute the 2025 Lead Service Line Replacement project within the approved budget.

PASSED AND ADOPTED BY THE PUBLIC UTILITY BOARD OF THE CITY OF ROCHESTER,
MINNESOTA, THIS 21st DAY OF JANUARY, 2025.

PRESIDENT

SECRETARY

Attachment A - Project Map



Legend

Lead Project Areas

Street | House

Lead | Lead

Lead | Non-Lead

Lead | Galvanized

Unknown | Lead

Lead | Unknown

Non-Lead | Lead

Galvanized | Galvanized

Galvanized | Non-Lead

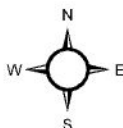
Non-Lead | Galvanized

Non-Lead | Unknown

Unknown | Galvanized

Unknown | Non-Lead

Unknown | Unknown



2025
Lead Service Line Replacement
Project Area



REQUEST FOR ACTION

Sale of MISO Excess Accredited Generation Capacity

MEETING DATE:
January 21, 2025

ORIGINATING DEPT:
Rochester Public Utilities

AGENDA SECTION:
Regular Agenda

PRESENTER:
Dirk Bierbaum

Action Requested:

Authorize the RPU General Manager to approve bilateral sales agreements for the sale of excess generation capacity as measured in Zonal Resource Credits (ZRC) for MISO planning years PY25/26 (June 1, 2025 to May 31, 2026) and PY26/27 (June 1, 2026 to May 31, 2027).

Report Narrative:

The sale of capacity does not impact the daily operation of RPU generating assets. RPU retains full control of energy marketing during the length of any capacity sales agreement. RPU is not expected to require this capacity during this period.

RPU has excess accredited generation capacity for MISO (Mid Content Independent System Operator) Planning Years PY2025/26 (June 1, 2025 to May 31, 2026) and PY26/27 26 (June 1, 2026 to May 31, 2027). Bilateral capacity sales provide RPU revenue certainty and a hedge against low PRA (Planning Resource Auction) clearing prices. Absent bilateral sales, the excess capacity would go to the MISO PRA where prices have historically been lower. Authorizing the RPU General Manager to approve bilateral capacity sales allows RPU staff the ability to efficiently capture opportunities and fully maximize the benefit of RPU's generating assets.

As an example, RPU presently has a sales agreement, that is pending approval, for full planning years covering all MISO planning seasons at a price of \$4,250/MW-month.

| <u>Planning Year</u> | <u>Quantity</u> | <u>Price</u> | | <u>Total</u> |
|----------------------|-----------------|------------------|-------------------------|--------------------|
| PY25/26 | 14.3 MW | \$4,250/MW-month | 14.3MW x 12 x \$4,250 = | \$729,300 |
| PY26/27 | 7.3 MW | \$4,250/MW-month | 7.3MW x 12 x \$4,250 = | \$372,300 |
| | | | Total | \$1,101,600 |

Fiscal & Resource Impact:

The bilateral sale of excess capacity brings in revenue to RPU. Absent these sales opportunities, the excess capacity goes to the MISO PRA where prices are typically lower. The financial benefit of sales accrues to ratepayers.

Prepared By:
Dirk Bierbaum

Attachments:

RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester to authorize the Rochester Public Utility General Manager to approve bilateral sales agreements for the sale of excess generation capacity as measured in Zonal Resource Credits (ZRC) for MISO planning years PY25/26 (June 1, 2025 to May 31, 2026) and PY26/27 (June 1, 2026 to May 31, 2027). Financial benefits of such sales shall be used to reduce upward cost pressure on electric rates.

PASSED AND ADOPTED BY THE PUBLIC UTILITY BOARD OF THE CITY OF

ROCHESTER, MINNESOTA, THIS 21st DAY OF JANUARY, 2025.

PRESIDENT

SECRETARY



REQUEST FOR ACTION

Incentive Rate Treatment Filing and Project Update for Grid North Partners

MEETING DATE:

January 21, 2025

ORIGINATING DEPT:

Rochester Public Utilities

AGENDA SECTION:

Informational

PRESENTER:

Director of Core Services,
Scott Nickels

Action Requested:

Informational only.

Report Narrative:

Director of Power Delivery, Scott Nickels will present a status update on the Grid North Partners LRTP 4 transmission project. This informational presentation will highlight project milestones that were achieved in 2024, provide an update on RPU's rate incentive filing with the Federal Energy Regulatory Commission (FERC), provide an updated project timeline, and outline anticipated 2025 project tasks that will require Board action.

Priorities & Foundational Principles:

Fiscal Responsibility & Sustainability

Prepared By:

Scott Nickels

Attachments:



REQUEST FOR ACTION

RPU Index of Board Policies

MEETING DATE:

January 21, 2025

ORIGINATING DEPT:

Rochester Public Utilities

AGENDA SECTION:

Board Policy Review

PRESENTER:

Tim McCollough

Action Requested:

Review the Index of Board Policies to summarize progress on policy updates and determine future policy review items.

Report Narrative:

RPU Board policies are updated throughout the year as needed.

Prepared By:

Erin Henry-Loftus

Attachments:

[Rochester Public Utilities Index of Board Policies](#)

| | REVISION DATE | DAYS SINCE LAST REVIEW | MONTHS SINCE LAST REVIEW | FOCUS AREA / STAFF LIAISON | ANTICIPATED REVISION TIME PERIOD | TARGET COMPLETION DATE |
|---|---------------|------------------------|--------------------------|-------------------------------|----------------------------------|------------------------|
| BOARD POLICY | REVISION DATE | DAYS SINCE LAST REVIEW | MONTHS SINCE LAST REVIEW | FOCUS AREA / STAFF LIAISON | ANTICIPATED REVISION TIME PERIOD | TARGET COMPLETION DATE |
| 1. Mission Statement | 04/25/23 | 632 | 21 | Policy / Tim McCollough | | |
| 2. Board Responsibilities and Functions | 09/26/23 | 478 | 16 | Policy / Tim McCollough | | |
| 3. Board Relationship with the Common Council | 11/26/24 | 51 | 2 | Policy / Tim McCollough | | |
| 4. Board Organization | 03/27/18 | 2487 | 82 | Policy / Tim McCollough | | |
| 5. Board Procedures | 04/30/24 | 261 | 9 | Policy / Tim McCollough | | |
| 6. Delegation of Authority/Relationship with Management | 11/28/23 | 415 | 14 | Policy / Tim McCollough | | |
| 7. Member Attendance at Conferences and Meetings | 12/18/18 | 2221 | 73 | Policy / Tim McCollough | | |
| 8. Board Member Expenses | 12/18/18 | 2221 | 73 | Policy / Tim McCollough | | |
| 9. Conflict of Interest | DELETED | N/A | N/A | N/A | | |
| 10. Alcohol and Illegal Drugs | DELETED | N/A | N/A | N/A | | |
| 11. Worker Safety | 03/27/12 | 4678 | 154 | Policy / Tim McCollough | | |
| CUSTOMER | | | | | | |
| 12. Customer Relations | 04/30/19 | 2088 | 69 | Ops & Admin /Patty Hanson | | |
| 13. Public Information and Outreach | 04/30/19 | 2088 | 69 | Communications / Patty Hanson | | |
| 14. Application for Service | 07/01/16 | 3121 | 103 | Communications / Patty Hanson | Q4 2025 | 11/25/25 |
| 15. Electric Utility Line Extension Policy | 03/28/17 | 2851 | 94 | Finance / Peter Hogan | | |
| 16. Billing, Credit and Collections Policy | 04/26/22 | 996 | 33 | Finance / Peter Hogan | Q3 2025 | 08/26/25 |
| 17. Electric Service Availability | 10/29/19 | 1906 | 63 | Ops & Admin / Scott Nickels | | |
| 18. Water and Electric Metering | 06/26/18 | 2396 | 79 | Ops & Admin / Scott Nickels | | |
| 19. Adjustment of Utility Services Billed | 06/29/21 | 1297 | 43 | Finance / Peter Hogan | | |
| 20. Rates | 07/25/17 | 2732 | 90 | Finance / Peter Hogan | | |
| 21. Involuntary Disconnection | 09/28/21 | 1206 | 40 | Communications / Peter Hogan | Q1 2025 | 03/25/25 |
| ADMINISTRATIVE | | | | | | |
| 22. Acquisition and Disposal of Interest in Real Property | 12/19/17 | 2585 | 85 | Ops & Admin / Scott Nickels | | |
| 23. Electric Utility Cash Reserve Policy | 01/28/20 | 1815 | 60 | Finance / Peter Hogan | | |
| 24. Water Utility Cash Reserve Policy | 01/28/20 | 1815 | 60 | Finance / Peter Hogan | | |
| 25. Charitable Contributions | 06/25/19 | 2032 | 67 | Communications / Peter Hogan | | |
| 26. Utility Compliance | 10/24/17 | 2641 | 87 | Communications / Bill Bullock | | |
| 27. Payment in Lieu of Taxes (Formerly Contribution in Lieu of Taxes) | 08/06/24 | 163 | 5 | Finance / Peter Hogan | | |
| 28. Joint-Use of Infrastructure and Land Rights | 03/30/21 | 1388 | 46 | Ops & Admin / Scott Nickels | | |
| 29. Customer Data Management Policy | 07/30/24 | 170 | 6 | Communications / Peter Hogan | | |
| 30. Life Support | 09/24/19 | 1941 | 64 | Communications /Patty Hanson | Q2 2025 | 06/24/205 |
| 31. Electric Utility Undergrounding Policy | 05/21/24 | 240 | 8 | Ops & Admin / Scott Nickels | | |
| Red - Currently being worked on | | | | | | |
| Green - Will be scheduled for revision | | | | | | |
| Orange - Policy is up for review by the ad hoc group | | | | | | |
| Marked for Deletion | | | | | | |



REQUEST FOR ACTION

General Manager's Report for January 2025

MEETING DATE:
January 21, 2025

ORIGINATING DEPT:
Rochester Public Utilities

AGENDA SECTION:
General Managers Report

PRESENTER:

Prepared By:
Tim McCollough

Attachments:
[January 2025 General Manager's Report](#)
[January 2025 General Manager's Major Projects Update](#)



General Manager's Report January 2025

VISION | We will set the standard for service.

MISSION | We provide the highest quality services and products for our customers. With our experience and resources, we enrich people's lives, help businesses prosper, and promote the community's welfare.

WORKING TOWARD
100%
NET RENEWABLE ELECTRICITY BY 2030

APPROXIMATELY
60K
ELECTRIC CUSTOMERS

GALLONS OF WATER PUMPED
4.953 BILLION

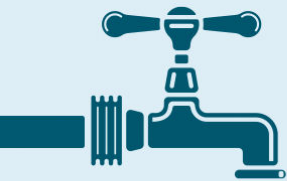
131
YEARS

2023 ASA
99.994%
RELIABILITY



223
EMPLOYEES

ROCHESTER
PUBLIC UTILITIES
WE PLEDGE, WE DELIVER™



42K
WATER CUSTOMERS

1  **COUNCIL APPOINTED COUNCILMEMBER BOARD MEMBER**

4  **MAYOR APPOINTED BOARD MEMBERS**

#1
BEST TASTING WATER

 **RELIABILITY**

 **RATES**

 **RESPONSIBILITY**

 **RELATIONSHIPS**

 **REPUTATION**

THE FIVE R'S



RELIABILITY

Leaders in Service and System Reliability



RATES

Provide Value and Long-Term Financial Stability



RESPONSIBILITY

Stewards of the Resources We Impact



RELATIONSHIPS

Empowered and Customer-Focused Employees



REPUTATION

Engaged with Our Community



CARE FOR THE ENVIRONMENT.



PROTECT EACH OTHER.



RESPECT EVERYONE.

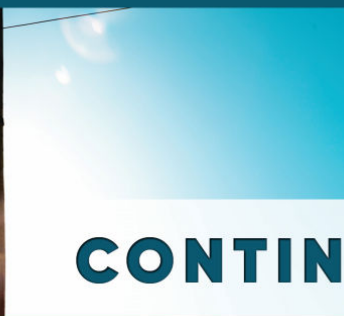
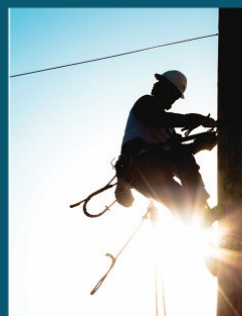


TAKE OWNERSHIP.



LEAVE A POSITIVE IMPRESSION.

CONTINUE IMPROVING.



Meeting Reports & Current Activity

- **Monthly Highlights**
- **SMPA Board Meeting Report**
- **APPA Joint Action Conference Report**
- **New Board Member Introduction**
- **Year Ahead Review**
- **External Funding Opportunities Update**
- **Major Projects Status Updates (Separate File)**



Monthly Updates | January 2025

- **Transmission Incentive Rate Filing Approved by FERC** – RPU secured FERC approval for transmission rate incentives on its LRTP 4 project, enabling recovery of \$4.4 million in Construction Work in Progress (CWIP) returns and protections for abandoned plant costs. Additional benefits include improved credit ratings, stronger cash flow, reduced financing needs, and lower business risk. Scott Nickels will provide more information and discuss the progress on the project with the Grid North Partners at this meeting.
- **Trade Ally & Commercial Customer Meeting** – This week, RPU will host its Annual Trade Ally & Commercial Customer Meeting, connecting regional contractors and businesses to share program updates, gather feedback, and strengthen partnerships supporting energy efficiency and community benefits. The event underscores RPU's commitment to fostering collaboration and driving innovative energy solutions.
- **Emergency Operations Center Tabletop Exercise** – Several RPU team members will participate in the Enhanced Tabletop Training at the Emergency Operations Center (EOC) this week. This exercise will simulate a full EOC activation following a tornado strike, offering valuable hands-on experience in emergency response.



Monthly Updates | January 2025 (continued)

- **Bold Forward Unbound Infrastructure Memorandum of Understand (MOU) with Electric** – RPU is developing a MOU with Mayo Clinic to define cost allocations for the Bold Forward Unbound project. The MOU, currently under review by Mayo and City staff, ensures Mayo will reimburse 100% of costs for impacted RPU electric facilities, while RPU will fund any unrelated system upgrades. The final MOU will be presented to the Board for approval in February.
- **2025 Legislative Session Update** – RPU received support from Senator Carla Nelson to sponsor our special sales tax exemption in the Senate. Representative Andy Smith has indicated support to sponsor the same in the House. It is more likely than not the State Legislature will not have a quorum until the results of the special election in January are canvassed.
- **Board Member Orientation** – Orientation was held for Wendy Turri on January 7. Patrick Keane also attended to complete an in-person orientation, as his original session during the pandemic was virtual.



SMMPA | December Board Meeting Report



SMMPA Board Report | Capital Expenditures & Grid North Partners

- **Capital Expenditure Authorizations**

- \$0.75M – West Owatonna 161kV Capacitor Bank Upgrade
- \$0.65M – Bryon Circuit Breaker and Relay Equipment
- \$2.54M – Owatonna Energy Station (OES) & Fairmont Energy Station (FES) Cylinder Head Replacement

- **Grid North Partners Joint Development Agreement**

- SMMPA reported on their perspective on the upcoming transmission multi-value project (MVP). The next steps from their perspective is to continue negotiating the Joint Development Agreement (JDA) to perfect the correct investment rights between entities in MN and WI including how to scale the additional costs that have been identified.
- The overarching goal is to match SMMPA load that would otherwise pay for the investments in our Zone with the similar ratio of capital investment in the totality of MVP projects.
- SMMPA is working with the group to transfer their investment from segment 4 to segment 6 to allow increases in RPU's investment in segment 4.



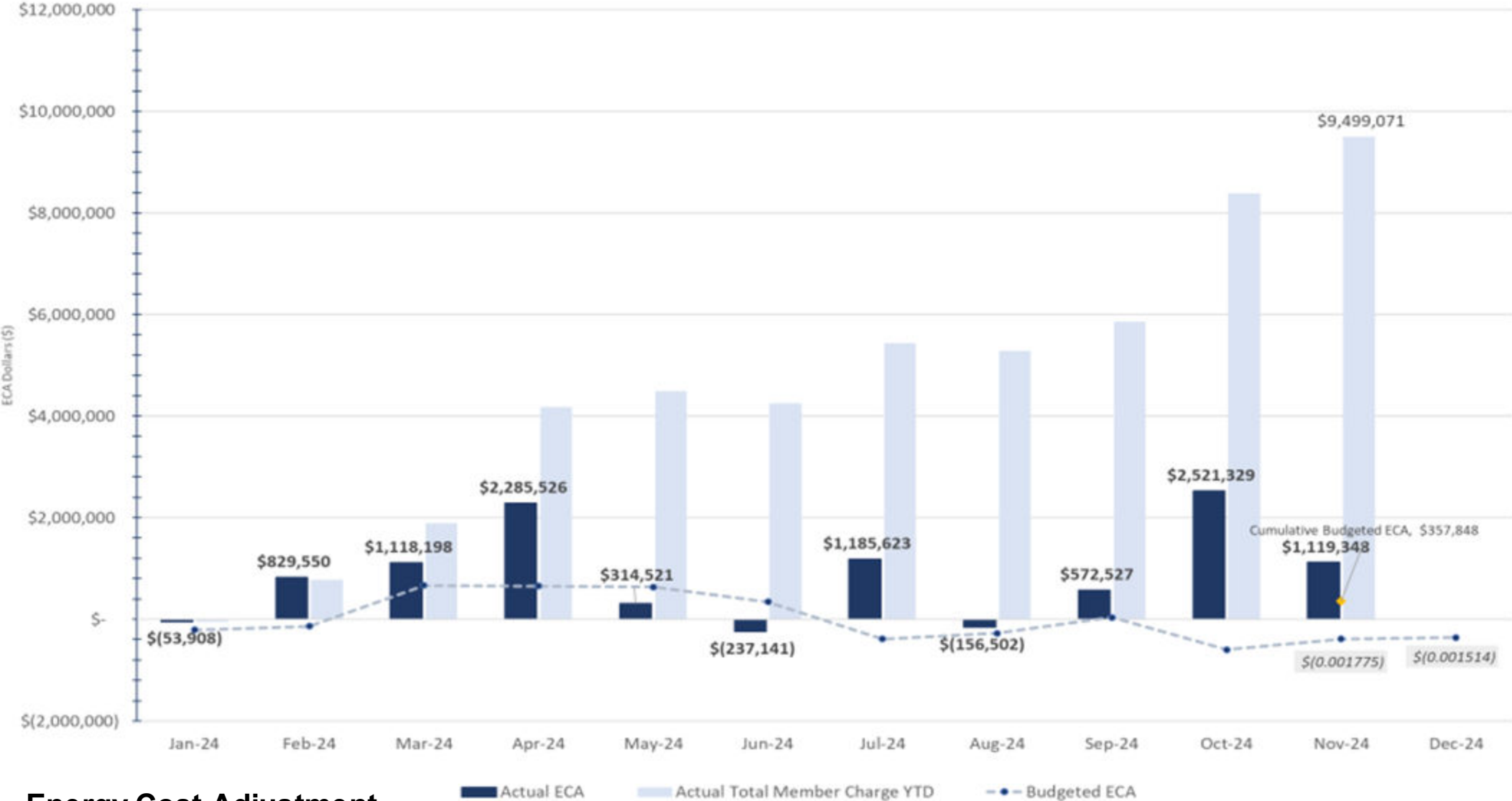
SMMPA Board Report | Generation Outage Self-Insurance

- **Self-Insurance on Generation Forced Outages**

- The Board decided to move away from brokered outage insurance toward building a self-insurance fund
- To date there have been \$5.95M of premium costs compared to \$1.15M of insurance claim value
- Recent years of Sherco 3 performance have been less reliable. Therefore insurance costs have increased and available coverage has been reduced.
- The self insurance fund will:
 - Follow similar methodology to insurance coverage. The Board will establish the strike price for future year in December of the preceding year. Insurance reserves would be earmarked as committed unavailable.
 - Any claims would be applied to the ECA calculation.
 - Proposed to develop process to deal with unspent self-insurance funds when Sherco 3 retires. It is expected that the max amount that could accumulate between now and 2030 with no claims would be less than \$3M total.



SMMPA Board Report | ECA through November 2024



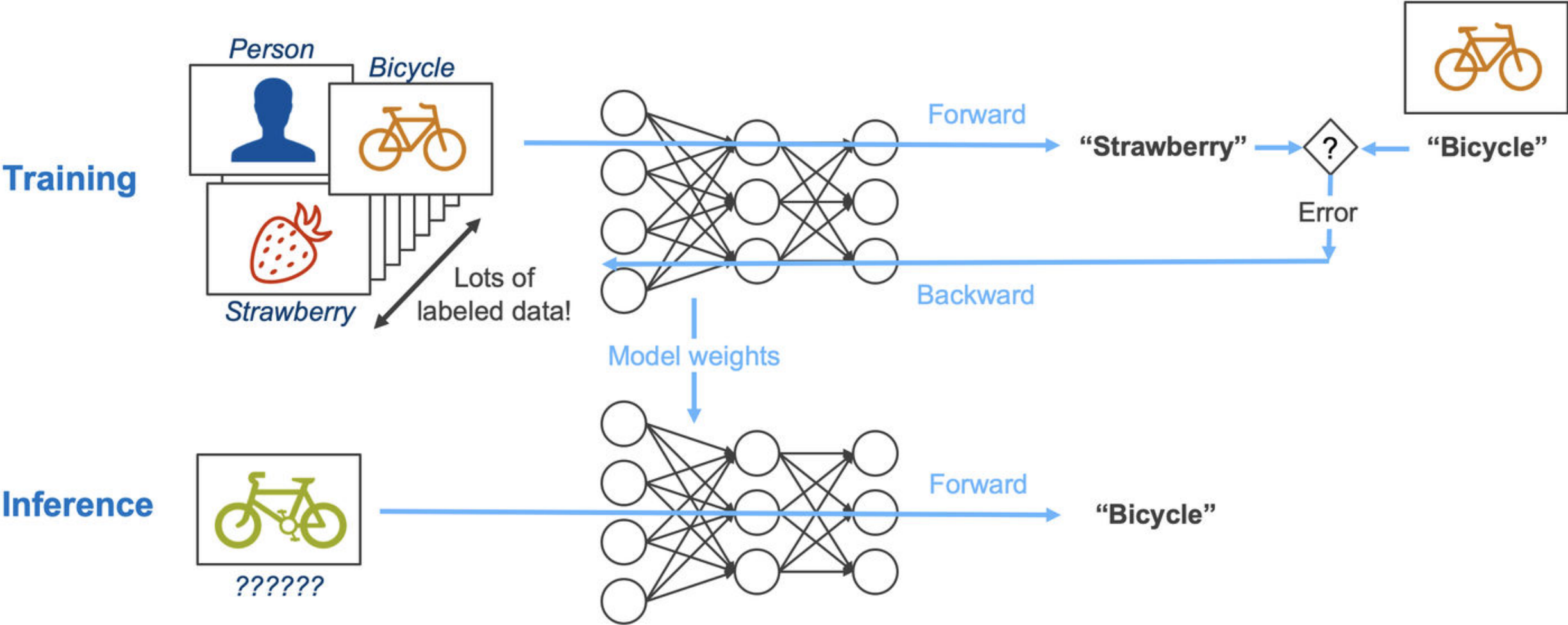
ECA – Energy Cost Adjustment



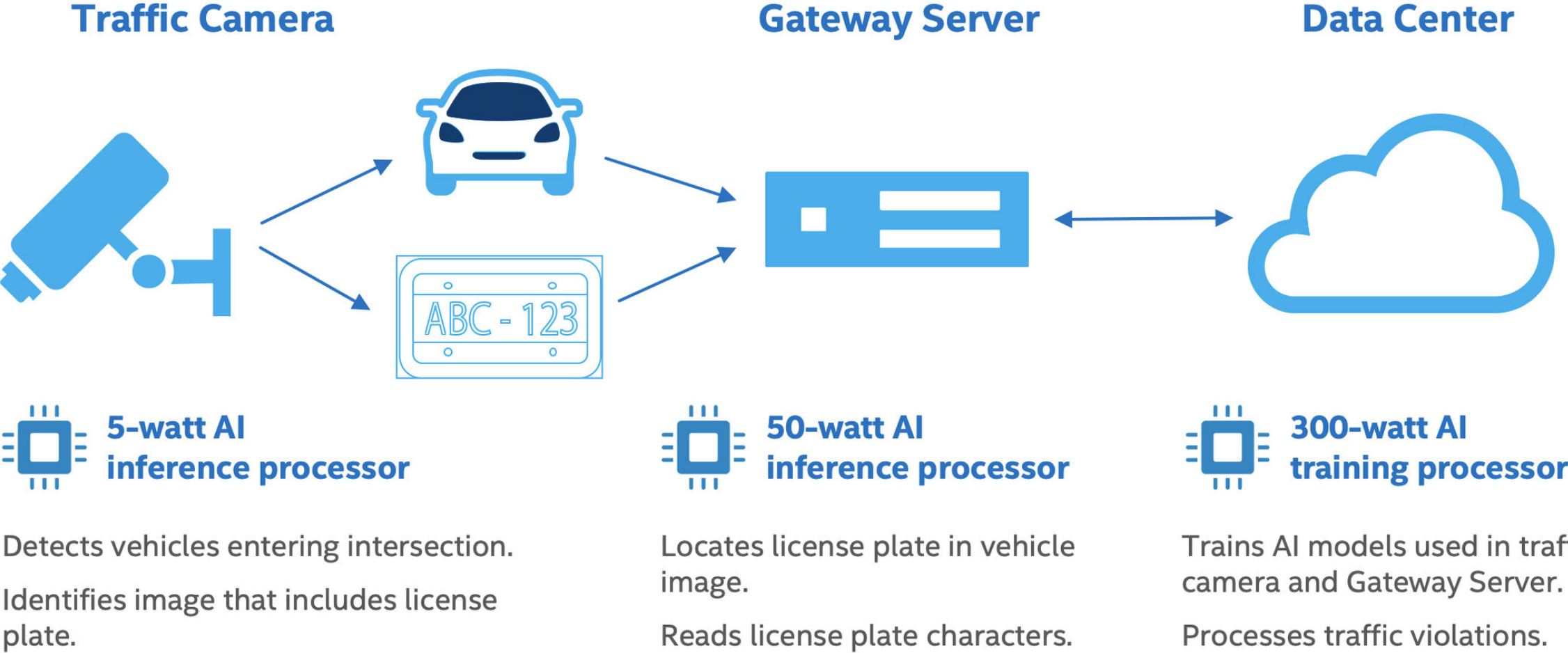
APPA Joint Action Conference | Report



APPA JA | Watt's the big deal with AI

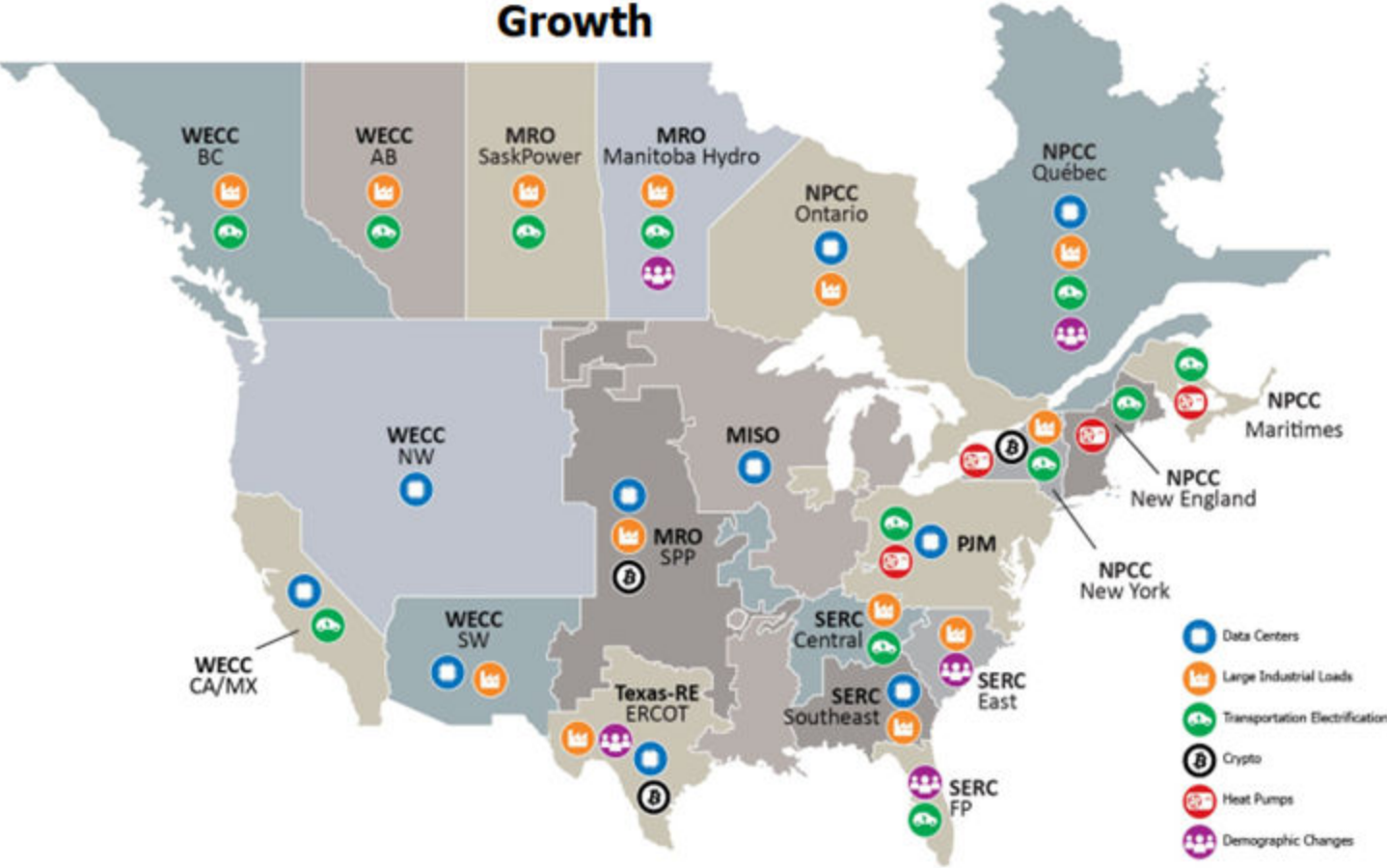


APPA JA | AI – Training & Inferencing Requirements Driving Load



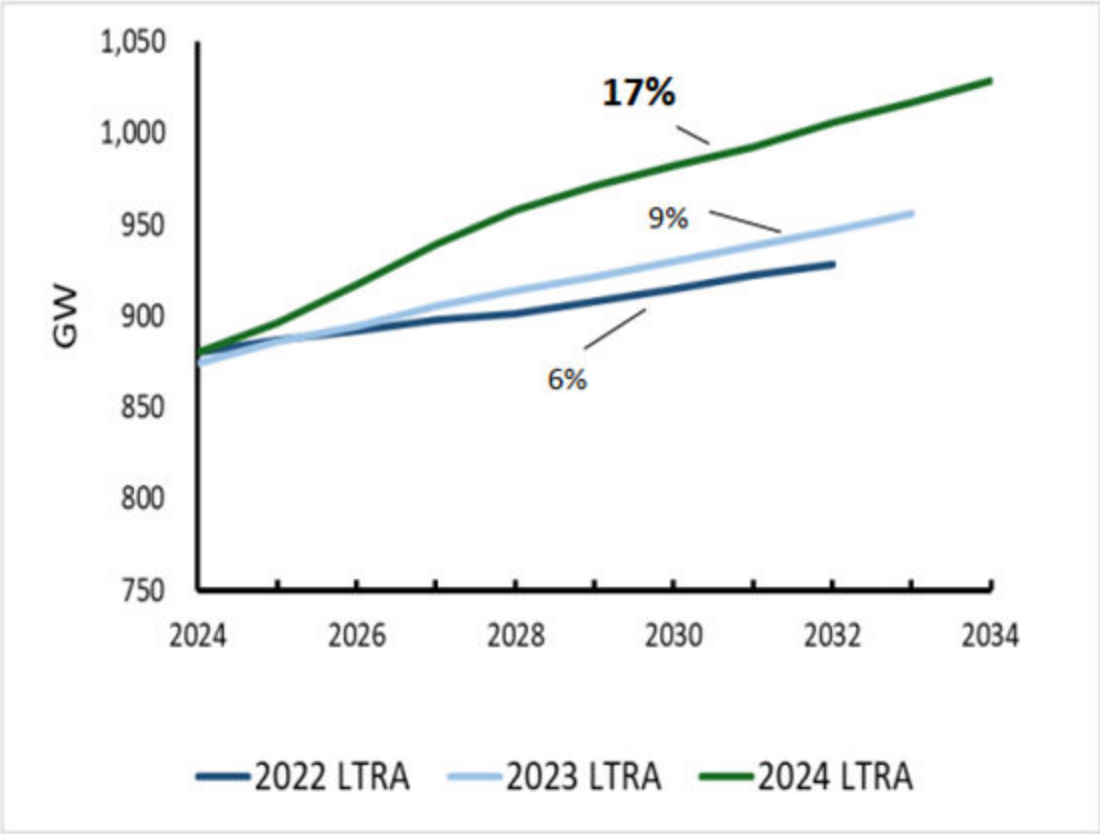
APPA JA | NERC – Demand Growth Is Accelerating Across US

Drivers of Peak Demand Growth



10-year BPS Summer Peak

With 10-Year Growth From Previous LTRA



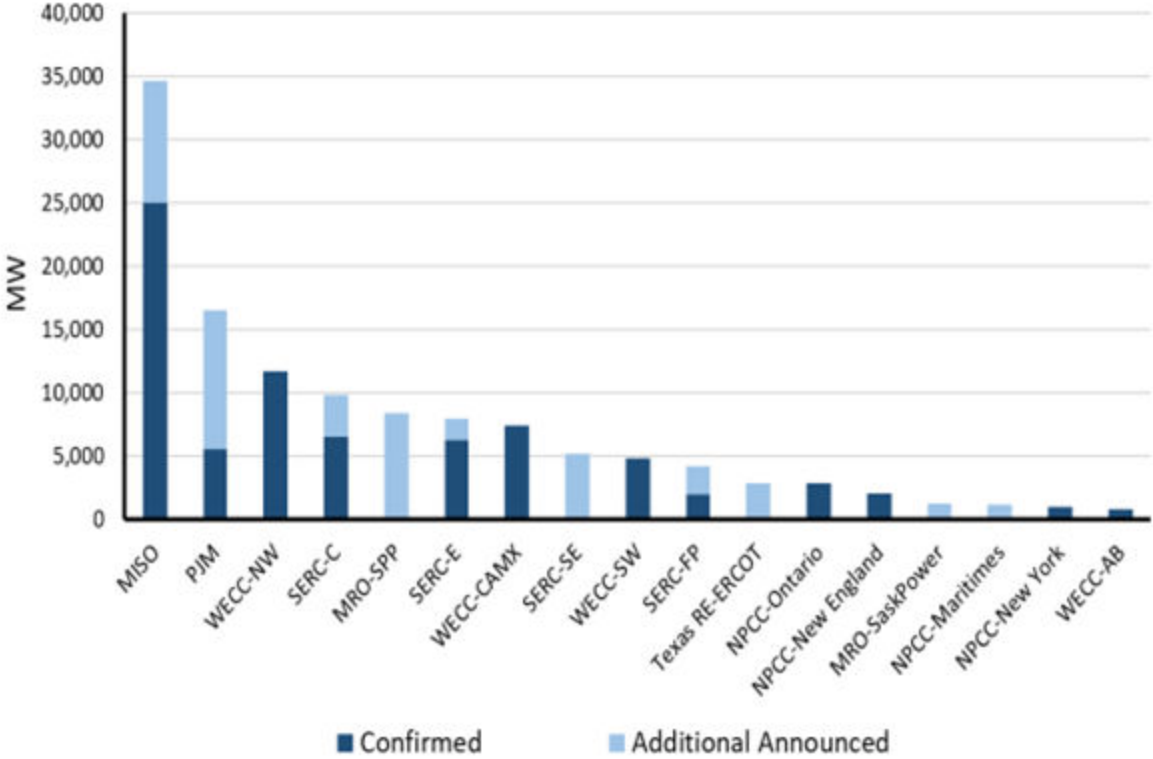
LRTA – Long-Term Reliability Assessment
BPS – Bulk Power System
NERC – North American Electric Reliability Corporation



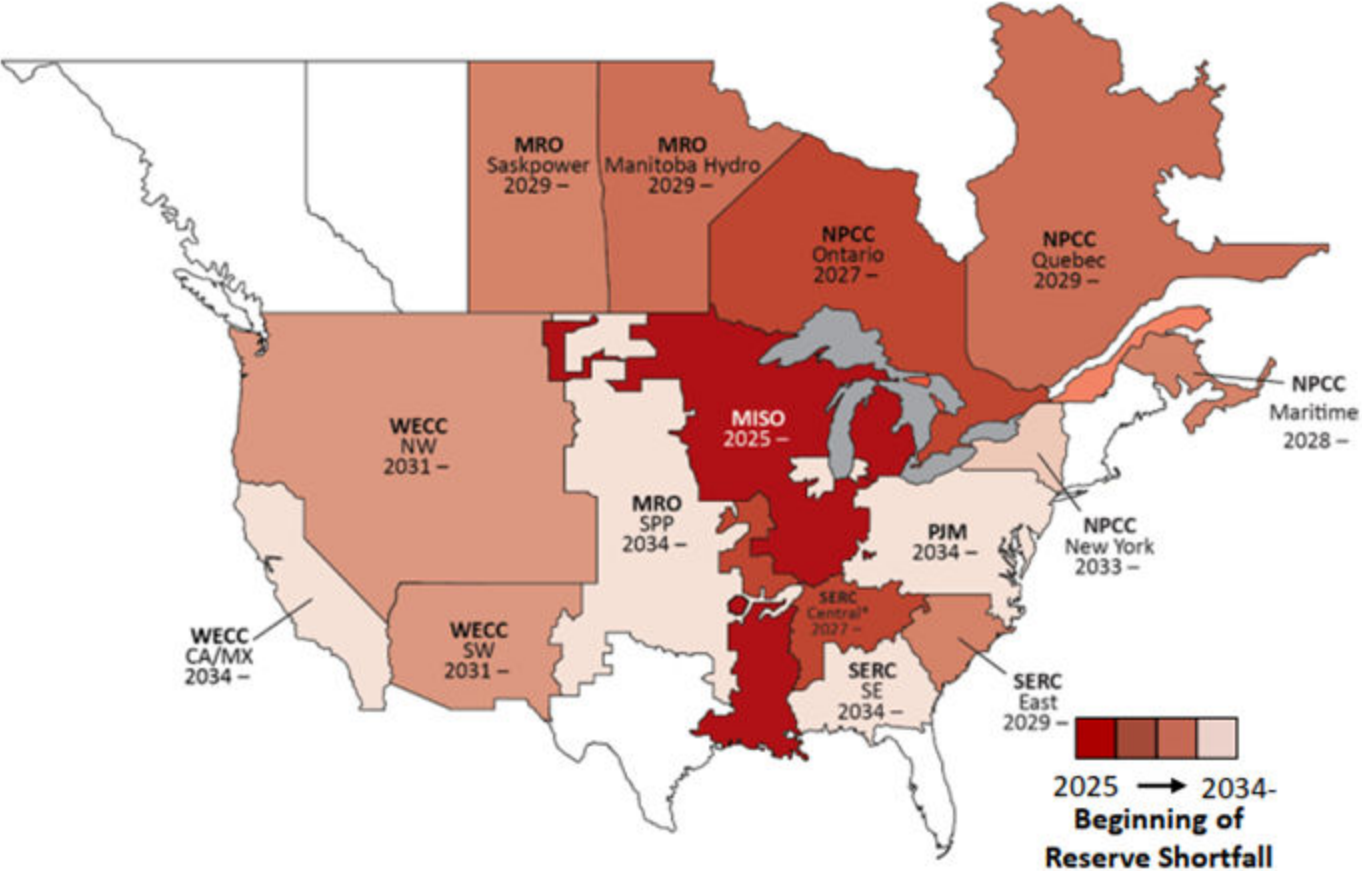
APPA JA | NERC – Retirements and Expected Capacity Deficits

Fossil-fired and Nuclear Generator Retirements by 2034

Source: Energy Ventures Analysis, Inc and LTRA Data



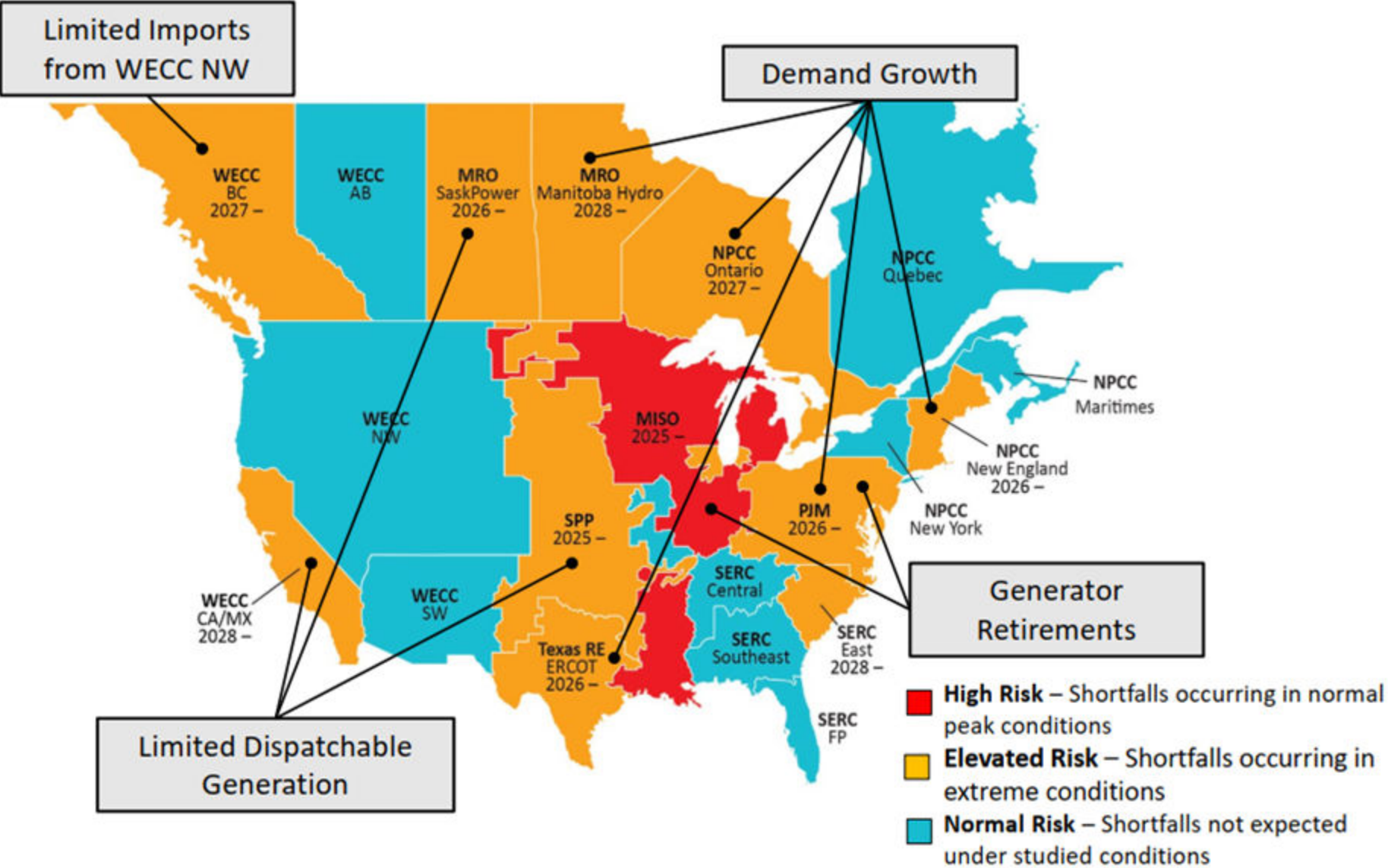
Reserve Margin Shortfall Projections Over the 10-Year Period



- Generator retirements through 2034 (thermal): 78 GW confirmed + 37 GW announced



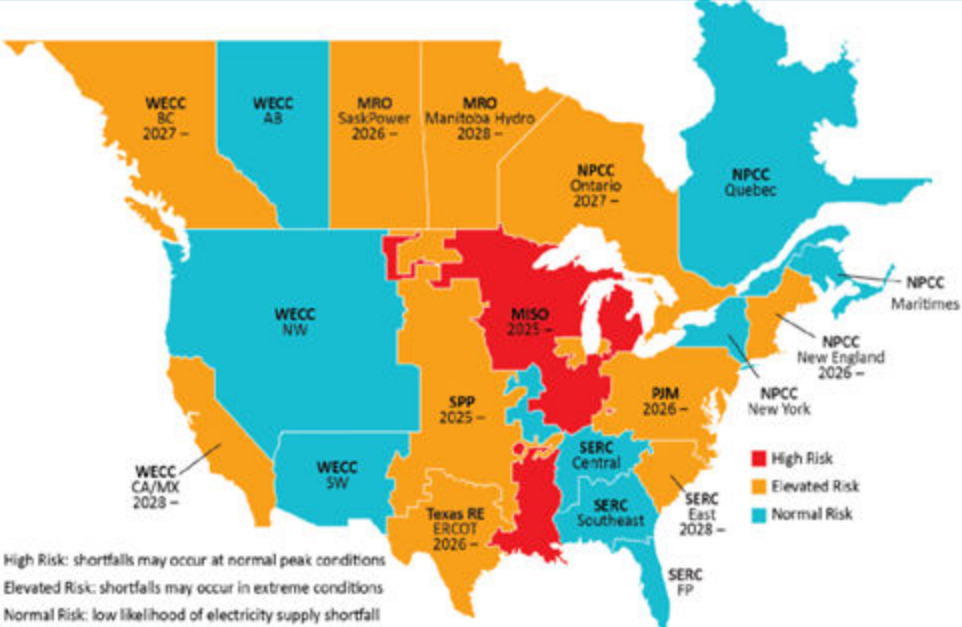
APPA JA | NERC – Increasing Energy Risk over next 5 Years



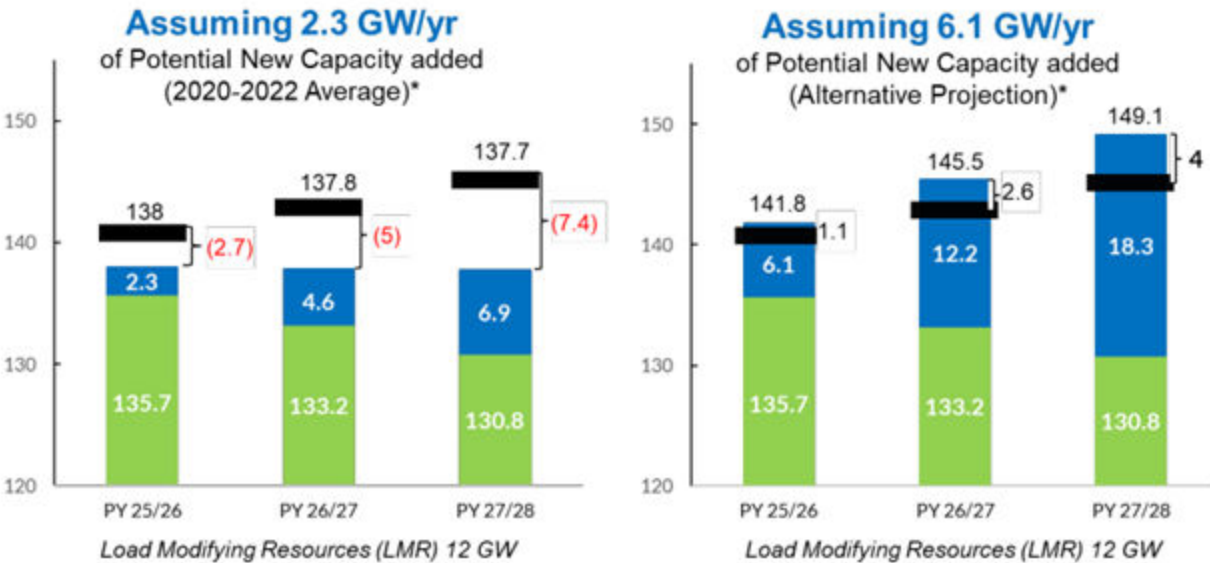
APPA JA | NERC – 2024 Long-Term Reliability Assessment

Portions of the MISO region reached minimum Planning Reserve Margins in 2022. Near-term projections indicate continuing challenges to resource adequacy.

2024 NERC Long-Term Reliability Assessment

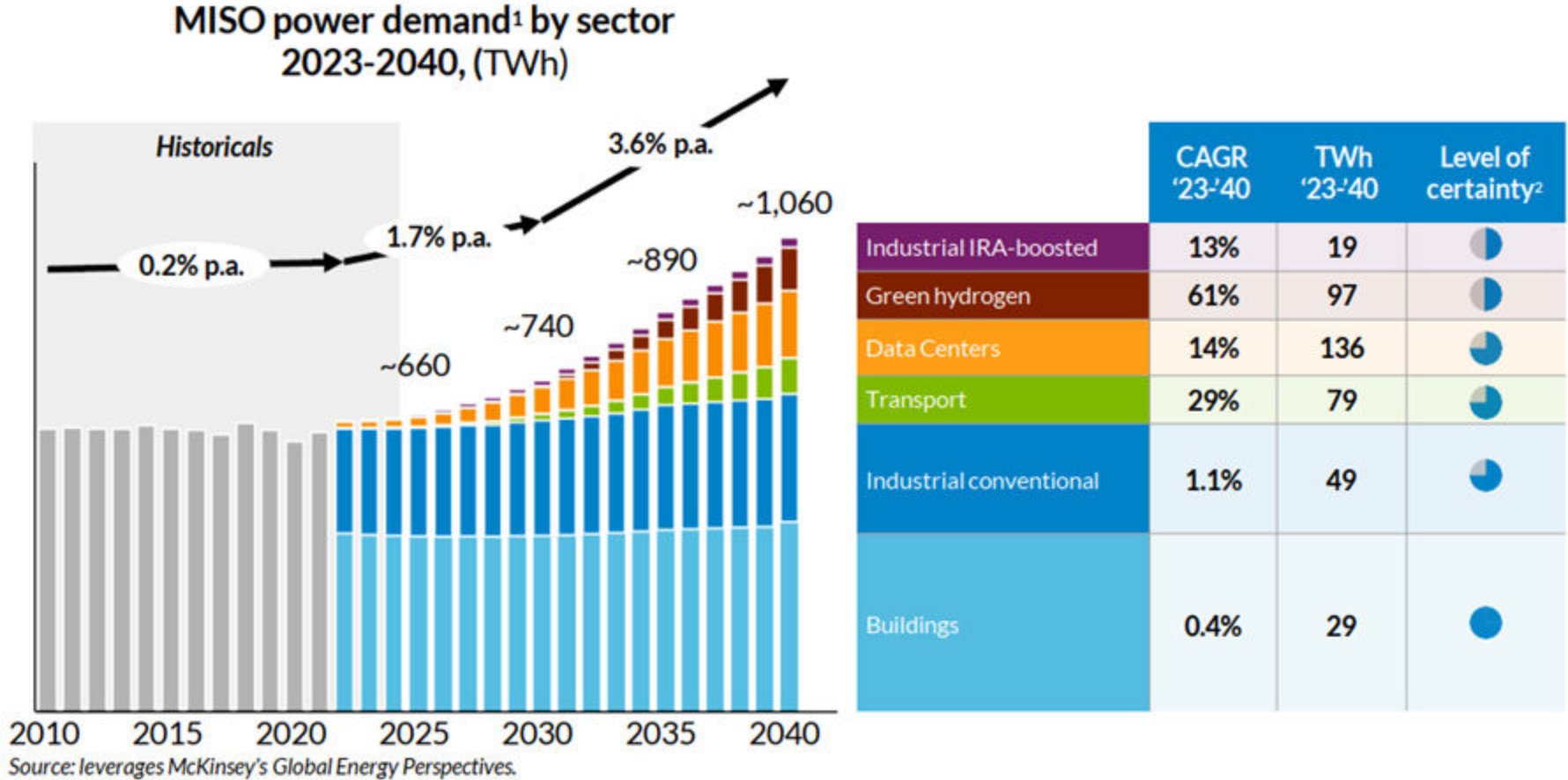


2024 OMS-MISO Survey Results



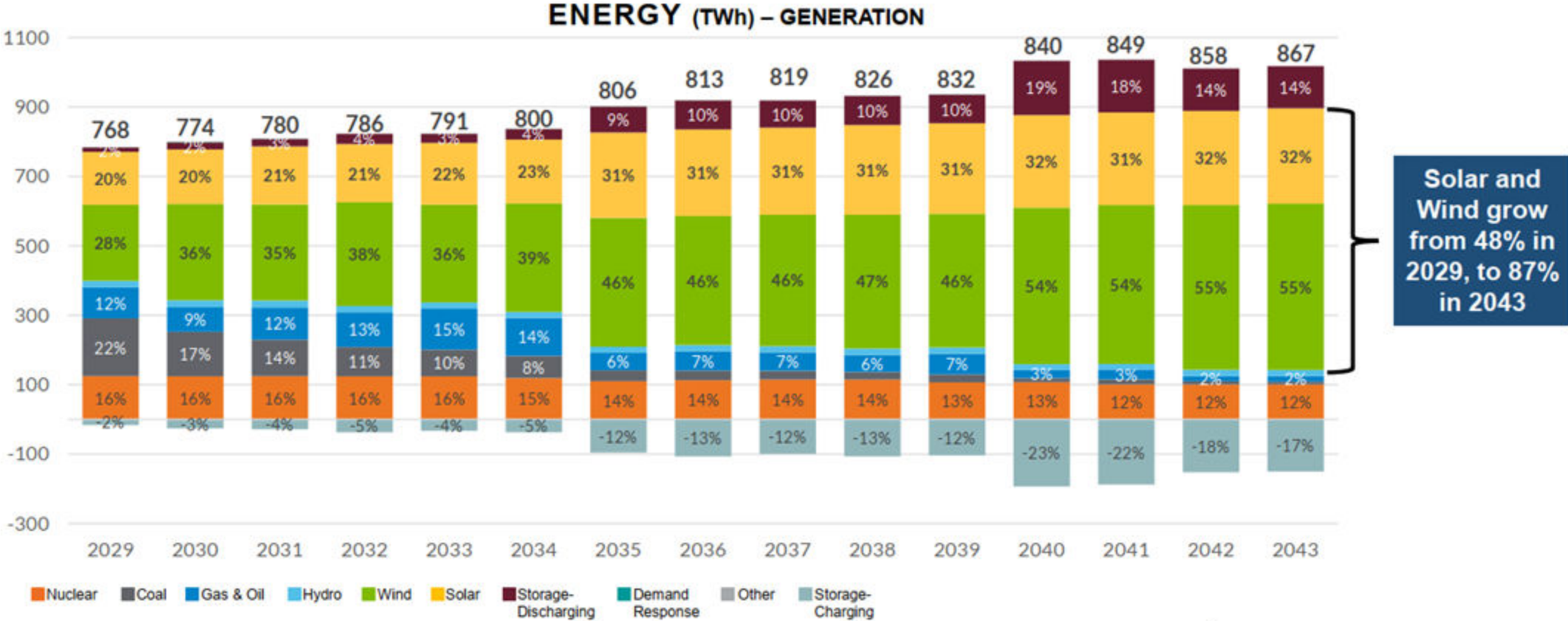
APPA JA | MISO – Data Center & Green Hydrogen Driven Load Growth

Load growth will exacerbate resource adequacy and operational risks



APPA JA | MISO – Regional Resource Assessment

MISO’s 2024 Regional Resource Assessment reveals variable, renewable resources exceed 50% of generation by 2030

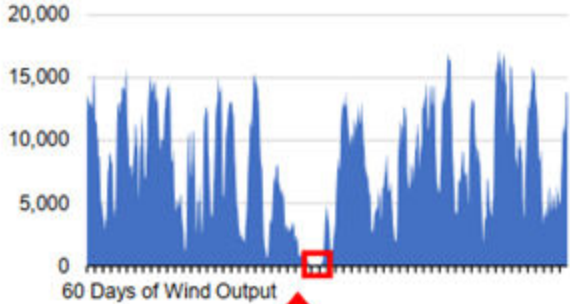


APPA JA | MISO – Attributes of Variable Resources

The magnitude and frequency of operational risks already being experienced related to the attributes of variable resources

LONG-DURATION OUTAGES

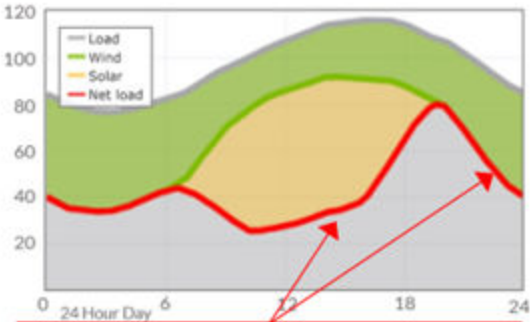
MISO Hourly Wind Output
January & February - 2020 (MW)



~40 hours of essentially zero wind

SHIFTING NET-LOAD SHAPES

Future System Net Load
Average Summer Day - 2032 (GW)



High ramp up need in early evening and high ramp down need middle of the night

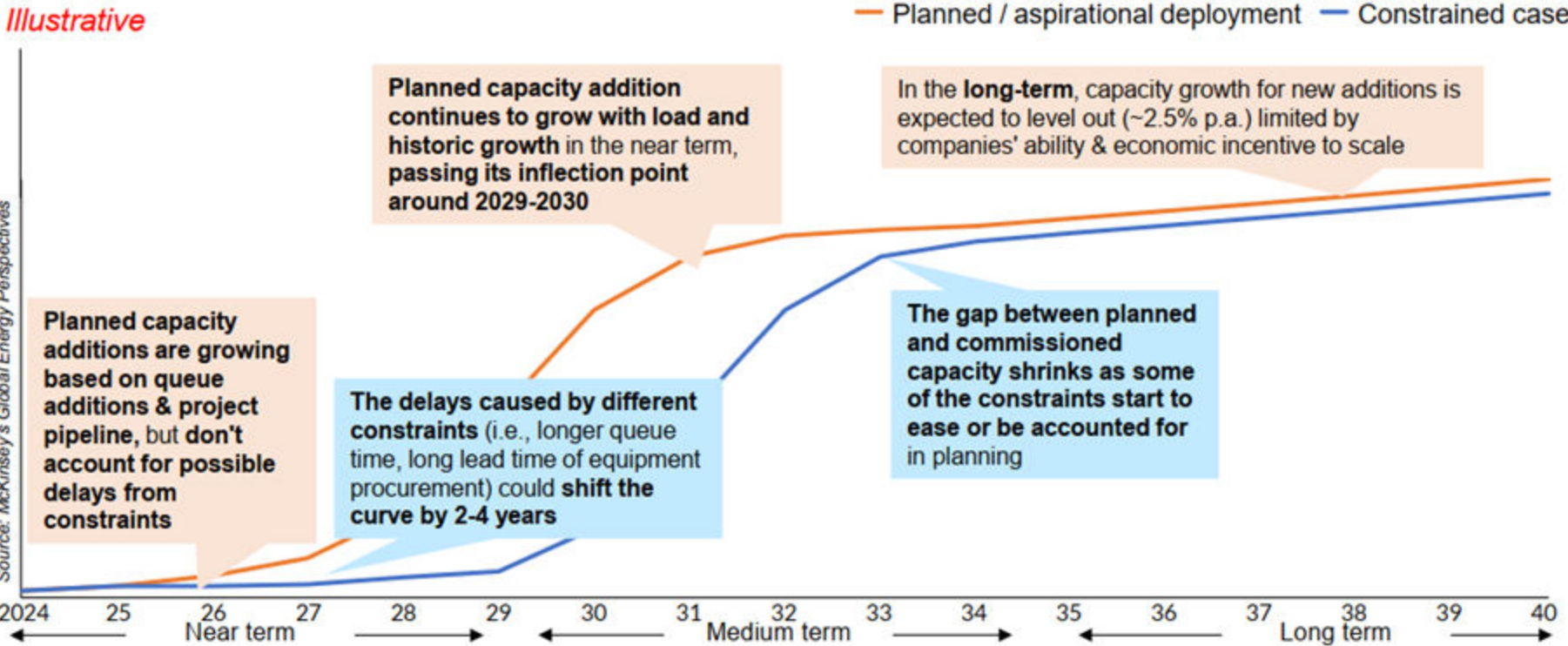
Accreditation signals the fleet's ability to meet basic energy adequacy, generation flexibility and system stability attribute needs, which are vital as operational challenges grow in complexity, frequency and impact.



APPA JA | MISO – Challenges of Adding Capacity Causing Delays

Current member plans for adding capacity will likely be challenged over the near and medium terms by deployment frictions such as regulatory approvals, supply chain and financial uncertainty

Estimated trajectories of MISO’s annual installed capacity limits, 2024-2040



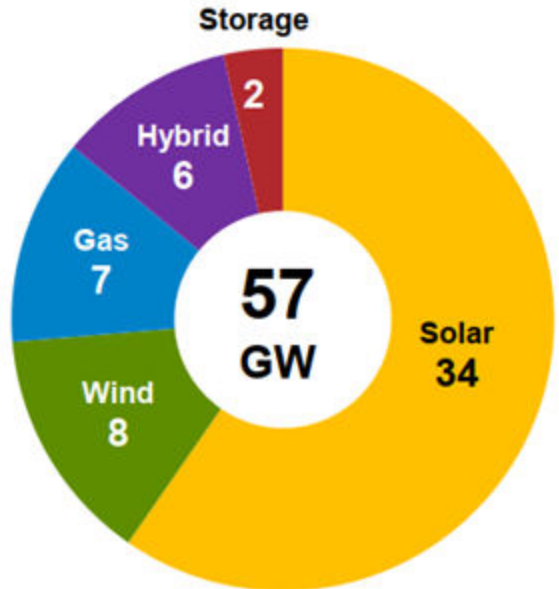
There are uncertainties regarding the impact from constraints – the gap may shrink faster or slower than expected



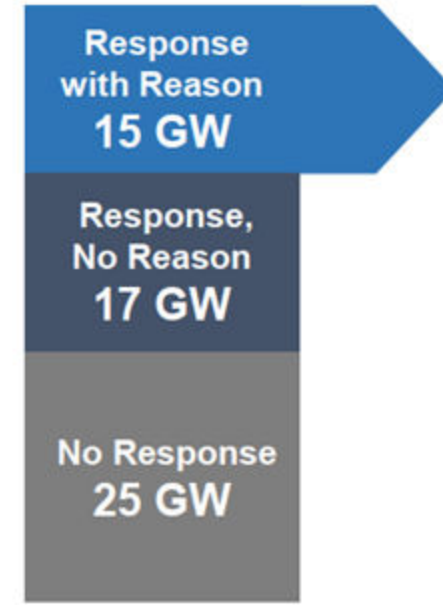
APPA JA | MISO – Delays in Already Approved Interconnections

Some evidence of slow downs with bringing new capacity online can be seen in projects with approved interconnection agreements where more than half are signaling deployment delays

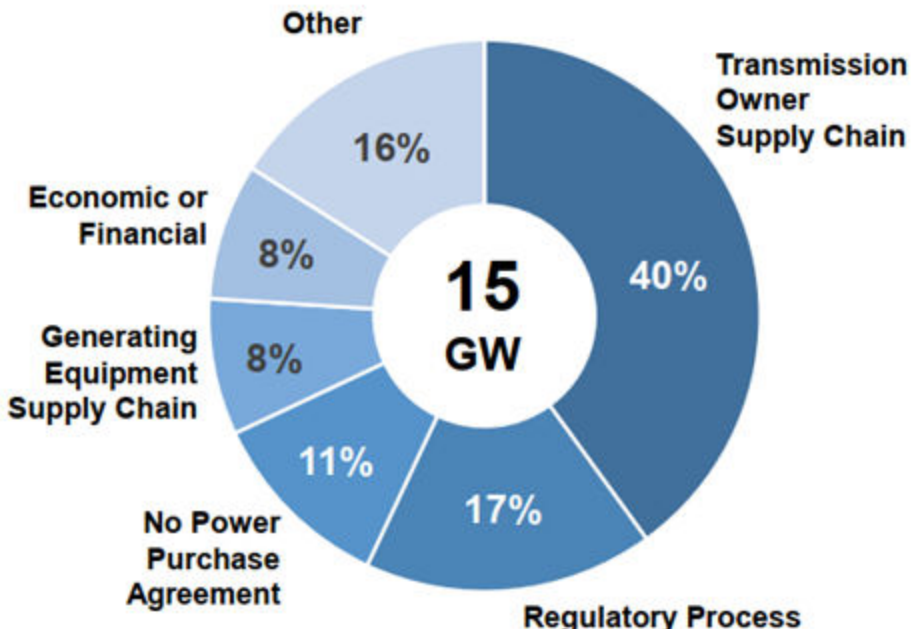
Generator Interconnection Requests Approved & Not Online



Survey of 57 GW Projects Not Online



Delay Reasons



APPA JA | MISO – Market Redefinition with Reliability Imperative

We have made significant progress on foundational initiatives that provide improved data and market signals to support efficient investment and retirement decisions

MARKET REDEFINITION

Completed

- ✓ Attributes Roadmap published
- ✓ Seasonal Resource Auctions (2024-25 Planning Resource Auction)
- ✓ Accreditation - Direct Loss of Load (2028-29 Planning Resource Auction)
- ✓ Reliability Based Demand Curve (2025-26 Planning Resource Auction)
- ✓ Value of Loss Load FERC Filing
- ✓ Shortage Pricing FERC Filing

In-flight or Planned

- Provide Accreditation Data
- Implement Shortage Pricing Across Time Horizons
- Execute Planning Resource Auction with Reliability-Based Demand Curve
- Illustrate Energy Adequacy Risks Across Time Horizons and Locations
- Develop and Communicate Risk Metrics
- Implement Dynamic Locational Reserve Products Including Flexibility & Ramping



APPA JA | Direct Pay Tax Credit Learnings

The tax credits come with two sets of fine print.

- One is wage and apprentice requirements that require paying mechanics and laborers the same wages that are paid on federal construction jobs not only during construction but also on any alterations and repairs during the first five to 10 years of operation. “Qualified” apprentices must be used for 15% of total labor hours during construction.
- The other fine print is anyone expecting a direct cash payment must comply with domestic content requirements. Steel and iron items that are structural in function — for example, rebar — must be 100% US-made. The remaining equipment must be at least 40% to 55% US-made, depending on when construction started for tax purposes. Failure to comply with the domestic content requirements will lead to a 10% haircut in the direct cash payment for projects that started construction in 2024, 15% for projects that start construction this year and no direct cash payment at all for projects starting construction after this year.

Independent generators still qualify for larger tax subsidies than public power utilities.

- The gap has narrowed. Depreciation on privately-owned projects is equivalent to an additional 14% investment tax credit. Most independent generators cannot use the tax credits directly and must barter them in the tax equity or tax credit sale market for less than the full face amount. However, they can usually “step up” the tax basis on which ITCs are claimed.
- Generators are waiting until the late in the development cycle to sign PPAs so as not to lock in uneconomic terms. Tariffs, UFLPA detentions and higher shipping, insurance and construction costs are making it harder to predict prices at which they can commit to supply electricity.



APPA JA | What to Watch in the Next Federal Administration

Executive Branch

- What is an energy czar?
- DOGE's role
- Executive orders
 - Net Zero, Paris Agreement, LNG
- Emergency declarations
 - Tariffs and transformers
 - Permitting v Defense Production Act
 - Federal Power Act

The 119th Congress

- Large budget reconciliation package
 - "One big beautiful bill"
 - Tax, Energy, and Immigration
 - Fate of the Inflation Reduction Act
- Permitting reform?
 - NEPA, ESA, CWA, CAA
- Carbon tariffs
 - GHG policy blending with trade protectionism

Executive Branch: Cabinet Agencies

- Interior (Burgum)
 - Unwind Biden-era restrictions on federal lands? Promote development
 - Purchase Greenland?
- EPA (Zeldin)
 - Reverse power plant GHG rules?
 - Revisit endangerment finding?
- Energy (Wright)
 - Reorient to reduce energy poverty, promote "energy dominance"?
 - Assert more control over FERC?

Independent Agencies

- Federal Energy Regulatory Commission
 - New transmission lines
 - New gas pipelines
 - New goal: cut energy bills by half? How?



2025 Rochester Public Utilities Board



**Melissa
Graner Johnson**

Board President (Trust
Relationship Manager - U.S.
Bank)
2nd Term Ends: January 2026



Malachi McNeilus

Board Vice President (VP of
Operations - Sterling State
Bank)
1st Term Ends: January 2028



Wendy Turri

Board Member (Public Works
Director, City of Rochester –
Retired)
1st Term Ends: January 2029



Brett Gorden

Board Member (Section Head –
Facilities Operations, Mayo
Clinic)
2nd Term Ends: January 2027



Patrick Keane

Board Member & City Council
Liaison (City Council Member -
City of Rochester)
2nd Term Ends: January 2027



2025 Rochester Public Utilities Board – Member Profile



Wendy Turri

Board Member (Public Works Director, City of Rochester – Retired)
1st Term Ends: January 2029

Education: B.S. Chemistry from Mankato State University

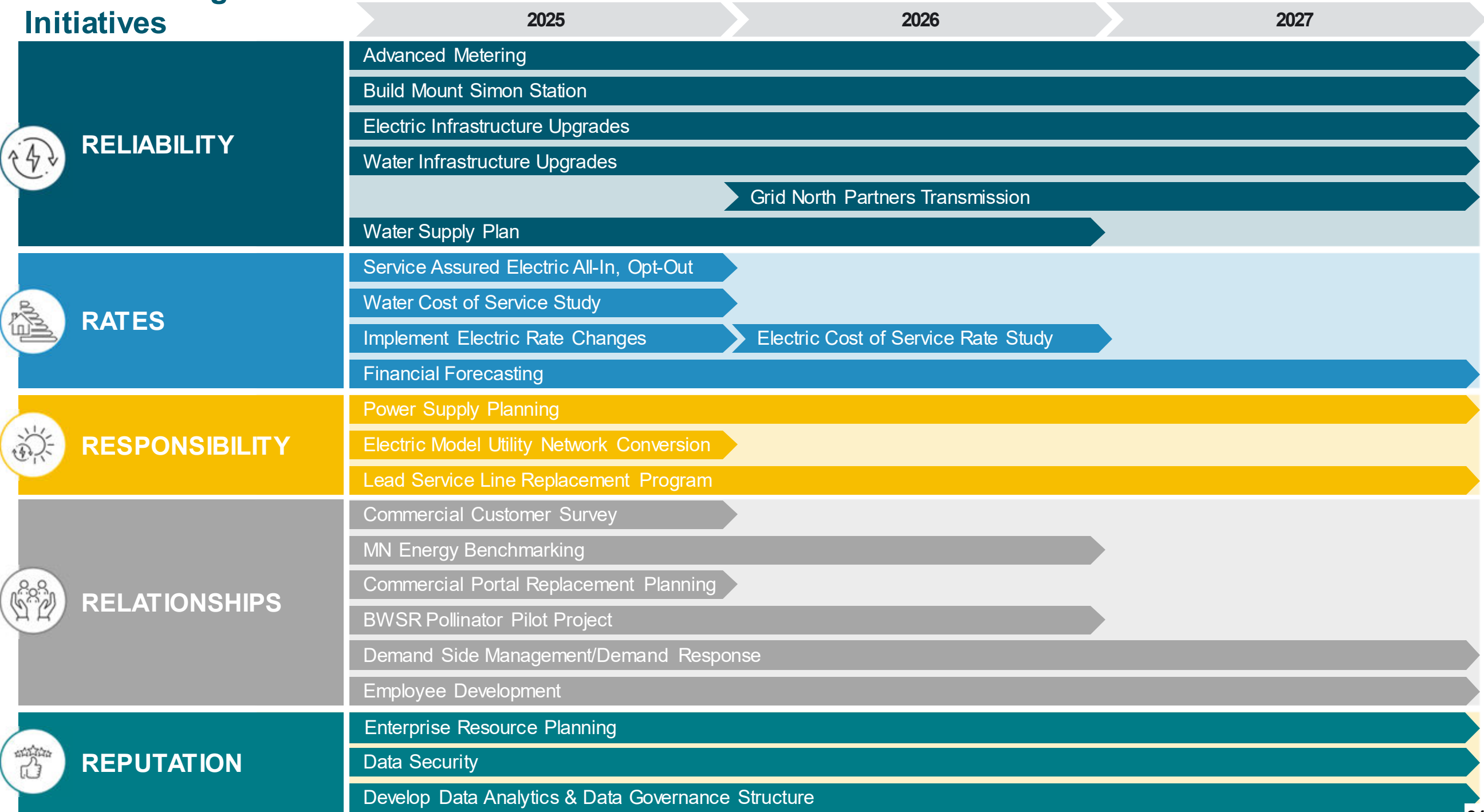
Experience:

- **1982 – 1987:** Worked for the City of Rochester in the WRP lab during the start-up of the oxygen generation plant and became certified as a wastewater operator.
- **1987 – 2017:** Held various roles at the Minnesota Pollution Control Agency, mainly focused on wastewater.
- **2017 – 2024:** Served as Wastewater Manager, Deputy Director of Environmental Sciences, and Public Works Director for the City of Rochester.

Volunteer Work: Certified volunteer mediator assisting with family mediation through Mediation Conflict Solutions, providing meals at Dorothy Day Hospitality House, member of a Bells group for 30+ years



RPU's Strategic Initiatives



RPU's Strategic Measures within the City's Operation Plan



RELIABILITY

SAIDI (System Average Interruption Duration Index)

Water Main Breaks per 100 Miles of Distribution Line

Measure of Average Outage Duration

Measure of Water Distribution System Asset Condition



RATES

Retail Electric and Water Rates Comparison

Bond Rating (Electric Only)

Assessment of Regional Rate Competitiveness

Measure of Financial Health and Credit Worthiness



RESPONSIBILITY

Energy (kWh) and Water (gal) Saved

Training Completion Percentage

Measure of Conservation Program Success

Measure of Training Completion



RELATIONSHIPS

Net Promoter Score

Customer Call Abandonment Rate

Measure of Customer Overall Satisfaction

Measure of our Responsiveness to Answer the Phone



REPUTATION

Overall Customer Satisfaction

Community Involvement and Regional Organizations

Measure of Customer Overall Satisfaction

Measure of Our Commitment to Community Involvement



2025 Initiatives | General Manager



Sustain High Performing
Governance



Strategic Plan
Implementation



Recruitment, Succession
Planning & Retention



Organizational & Leadership
Development



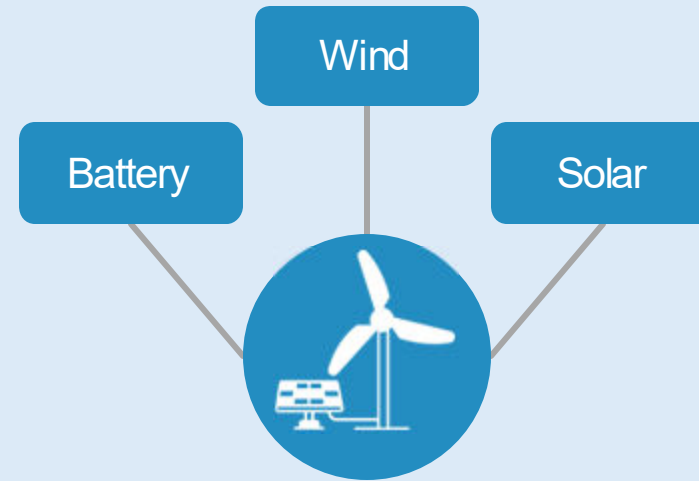
Form & Foster Strategic
Partnerships



2025 Initiatives | Power Resources



Build Mount Simon Station



Renewable Owner Asset Structures



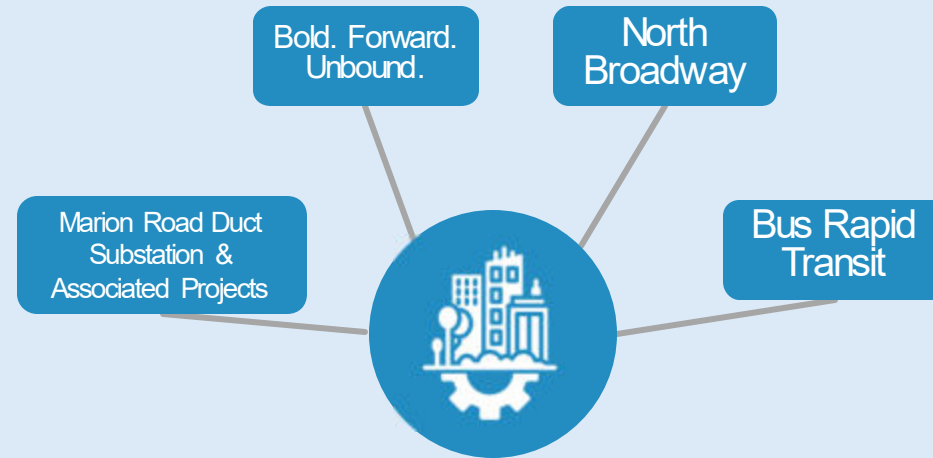
Silver Lake Plant
End of Steam Planning



2025 Initiatives | Power Delivery



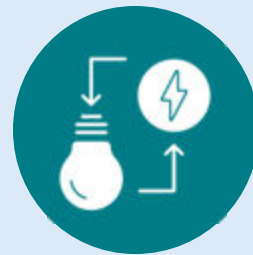
Advanced Metering



Infrastructure Upgrades



Grid North Partners



Electric Model Utility Network Conversion



Implement Service Assured Electric All-In, Opt-Out



2025 Initiatives | Water



Water Supply
Master Plan



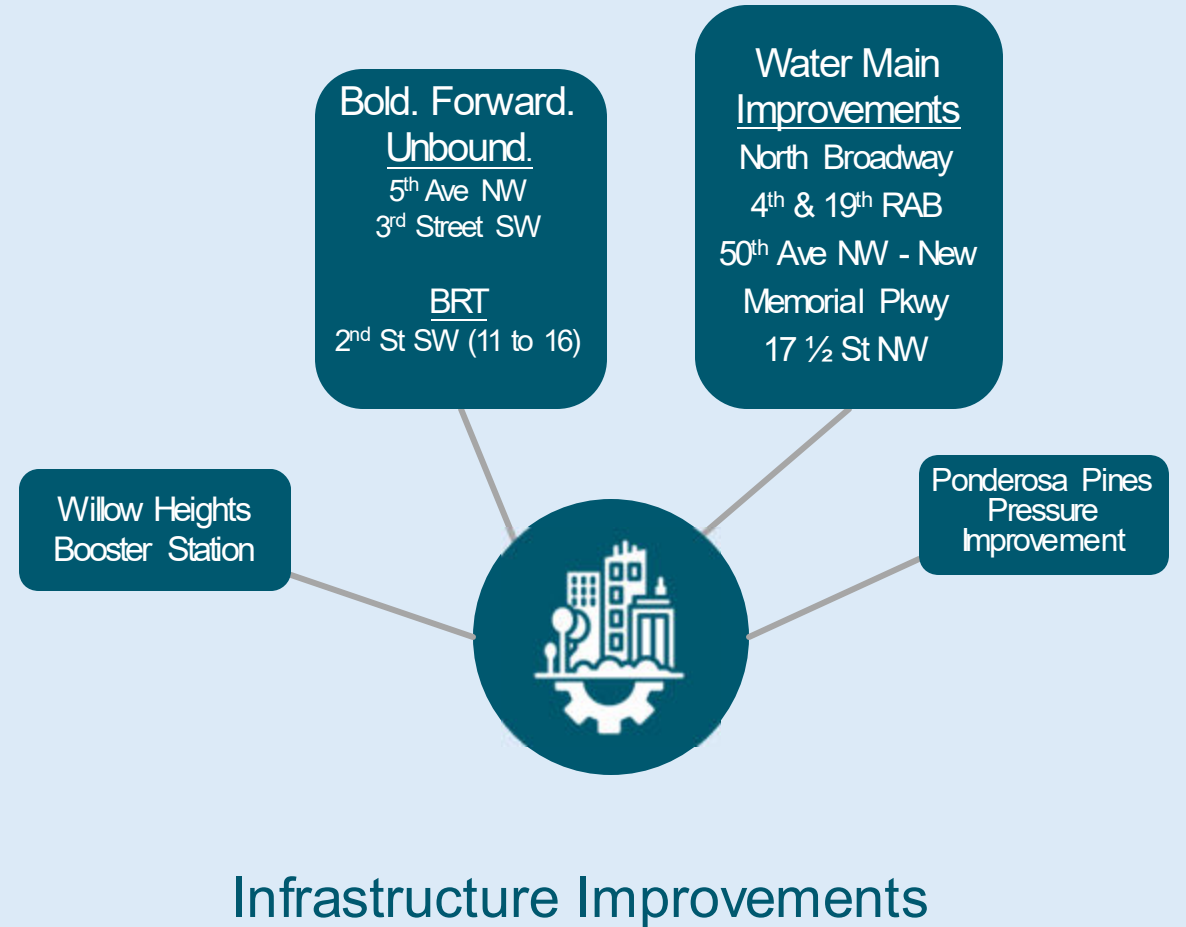
Capital Improvement
Planning



Lead Service Line
Replacement Program

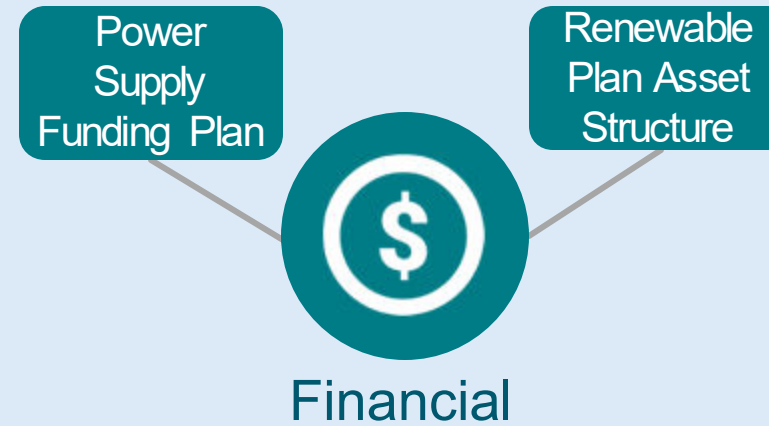
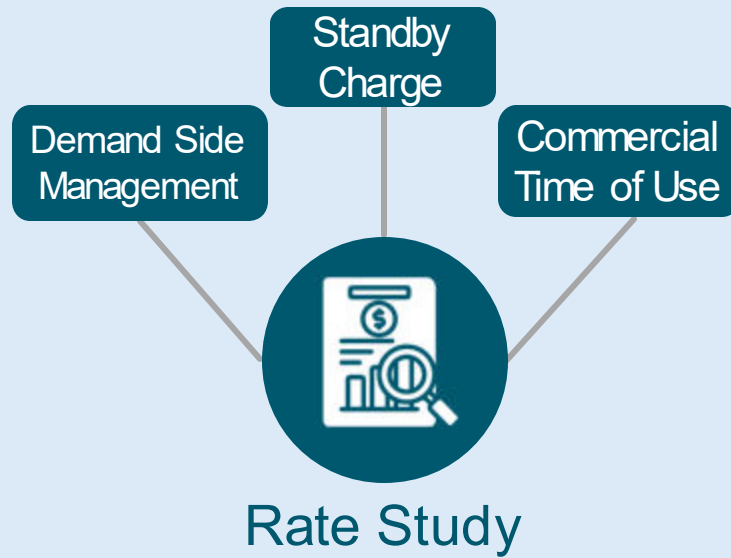


Advanced Metering





2025 Initiatives | Corporate Services



Enterprise Resource Planning



Water Cost of Service Study



2025 Initiatives | Information Technology



Data Security



Data Analytics & Data
Governance Structure



Advanced Metering
Implementation



2025 Initiatives | Customer Relations



Commercial Customer Survey



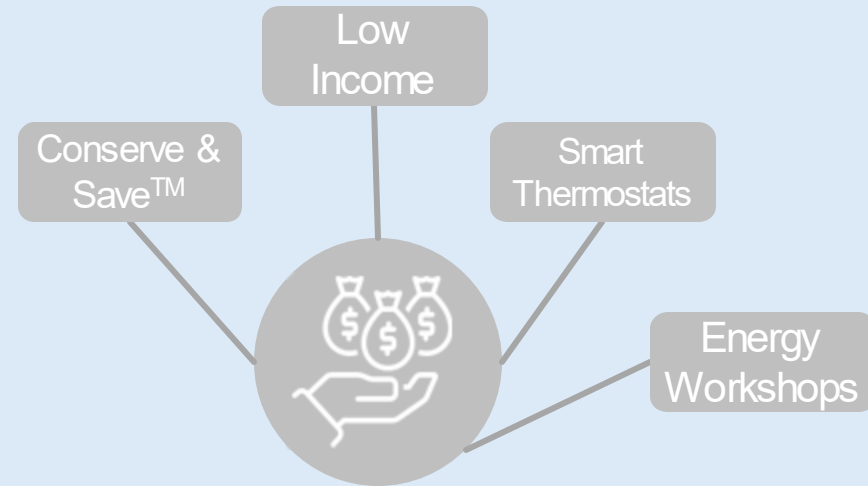
Customer Portal Replacement Project



MN Energy Benchmarking



BWSR Pollinator Pilot Project



Demand Side Management

Financial | External Funding Opportunities Update

| TITLE | DESCRIPTION | AMOUNT | STATUS |
|--|---|--------------|--|
| <u>Rural and Municipal Utility Advanced Cybersecurity Grant (RMUC)</u> | Grant to extend IT security monitoring at substations. | \$236,000 | Awarded |
| <u>Board of Water and Soil Resources (BWSR) Pollinator Pilot</u> | Board of Water and Soil Resources (BWSR) pollinator funding opportunities for utilities. | \$110,000 | Awarded |
| <u>MN Department of Commerce Energy Benchmarking Grant</u> | Grant for municipal utilities to implement the building energy benchmarking legislation from the 2023 session. | \$321,631 | Awarded |
| <u>FEMA & MN Emergency Funds</u> | Received notice that the estimates again fell below the Federal \$750k threshold | \$108,750 | Pending Reimbursement |
| <u>MN Electric Grid Resilience Grants Program</u> | <p>The MN EGRG Program created by the State Legislature (Minn. Law Chapter 60—H.F.No. 2310. Article 12. Sec. 72.), is designed for eligible electric utilities to increase their electric grid resiliency by preparing for, adapting to, or minimizing the consequences of extreme weather or malicious physical or cyber-attacks.</p> <p>A total of \$5.3M is available; the maximum award to eligible entities is \$250k. There is no match required for the funds. Three project concepts were submitted in November 2024:</p> <ul style="list-style-type: none"> • Lake Zumbro Hydroelectric Dam Backup Communications (\$26k) • Substation Videocamera Infrastructure (\$99k) • Substation Thermal Camera Infrastructure (\$250k) | \$375,000 | Submitted Announcement in Early 2025 |
| <u>Lead Service Line Replacement Program via Public Facilities Authority</u> | Rochester Public Utilities has submitted a 2025 Lead Service Line Replacement Program projects on the Intended Use Plan (IUP) Drinking Water State Revolving Fund for construction in 2025. | \$1,021,000 | Awarded |
| <u>Inflation Reduction Act (IRA) Direct Pay Tax Credits</u> | Direct pay tax incentives now available to tax-exempt entities through up front investment tax credits or through production tax credits on renewable and other projects (batteries) | \$90,000,000 | Exploring opportunities with the Power Supply Plan |



What's Ahead

| | | | |
|---------------------------------|--|--------------------------------|--------------------|
| Wed, Feb 12 | SMMPA Board Meeting | McCollough | Lake City, MN |
| Tue, Feb 18 | **RPU Board Meeting** | Board – All, McCollough | RPU |
| Mon, Feb 24 – Thu, Feb 27 | APPA Legislative Rally | McNeilus, McCollough | Washington, DC |
| Fri, Feb 28 | Flourish Strengths Orientation | McNeilus, Turri | Rochester, MN |
| Tue, Mar 4 – Fri, Mar 7 | The Energy Authority (TEA) Symposium | McCollough, Bullock | Atlantic Beach, FL |
| Wed, Mar 12 | SMMPA Board Meeting | Bullock (McCollough PTO) | Litchfield, MN |
| Thu, Mar 20 | RPU Employee Recognition Breakfast | Graner Johnson, McCollough | RPU |
| Tue, Mar 25 | RPU Board Meeting & Flourish | Board – All, McCollough | RPU |
| Tue, Apr 8 | SMMPA Board Meeting | McCollough | Mora, MN |
| Fri, Apr 25 | RPU Arbor Day Celebration | Board – TBD | Rochester, MN |
| Tue, Apr 29 | RPU Board Meeting | Board – All, McCollough | RPU |
| Wed, May 14 | SMMPA Board Meeting | McCollough | New Prague, MN |
| Tue, May 20 | **RPU Board Meeting** | Board – All, McCollough | RPU |
| Sun, Jun 8 – Wed, Jun 11 | APPA National Conference | Board – TBD | New Orleans, LA |
| Sun, Jun 8 – Wed, Jun 11 | AWWA Annual Conference & Expo | Board – TBD, McCollough | Denver, CO |



QUESTIONS



Major Projects Update January 2025

VISION | We will set the standard for service.

MISSION | We provide the highest quality services and products for our customers. With our experience and resources, we enrich people's lives, help businesses prosper, and promote the community's welfare.

MAJOR PROJECTS UPDATE

UPDATED % BUDGET % COMPLETE

| | | | | |
|-----------|---|--------------|------|----|
| On-Track | <u>Marion Road Substation & Associated Projects</u> | Dec 17, 2024 | 90 | 90 |
| On-Track | <u>Advanced Metering Infrastructure (AMI) Project</u> | Dec 17, 2024 | 99.5 | 0 |
| Complete | <u>Lake Zumbro Hydroelectric Dam Generator Controls Upgrade</u> | Nov 26, 2024 | 85 | 75 |
| On-Track | <u>Booster Pump #95</u> | Oct 29, 2024 | 26 | 30 |
| Planning | <u>Grid North Partners (GNP) MISO Tranche 1 – LRTP 4</u> | May 21, 2024 | | |
| On-Track | <u>GIS Utility Network Conversion</u> | Jun 25, 2024 | 38 | 50 |
| On-Track | <u>BSWR Pollinator Utility Transmission Easement Pilot</u> | Jul 30, 2024 | 0 | 0 |
| Updated → | On-Track <u>MN Energy Benchmarking</u> | Aug 27, 2024 | 31 | 0 |
| | On-Track <u>Power Supply Resource Plan</u> | Sep 24, 2024 | 88 | 65 |
| New → | On-Track <u>Customer Portal Replacement Project</u> | Jan 21, 2025 | 0 | 0 |
| New → | On-Track <u>Lead Service Line Replacement Project</u> | Jan 21, 2025 | 5 | 5 |

Bold. Forward. Unbound.



Marion Road Substation & Associated Projects



Duct Bank Under Construction



Project Overview

PROJECT SUMMARY:

This project has three major segments (Substation, Transmission, and Conduit Systems). All three segments have experienced challenges partially due to supply and labor shortages following COVID19. The Substation and Transmission are complete with all major equipment on site and installed. The conduit system route is approximately 2 miles long and there is approximately 1/3 of a mile remaining to be installed.

ACCOMPLISHMENTS:

- ✓ Substation is substantially complete and tested and RPU is serving local load from this substation
- ✓ All of the transmission work is complete
- ✓ Duct bank is approximately 80% complete
- ✓ MnDOT permit issued for HWY 14E crossing

PROJECT DASHBOARD

PROJECT STATUS



PROJECT TITLE

Marion Road Substation & Associated Projects

PROJECT MANAGER

Steven Cook & Neil Stiller

EXECUTIVE SPONSOR

Scott Nickels

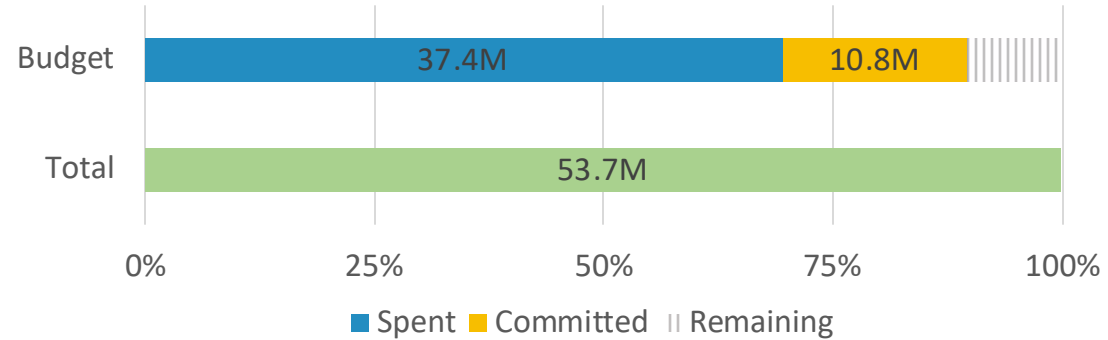
DATE

December 17, 2024

SCHEDULE

| | |
|-----------------------|--------------|
| Project Start Date | 2018 |
| Baseline Finish Date | January 2025 |
| Estimated Finish Date | October 2025 |

FINANCIALS



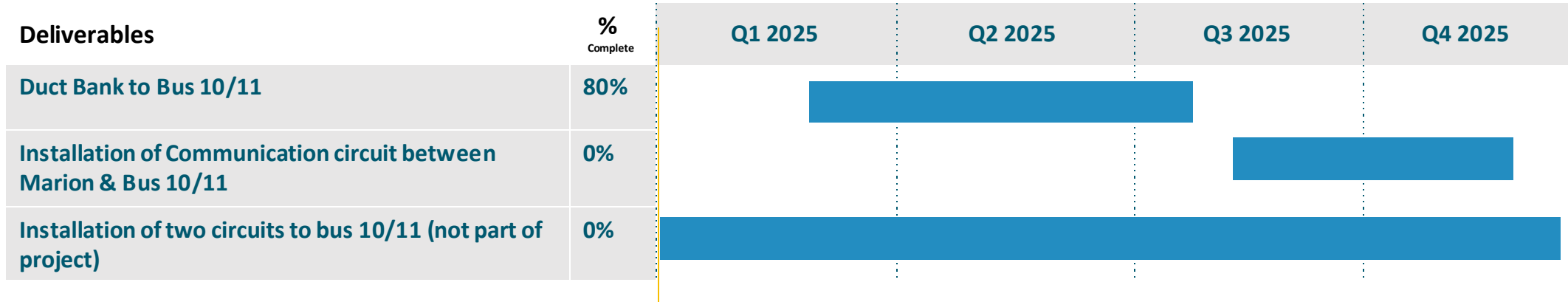
% BUDGET

90%

% COMPLETE

90%

EXECUTION TIMELINE



KEY RISKS & ISSUES

| No. | Description | Severity | Impact | Status |
|-----|---|----------|-----------------|--------|
| D1 | Cultural Heritage Site | Med | Budget/Schedule | Open |
| D2 | Soldiers Field & Slatterly Park Construction Coordination | Min | Budget/Schedule | Open |

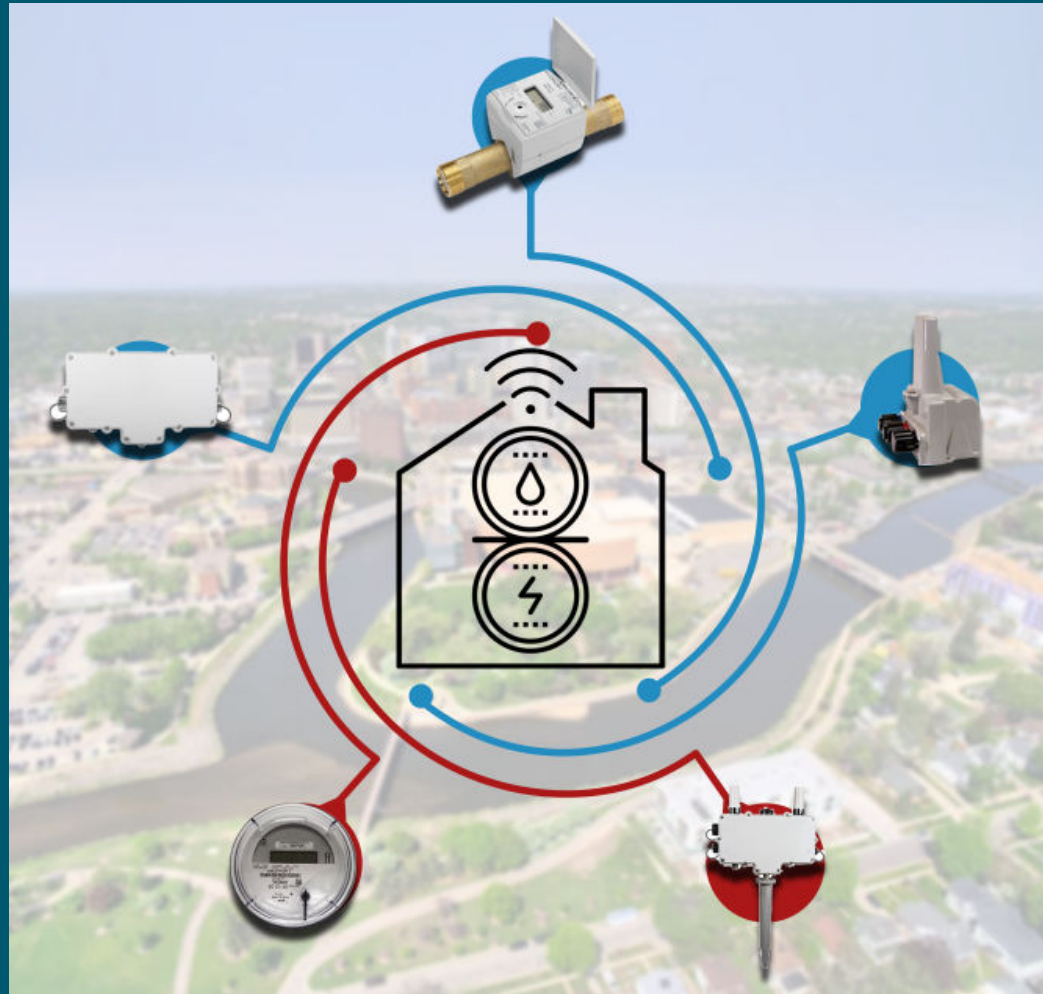
UPCOMING MAJOR MILESTONES

Aug 2025 Substantial Completion of Duct Bank

PROJECT STATUS DESCRIPTION

The last phase of the duct bank project is under construction and while there are still risks associated with the Cultural Heritage site they appear to be manageable without a reroute at this time. There is \$5.5M of remaining budget to cover contingencies.

Advanced Metering Infrastructure Project



Project Overview

PROJECT SUMMARY:

The project involves three main parts - Advanced Metering Infrastructure (AMI), Meter Data Management (MDM), and the joint effort of RPU personnel and the Meter Installation Vendor (MIV) to replace 60,000 electric and 40,000 water endpoints. The replacement will take place over a period of three years, starting in the fall of 2025.

ACCOMPLISHMENTS:

- ✓ RFPs have been completed for AMI, MDM, and MIV.
- ✓ Product demonstrations have been held.
- ✓ A preferred best in breed solution has been selected.
- ✓ Multiple contract negotiations are nearing completion.
- ✓ A project timeline has been established.

PROJECT DASHBOARD

PROJECT STATUS



PROJECT TITLE

Advanced Metering Infrastructure Project

PROJECT MANAGER

Util-Assist

EXECUTIVE SPONSOR

Scott Nickels

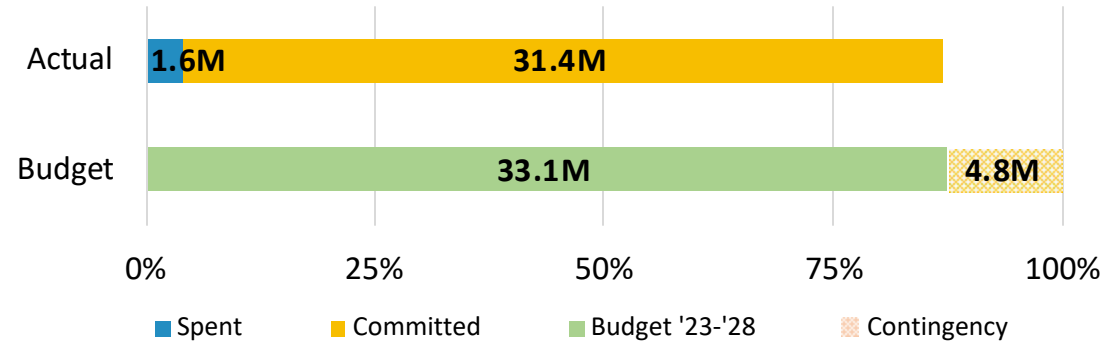
DATE

December 17, 2024

SCHEDULE

| | |
|-----------------------|---------------|
| Project Start Date | October 2023 |
| Baseline Finish Date | December 2028 |
| Estimated Finish Date | December 2028 |

FINANCIALS



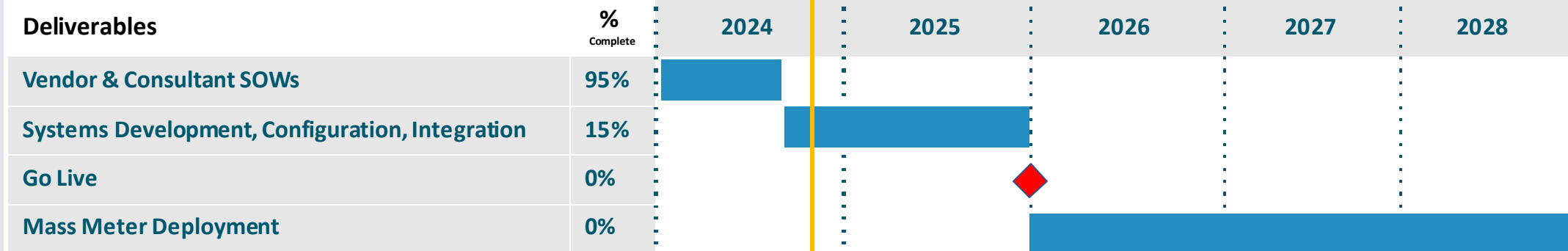
% BUDGET

99.5 %

% COMPLETE

0 %

EXECUTION TIMELINE



KEY RISKS & ISSUES

| No. | Description | Severity | Impact | Status |
|-----|---|----------|-----------------|--------|
| 1 | Meter Delivery | Low | Schedule/Budget | Open |
| 2 | System Integrations | Low | Schedule/Budget | Open |
| 3 | Water Meter Deployment - Residence Entrance | Medium | Schedule/Budget | Open |

UPCOMING MAJOR MILESTONES

December 2024:

- Business requirement workshops
- Meter lab setup and begin FAT
- Complete Cayenta PSA and phase 2 SOW for Wesco

January 2024:

- Continuation of business requirement workshops

PROJECT STATUS DESCRIPTION

As of the end of November, 60% of the business requirements workshops have been completed. These workshops will remain the team's focus over the coming months, with the business requirements phase scheduled to conclude on February 7. The RPU team is finalizing the meter lab setup, which is expected to be operational by the week of December 9. This will enable first article testing (FAT) to begin, running from December 16 through the end of February, with a two-week break over the holidays. On the contracting front, MIV SOW, RPU's legal counsel, has completed their review, and a follow-up negotiation session with all parties is scheduled for December 12, to move the agreement closer to finalization. CIS PSA, RPU's legal team, has made progress and is awaiting updates from Cayenta on the remaining topics to finalize. The goal is to complete both agreements by the end of December, allowing them to be signed in January. Looking ahead, Cayenta is preparing the Phase 2 SOW for the SI Project. This document is due in February and will be governed under the new PSA.

Lake Zumbro Hydroelectric Dam Generator Controls Upgrade



Project Overview

PROJECT SUMMARY:

The project involves four main parts – New PLC based generator and plant controls, a new fully static excitation system, mechanical governor replacement, and updated generator protection. The installation and commissioning of the project is scheduled for the fall of 2024.

ACCOMPLISHMENTS:

- ✓ A contract has been issued for the design and engineering of the project With L & S Electric.
- ✓ Equipment installation and wiring is complete.
- ✓ Currently finishing the commissioning of PLC controls.
- ✓ Scheduled to finish on time and within budget by end of year.

PROJECT DASHBOARD

PROJECT STATUS



PROJECT TITLE

Lake Zumbro Hydroelectric Dam Generator Controls Upgrade

PROJECT MANAGER

Matt Mueller

EXECUTIVE SPONSOR

Tony Dzubay

DATE

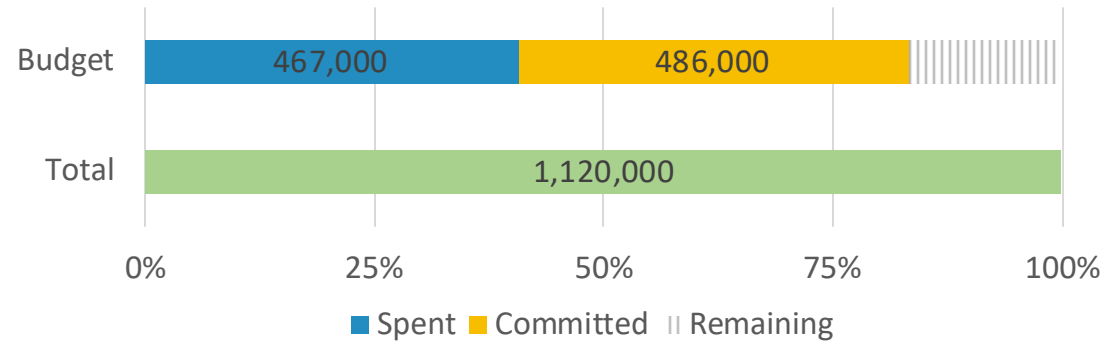
November 26, 2024



SCHEDULE

| | |
|-----------------------|---------------|
| Project Start Date | October 2023 |
| Baseline Finish Date | November 2024 |
| Estimated Finish Date | December 2024 |

FINANCIALS



% BUDGET

85%

% COMPLETE

75%

EXECUTION TIMELINE

| Deliverables | % Complete | Q1 2024 | Q2 2024 | Q3 2024 | Q4 2024 |
|----------------------------------|------------|---------|---------|---------|---------|
| Conceptual Design Drawing Review | 100% | █ | | | |
| Detailed Design Drawing Review | 100% | | █ | | |
| Equipment Delivery | 99% | | | | ◆ |
| Installation and Commissioning | 45% | | | | █ |

KEY RISKS & ISSUES

| No. | Description | Severity | Impact | Status |
|-----|-----------------------------|----------|-----------------|--------|
| 1 | SCADA Equipment/Integration | High | Scope/Budget | Closed |
| 2 | Equipment Delivery | High | Schedule/Budget | Closed |
| 3 | Fall Weather | Low | Schedule | Open |

UPCOMING MAJOR MILESTONES

- May 2024** Detailed Design Drawing Review
- October 2024** Equipment delivery and installation
- November 2024** Check-out and Commissioning

PROJECT STATUS DESCRIPTION

Currently on schedule and on budget

#95 Booster Project



Project Overview

PROJECT SUMMARY:

The project adds an additional supply to the Willow Heights High Level pressure zone. The proposed booster station provides redundancy to the #31 Boosters in the event of a failure at that site. The booster station is located at the site of our #95 Willow Reservoir and will be constructed on top of the existing valve vault.

PROJECT GOALS:

Provide a redundant feed to the Willow Heights High Level Pressure Zone.

ACCOMPLISHMENTS:

- ✓ Design and Permitting Complete
- ✓ Water Main Installed and Tested
- ✓ Contract Awarded

PROJECT DASHBOARD

PROJECT STATUS



PROJECT TITLE

#95 Booster Project

PROJECT MANAGER

Luke Payne

EXECUTIVE SPONSOR

Scott Nickels

DATE

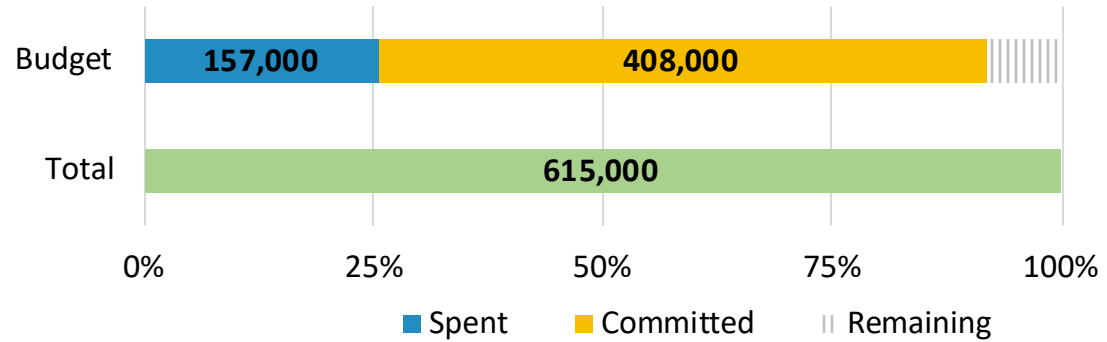
October 29, 2024



SCHEDULE

| | |
|-----------------------|------------|
| Project Start Date | April 2022 |
| Baseline Finish Date | May 2025 |
| Estimated Finish Date | May 2025 |

FINANCIALS



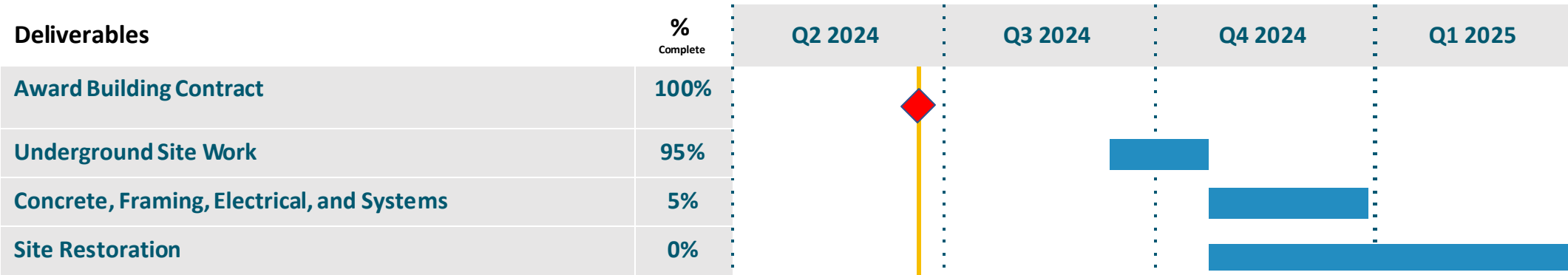
% BUDGET

26%

% COMPLETE

30%

EXECUTION TIMELINE



KEY RISKS & ISSUES

| No. | Description | Severity | Impact | Status |
|-----|--------------------------------|----------|-----------------|--------|
| 1 | Electrical Equipment Lead Time | Medium | Schedule | Open |
| 2 | Construction Delays (Weather) | Medium | Schedule/Budget | Open |
| 3 | Performance of New Contractor | Medium | Schedule | Open |

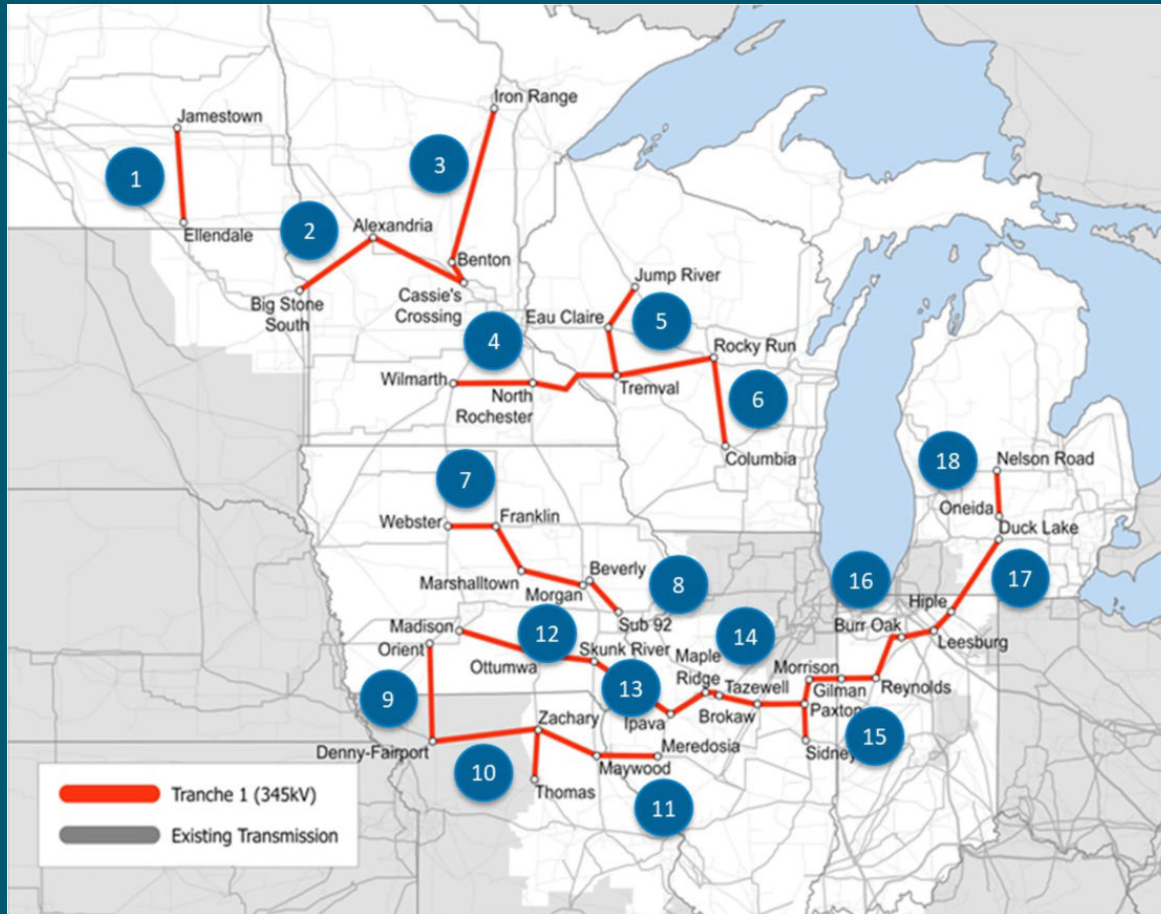
UPCOMING MAJOR MILESTONES

- October 2024** Complete Concrete and Framing
- December 2024** Project Substantially Complete
- Spring 2025** Final Site Restoration

PROJECT STATUS DESCRIPTION

Building should be dried-in and secure in the next two weeks. Project scheduled to be substantially complete by the end of 2024, with site restoration to be completed in the spring.

Grid North Partners (GNP) MISO Tranche 1 – LRTP 4



Description: MISO Tranche 1 map. RPU will be participating in the #4 (LRTP 4) project.



Project Overview

PROJECT SUMMARY:

RPU will be partnering with Xcel Energy, SMMMPA, and Dairyland Power Cooperative in the construction and ownership of a portion of Line #4 (LRTP 4) on the map. The companies are working at finalizing preliminary agreements that will describe investment levels, ownership, and other items. This will then lead into formal agreements that each utility will execute. RPU anticipates that its investment in this project will be near \$30M, but this amount has not been finalized yet.

ACCOMPLISHMENTS:

- ✓ RPU expressed interest in partnering in the LRTP 4 project with the other GNP utilities.
- ✓ Meetings have been held that have laid much groundwork for RPU's participation level.
- ✓ An MOU amongst the parties is being finalized
- ✓ Preliminary discussion have been had to begin laying the foundation for the official project agreements.

GIS Utility Network Implementation



Project Overview

PROJECT SUMMARY:

This project is a data conversion project migrating the water and electric GIS data to a new data model. The previous data model is 20+ years old and isn't compatible with the latest generation of GIS applications. Successful completion of this project will ensure RPU's GIS remains relevant and extend capabilities as new GIS applications are released in the future.

ACCOMPLISHMENTS:

- ✓ UDC completed a data readiness study in 2022 identifying potential errors/gaps in the data conversion for both water and electric utilities
- ✓ UDC assisted the GIS Team with the conversion of water utility GIS data January – May of 2024

PROJECT DASHBOARD

PROJECT STATUS



PROJECT TITLE

GIS Utility Network Implementation

PROJECT MANAGER

Ryan Moore

EXECUTIVE SPONSOR

Scott Nickels

DATE OF UPDATE

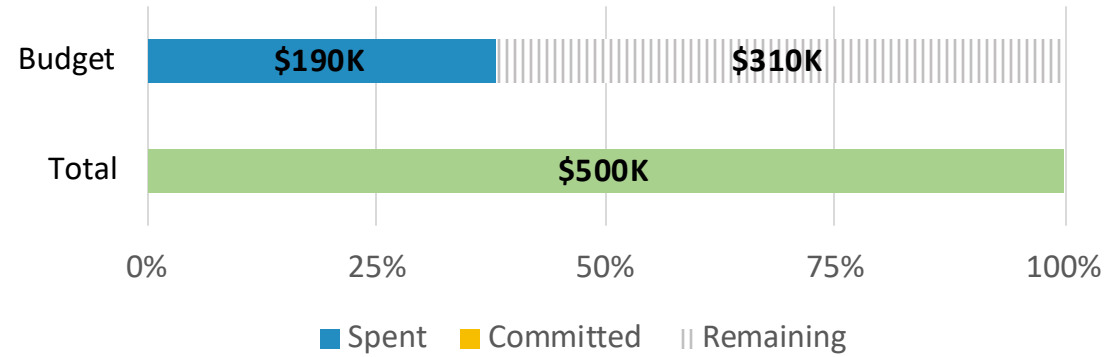
June 25, 2024



SCHEDULE

| | |
|-----------------------|---------------|
| Project Start Date | December 2023 |
| Baseline Finish Date | December 2025 |
| Estimated Finish Date | December 2025 |

FINANCIALS



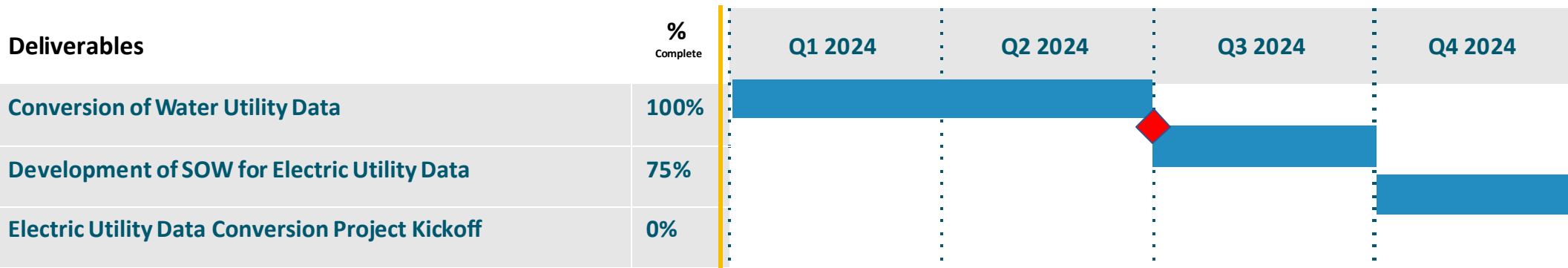
% BUDGET

38 %

% COMPLETE

50 %

EXECUTION TIMELINE



KEY RISKS & ISSUES

| No. | Description | Severity | Impact | Status |
|-----|----------------------------------|----------|--------------------|--------|
| 1 | Consultant Resource Availability | High | Project Start Date | Open |
| 2 | Deliverables not to expectation | High | Schedule/Budget | Open |
| 3 | Missed items in SOW | Medium | Schedule/Budget | Open |

UPCOMING MAJOR MILESTONES

October 2024 Electric Data SOW completed with UDC

December 2024/ January 2025 Project Kickoff

PROJECT STATUS DESCRIPTION

Currently on schedule and on budget

BWSR Pollinator Pilot Project Partnership



Project Overview

PROJECT SUMMARY:

RPU is partnering with the State of Minnesota's Board of Water and Soil Resources (BWSR) department to implement two habitat-friendly pollinator corridors in Rochester. This three-year pilot project is all about transforming two transmission corridors into long standing pollinating habitats that incorporate native vegetation that supports pollinating insects, mitigates erosion and sedimentation, and ensures the integrity and resiliency of Rochester's landscapes while protecting habitat and water resources.

The two transmission sites are located behind the Withers Sports Complex and Bear Creek / Marion Rd.

ACCOMPLISHMENTS:

- ✓ Mowing was completed in August.
- ✓ Spraying of both ROWs was completed in September.
- ✓ Soil prep treatment (tilling, discing) deemed unnecessary given the use of a native seed drill.
- ✓ Seeding scheduled for early November.

PROJECT DASHBOARD

PROJECT STATUS



PROJECT TITLE

Pollinator Project

PROJECT MANAGER

Board of Water and Soil Resources (BWSR)

EXECUTIVE SPONSOR

Patty Hanson

DATE OF UPDATE

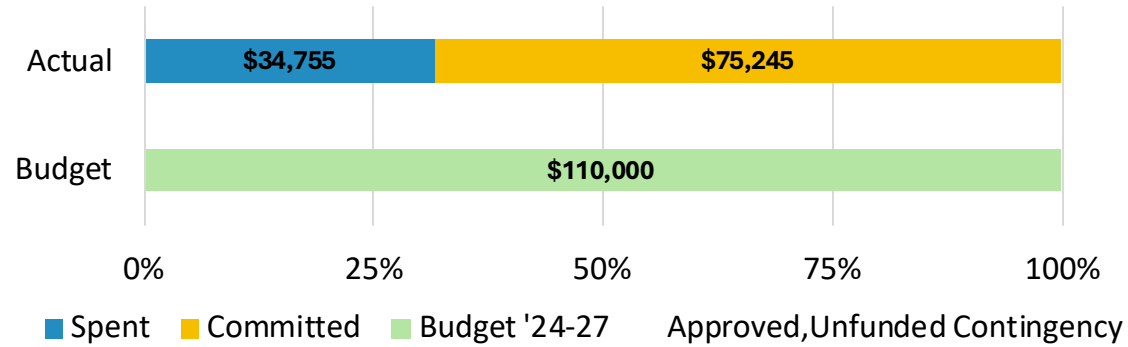
December 30, 2024



SCHEDULE

| | |
|-----------------------|---------------|
| Project Start Date | June 21, 2024 |
| Baseline Finish Date | June 30, 2027 |
| Estimated Finish Date | June 30, 2027 |

FINANCIALS



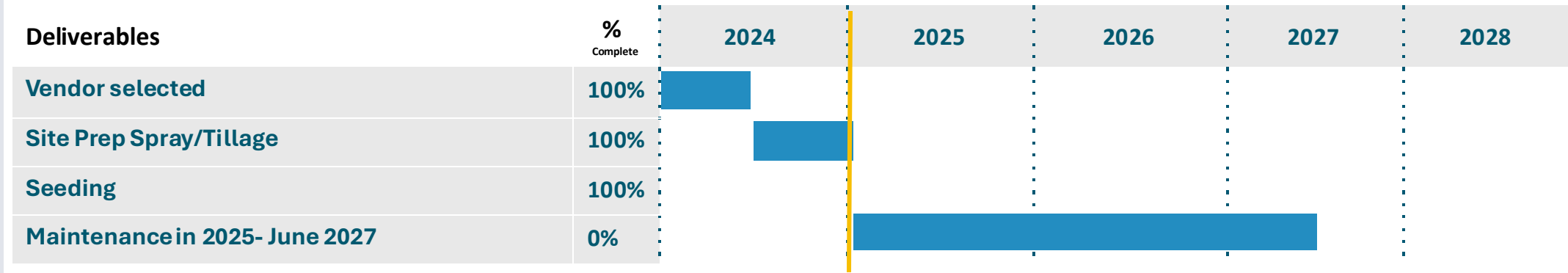
% BUDGET

31 %

% COMPLETE

50 %

EXECUTION TIMELINE



KEY RISKS & ISSUES

| No. | Description | Severity | Impact | Status |
|-----|-------------|----------|----------|--------|
| 1 | Weather | Medium | Schedule | Open |

UPCOMING MAJOR MILESTONES

August - October 2024 Sites are prepped and ready for seeding
November 2024 Seeding is completed

PROJECT STATUS DESCRIPTION

Seeding was completed in November. Will wait to see what the spring brings and evaluate what additional work needs to take place.

MN Energy Benchmarking



Benchmarking Energy Use Data



Project Overview

PROJECT SUMMARY:

MN Statute 216C.331 requires commercial customers of 50,000 square feet and greater to upload their energy data into the EnergyStar Portfolio Manager.

Projects goals are two-fold: 1) implement a software tool, MyMeter and 2) hire an Energy and Environmental Advisor to help set up the program and assist customers.

Project launch is scheduled for March 1, 2025

ACCOMPLISHMENTS:

- ✓ Project kickoff took place in late September.
- ✓ Limited Term Energy & Environmental Advisor position filled in November.
- ✓ 60% of integration and design work completed.
- ✓ On track for a March launch.

PROJECT DASHBOARD

PROJECT STATUS



PROJECT TITLE

Energy Benchmarking

PROJECT MANAGER

Patty Hanson

EXECUTIVE SPONSOR

Patty Hanson

DATE OF UPDATE

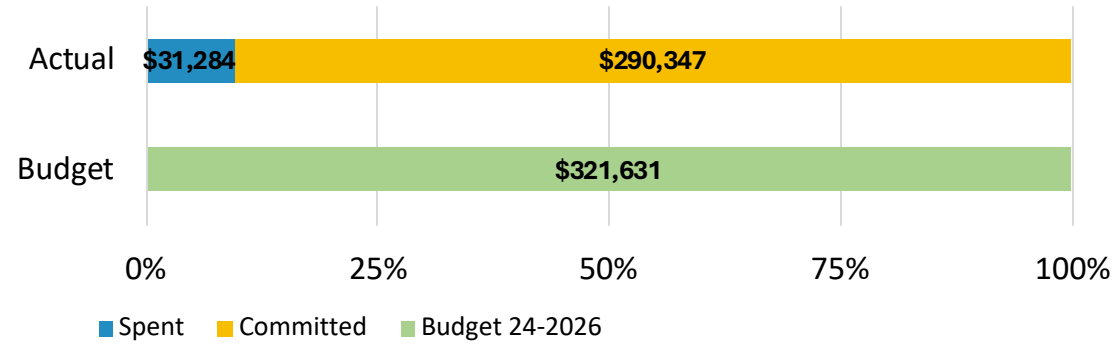
December 30, 2024



SCHEDULE

| | |
|-----------------------|--------------|
| Project Start Date | August 2024 |
| Baseline Finish Date | January 2025 |
| Estimated Finish Date | March 2025 |

FINANCIALS



% BUDGET

9%

% COMPLETE

25%

EXECUTION TIMELINE

| Deliverables | % Complete | 2024 | 2025 | 2026 | 2027 | 2028 |
|---|------------|-------------|------|------|------|------|
| Hiring of Limited Term FTE | 100% | Completed | | | | |
| Systems Development, Configuration, Integration | 60% | In Progress | | | | |
| RPU Staff Training / Testing | 10% | In Progress | | | | |
| Go-Live | 0% | | | | | |

KEY RISKS & ISSUES

| No. | Description | Severity | Impact | Status |
|-----|---------------------------|----------|-----------------|--------|
| 1 | Hiring a limited term FTE | Medium | Schedule/Budget | Open |
| 2 | System Integrations | High | Schedule/Budget | Open |
| 3 | Deployment | High | Schedule/Budget | Open |

UPCOMING MAJOR MILESTONES

- October 2024** Requirements completed
- November 2024** Limited term position in place
- March 2025** Project implementation completed
- June 2026** Limited term assignment completed

PROJECT STATUS DESCRIPTION

State grant funding was awarded in the amount of \$321,631 to cover the costs of implementing the MyMeter software, a benchmarking solution, and to hire a limited term FTE to help stand up the program.

RPU Power Supply Resource Plan



Project Overview

PROJECT SUMMARY:

Latest resource plan initiated in 2022

PROJECT GOALS:

Develop a resource plan to replace SMMPA contract in 2030.

Meet adopted local goal of 100% net renewable electricity by 2030.

Final phase of planning before implementation to be completed early in 2025.

ACCOMPLISHMENTS:

- ✓ Developed least cost scenario
- ✓ Identified energy resources and capacity resources to fulfill needs
- ✓ Submitted interconnection application to MISO.

PROJECT DASHBOARD

PROJECT STATUS



PROJECT TITLE

Power Supply Resource Plan

PROJECT MANAGER

Tony Dzubay

EXECUTIVE SPONSOR

Bill Bullock

DATE OF UPDATE

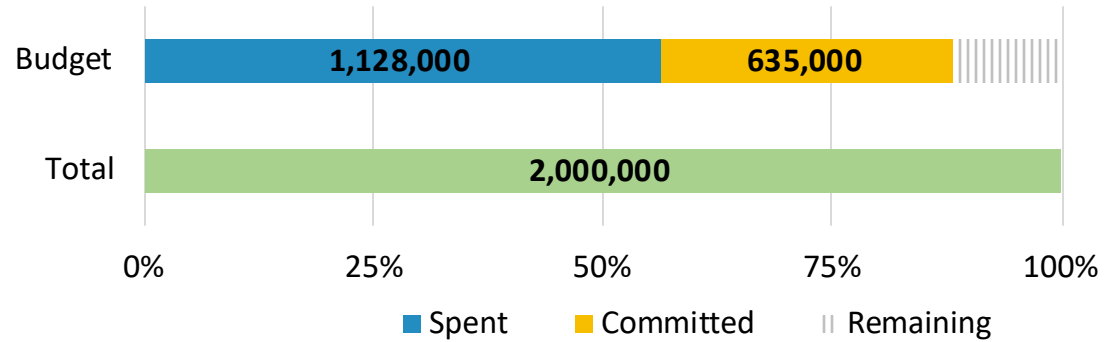
September 17, 2024



SCHEDULE

| | |
|-----------------------|---------------|
| Project Start Date | March 2022 |
| Baseline Finish Date | December 2024 |
| Estimated Finish Date | April 2025 |

FINANCIALS



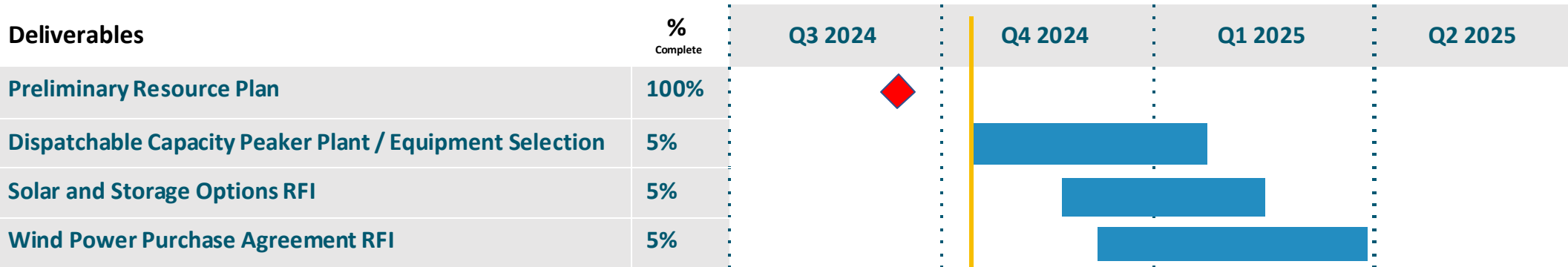
% BUDGET

88 %

% COMPLETE

65%

EXECUTION TIMELINE



KEY RISKS & ISSUES

| No. | Description | Severity | Impact | Status |
|-----|---------------------------|----------|-----------------------|--------|
| 1 | Supply Chain Issues | High | Schedule/Budget | Open |
| 2 | Equipment Inflation | High | Schedule/Resource Mix | Open |
| 3 | Competition for Resources | Medium | Budget/Resource Mix | Open |

UPCOMING MAJOR MILESTONES

- Sep 24** Kickoff RFI Phase
- Oct 24** RFI for prime mover
- Nov 24** RFI for Solar & Storage
- Dec 24** RFI for Wind
- Mar 25** Summary Report

PROJECT STATUS DESCRIPTION

Currently on schedule and on budget

Customer Portal Implementation Project



Project Overview

PROJECT SUMMARY:

- Accelerated Innovations will assist RPU in the implementation of their MyMeter customer engagement portal solution which will replace our current software.
- Deliverables include bill pay, bill and usage presentment, AMI, outage map, and more.
- A nine-month implementation.
- Go-live by November 2025.

UP COMING ACCOMPLISHMENTS:

- ✓ Project kickoff in early February 2025
- ✓ Project design and integration February-September 2025
- ✓ Testing and training by end of Q3 2025
- ✓ Project cut-over by October 2025
- ✓ Project completed by November 2025

PROJECT DASHBOARD

PROJECT STATUS



PROJECT TITLE

Customer Portal Project

PROJECT MANAGER

Mikki Valere

EXECUTIVE SPONSOR

Patty Hanson

DATE OF UPDATE

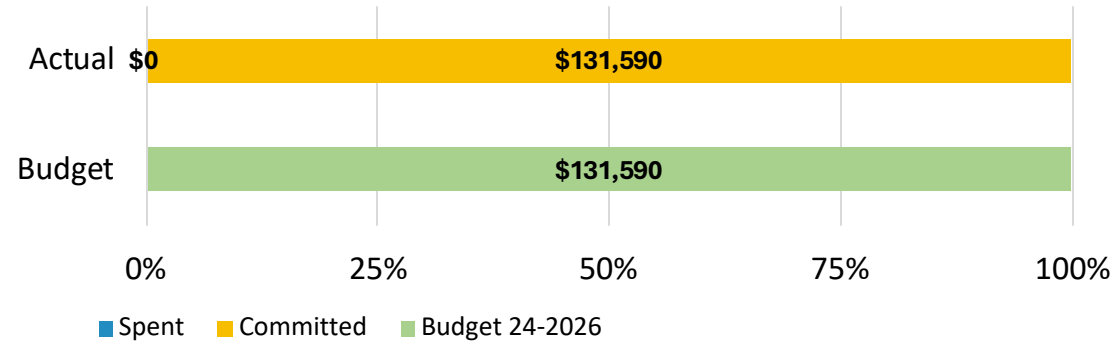
December 30, 2024



SCHEDULE

| | |
|-----------------------|---------------|
| Project Start Date | February 2025 |
| Baseline Finish Date | November 2025 |
| Estimated Finish Date | October 2025 |

FINANCIALS



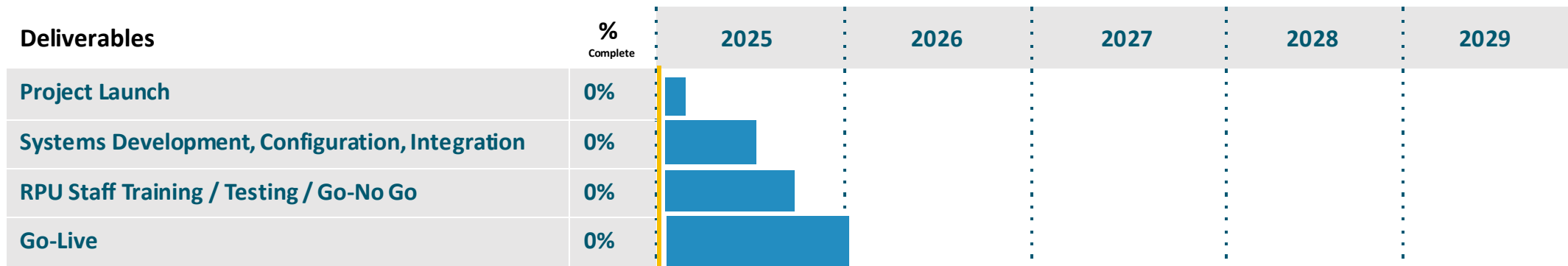
% BUDGET

0%

% COMPLETE

0%

EXECUTION TIMELINE



KEY RISKS & ISSUES

| No. | Description | Severity | Impact | Status |
|-----|--------------------------------------|----------|-----------------|--------|
| 1 | Resources | Low | Schedule/Budget | Open |
| 2 | System Integrations / Data Migration | High | Schedule/Budget | Open |
| 3 | Go-live by November | High | Schedule/Budget | Open |

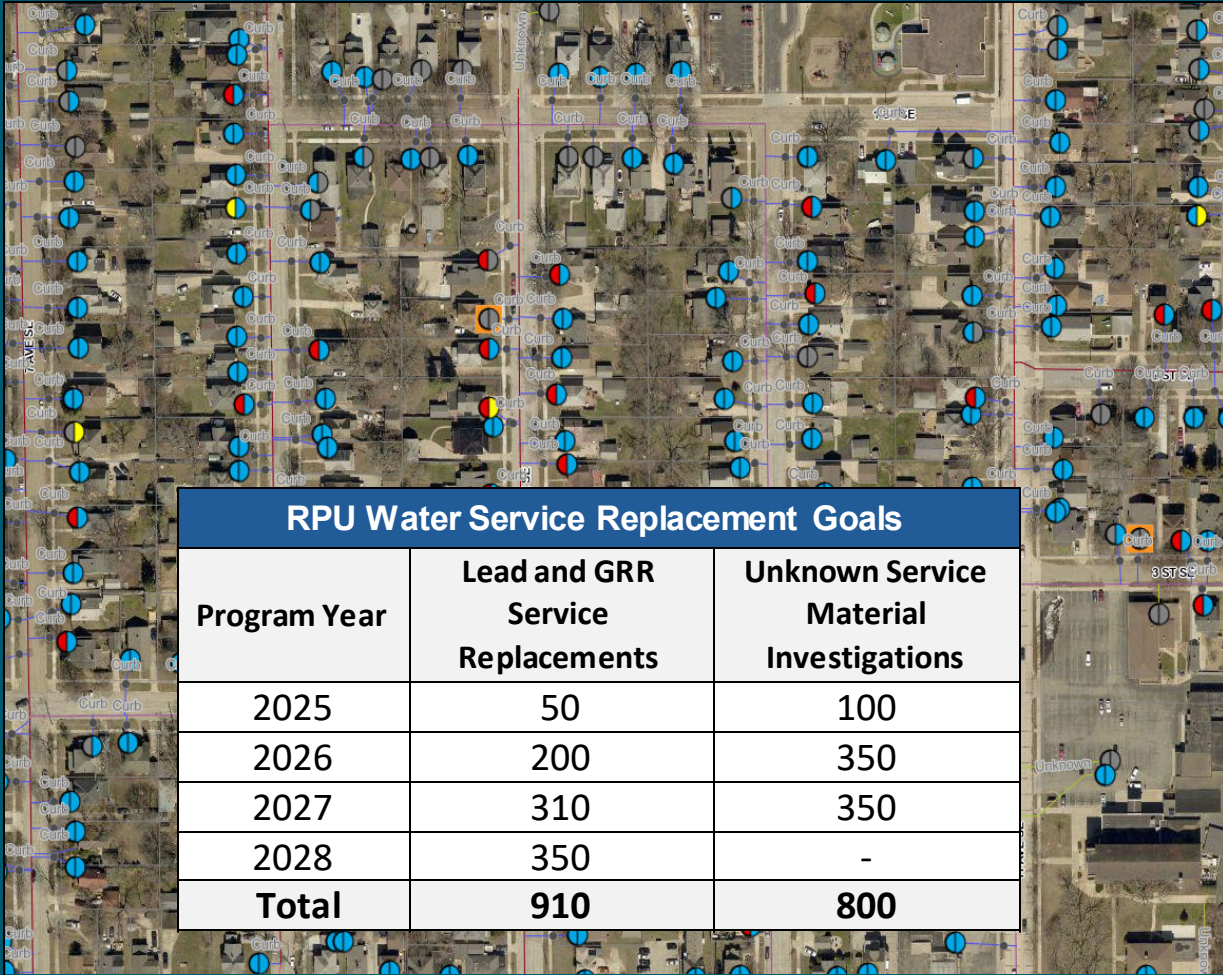
UPCOMING MAJOR MILESTONES

- February 2025** Project launch
- February – September** Project design, integration, and data migration
- November 2025** Go-live

PROJECT STATUS DESCRIPTION

Accelerated Innovations will assist RPU in the implementation of their MyMeter software, a customer engagement portal solution, by November 2025.

LEAD SERVICE LINE REPLACEMENT PROGRAM 2025 – PHASE 1A/B



PROJECT OVERVIEW

PROJECT SUMMARY:

RPU has initiated the first year of a multi-year program to replace lead and galvanized water services pursuant to the EPA’s Lead and Copper Rule. The work plan for 2025 includes an estimated 50 replacement locations for licensed daycares, service leaks, and high priority residential areas. RPU anticipates an overall program cost of \$18M, with a vast majority of funding provided by the Minnesota Drinking Water Revolving Fund.

ACCOMPLISHMENTS:

- ✓ RPU initial coordination of 2025 project scope with Minnesota PFA and Department of Health.
- ✓ Program plan reviewed by RPU Board.
- ✓ Master Grant Agreement under legal review.
- ✓ Prioritization zones established throughout the service area to help guide the sequence of future projects.



PROJECT DASHBOARD

PROJECT STATUS



PROJECT TITLE

2025 Lead Services Replacements

PROJECT MANAGER

Luke Payne

EXECUTIVE SPONSOR

Todd Blomstrom

DATE OF UPDATE

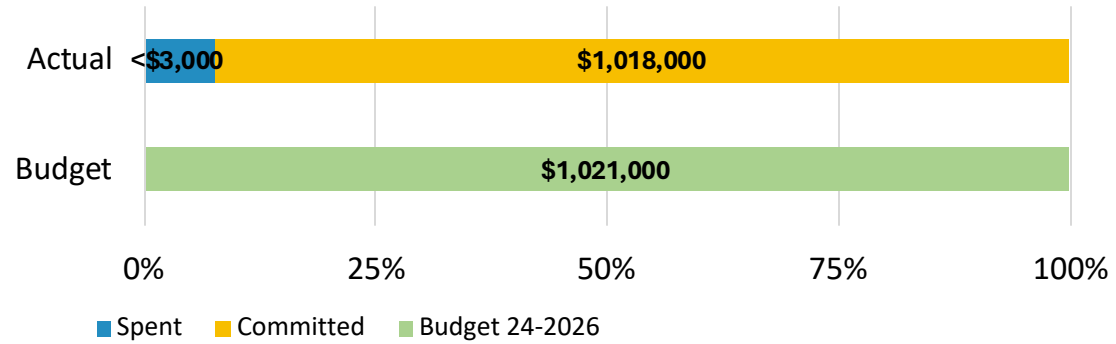
December 18, 2024



SCHEDULE

| | |
|-----------------------|---------------|
| Project Start Date | December 2024 |
| Baseline Finish Date | June 2026 |
| Estimated Finish Date | June 2026 |

FINANCIALS



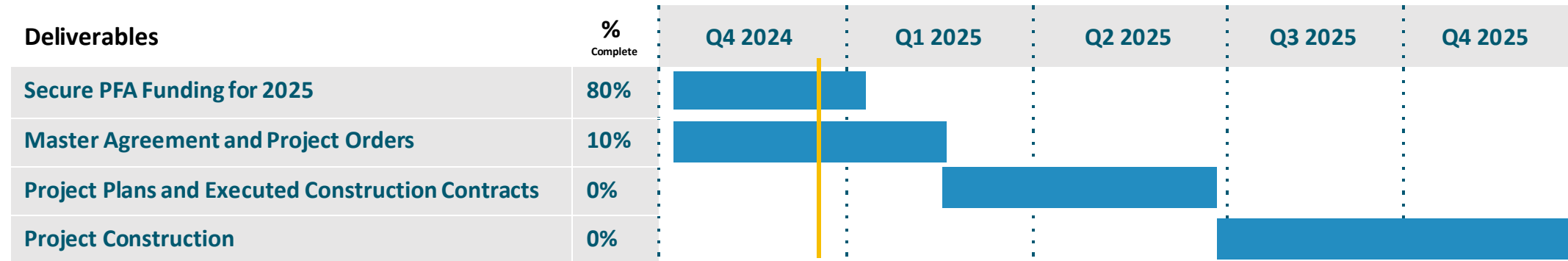
% BUDGET

<5%

% COMPLETE

5%

EXECUTION TIMELINE



KEY RISKS & ISSUES

| No. | Description | Severity | Impact | Status |
|-----|-------------------------------------|----------|-----------------|--------|
| 1 | Secure DWRF funding for program | High | Schedule/Budget | Open |
| 2 | Rate of voluntary participation | High | Schedule/Budget | Open |
| 3 | Expansion due to "Unknown" services | High | Schedule/Budget | Open |

UPCOMING MAJOR MILESTONES

- January 2025:** Amend 2025 Budget with the RPU Board and City
- February 2025:** Execute PFA Grant Documents
- February 2025:** Select engineering consultant and issue notice to proceed

PROJECT STATUS DESCRIPTION

This is the first year of an anticipated four-year program to replace lead and galvanized water service lines using Minnesota Drinking Water Revolving Funds in compliance with the EPA Lead and Copper Rule. This project is front loaded with tasks to develop the foundation for a multi-year program.



REQUEST FOR ACTION

Division Reports and Metrics - January 2025

MEETING DATE:
January 21, 2025

ORIGINATING DEPT:
Rochester Public Utilities

AGENDA SECTION:
Division Reports & Metrics

PRESENTER:
Tim McCollough

Action Requested:

Review the reports from each of RPU's divisions: Safety, Water Division, Power Delivery, Power Resources, Customer Relations, and Corporate Services.

Due to the early January board meeting, the financial summary for December will be presented in the February Board Packet.

Report Narrative:

Each division of RPU reports monthly on its metrics and activities to the Board.

Prepared By:
Erin Henry-Loftus

Attachments:

[January Division Report](#)



JANUARY 2025

DIVISION REPORTS AND METRICS

SAFETY
WATER DIVISION
POWER DELIVERY
POWER RESOURCES
CUSTOMER RELATIONS
CORPORATE SERVICES

SAFETY

SAFETY:

| TRAINING | Total Required Enrollments | Completions as of 12/31/2024 | Percent Complete |
|-----------------------------|----------------------------|------------------------------|------------------|
| December 2024 | 665 | 665 | 100 % |
| Calendar Year to 12/31/2024 | 6879 | 6879 | 100 % |

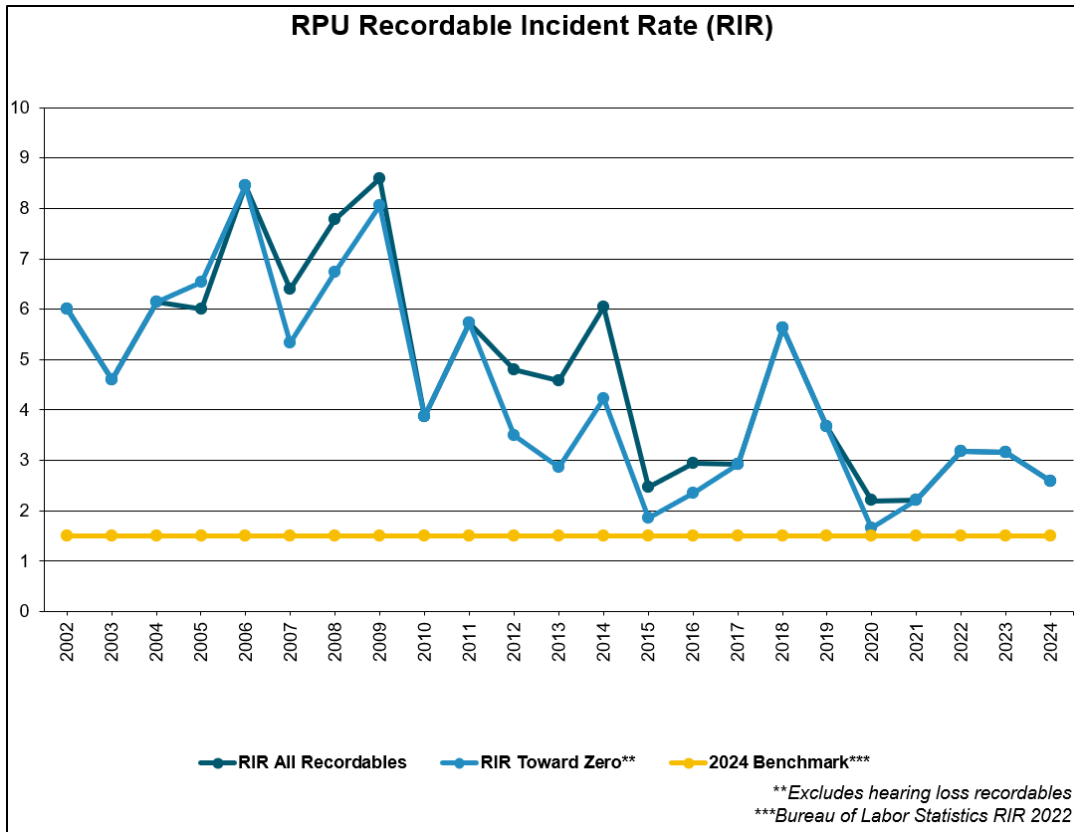
| SAFETY TEAMS | Total Members | Members Attending | Percent Attending |
|-----------------------------|---------------|-------------------|-------------------|
| December 2024 | 30 | 20 | 66.7% |
| Calendar Year to 12/31/2024 | 327 | 250 | 76.5 % |

| INCIDENTS | Reports Submitted | OSHA Cases ¹ | RPU RIR ² | BLS RIR ³ |
|-----------------------------|-------------------|-------------------------|----------------------|----------------------|
| December 2024 | 0 | 0 | -- | -- |
| Calendar Year to 12/31/2024 | 16 | 5 | 2.59 | 1.5 |

- ¹ Deemed to meet OSHA criteria as a recordable case by RPU Safety Manager, subject to change
- ² Recordable Incident Rate – Number of OSHA Recordable Cases per 100 employees.
- ³ Bureau of Labor Statistics nonfatal illnesses and injuries in the utility sector



22 of RPU's 24 departments are recordable injury free in 2024.
 213 of RPU's 218 teammates are recordable injury free in 2024.



SAFETY

2024 OSHA RECORDABLE CASE DETAIL

| Work Area | Incident Date | Description | Primary Reason it's a Recordable | Corrective Action |
|-----------|---------------|--|------------------------------------|---|
| T&D | 2/22/2024 | Hit Thumb (R) with hammer | Lost Workdays | Discussed situational awareness |
| T&D | 9/26/2024 | Over extended knee (L) while exiting truck | Medical treatment beyond first aid | N/A |
| T&D | 10/4/2024 | Pinched little finger (L) between jackhammer handle and steel beam | Lost Workdays | Employees helping contractors, this type of activity will no longer be done |
| Water | 11/11/2024 | Carrying oil covered, damaged hydrant when it slipped from grip causing pain in wrist, forearm, elbow and shoulder (L) | Restricted Workdays | Damaged hydrants will be left until additional people or equipment is available |
| T&D | 11/25/2024 | Hit in mouth while installing hose on vac trailer, cracked front tooth (L) | Medical treatment beyond first aid | Two people will perform tasks when weather is cold or windy |

SAFETY INITIATIVES:

1. Completed annual workplace violence training and drill with all staff.
2. Revisions and updates to the documentation process for electrical qualification were completed.
3. Finished the year at 100% safety training completion.

WATER DIVISION

WATER UTILITY:

1. Water Outage Calculations for the month and year to date(December 2024 Data)

| | |
|-------------------------------------|--|
| a. Reliability=99.99946308% | Year-to-date Reliability = 99.99417304% |
| b. 97 Customers Affected by Outages | Year-to-date Customers Affected by Outages = 1,455 |
| c. 168.2 Customer Outage Hours | Year-to-date Customer Outage Hours = 3,533.0 |
| d. SAIDI= 0.2 min | Year-to-date SAIDI = 5.0 min |
| e. CAIDI= 104.0 min | Year-to-date CAIDI = 145.7 min |

- Performed 350 Gopher State water utility locates during the month for a total of 14,364 for the year.
- There are currently 140 Water ERTs that were unable to be read in the system. We are experiencing approximately 17 new non-reads per week. The stockroom has the following products available:

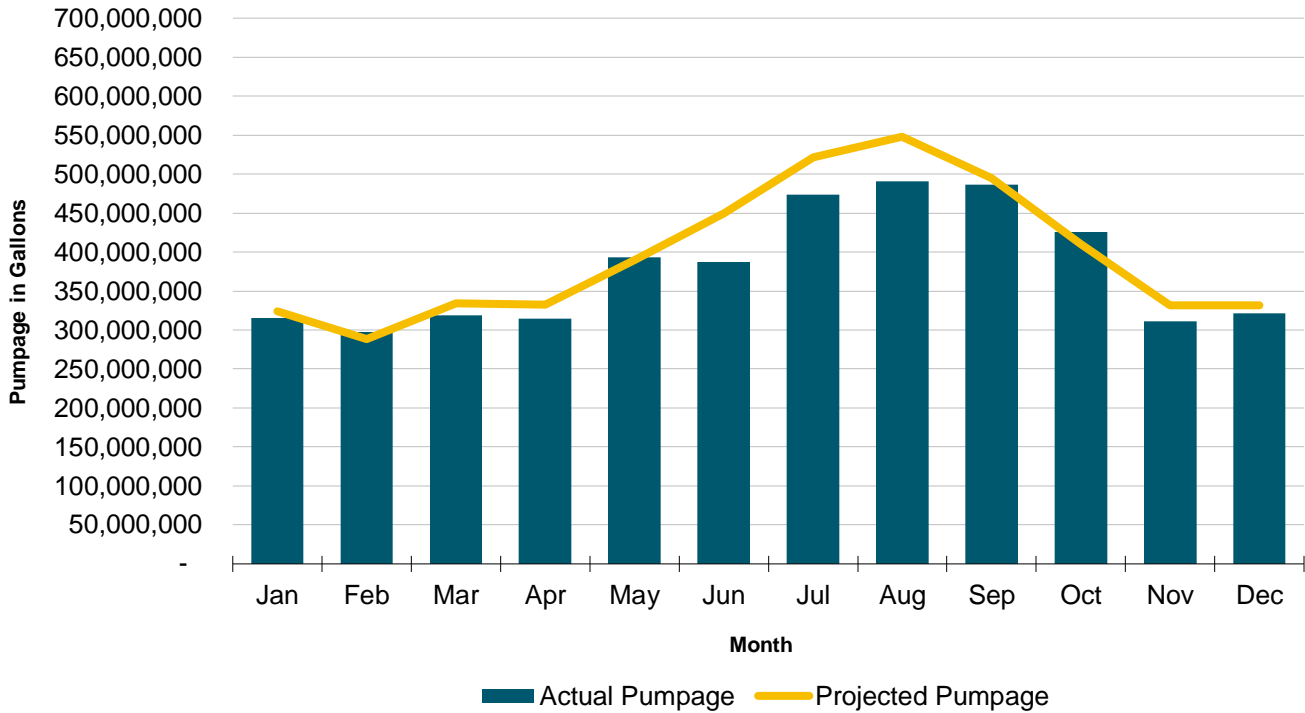
| | |
|---------------------------------|----------------------------------|
| 500W ERTS: | 1,953 available, 37,695 on order |
| Ultrasonic meters, 5/8" x 1/2": | 1,148 available, 7,874 on order |
| Ultrasonic meters, 5/8" x 3/4": | 1,328 available, 22,201 on order |

- Repaired water distribution system failures or maintenance at the following locations during the month:
 - 1004 21st Ste SE (Water Main Break) – 12/11
 - 1908 10th St NE (Water Main Break) – 12/18
 - 431 16th Ave SW (Water Main Break) – 12/19
 - 7600 Helgerson Dr (Water Main Break) – 12/22

WATER DIVISION

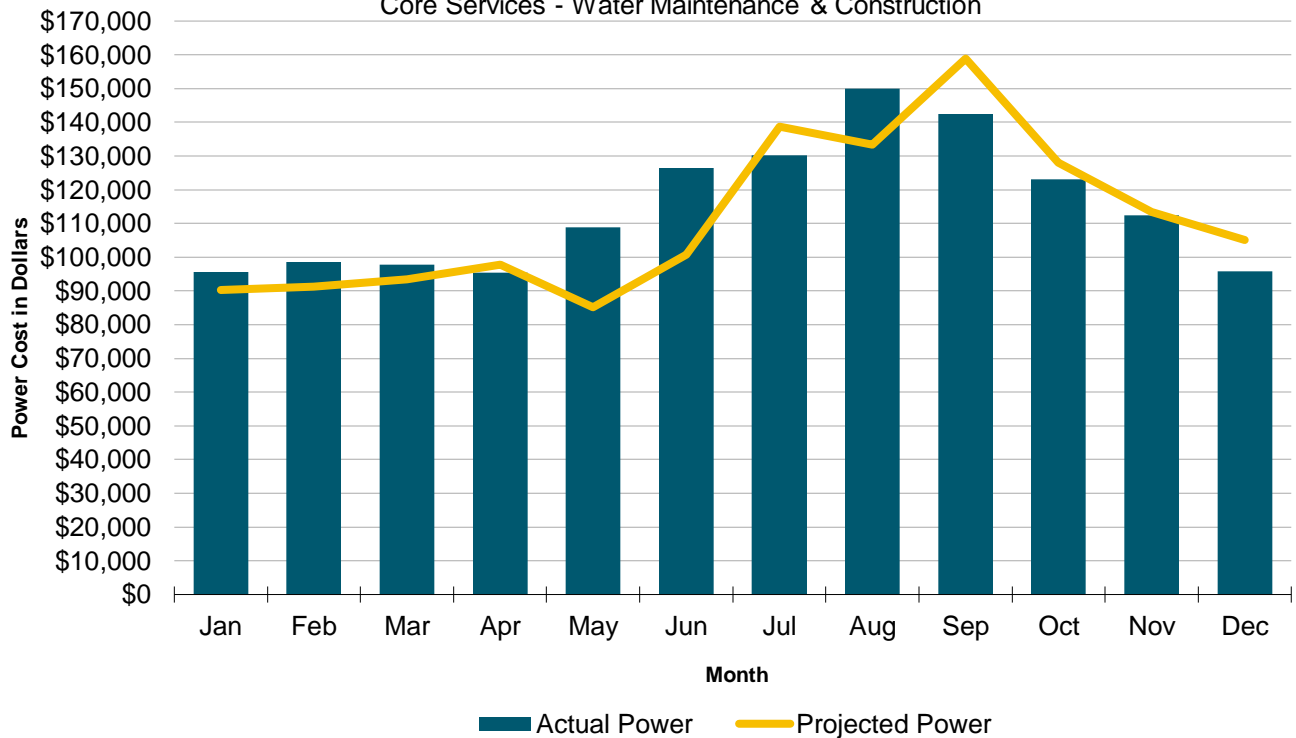
Actual vs. Projected Pumpage: 2024

Core Services - Water Maintenance & Construction



Actual vs. Projected Power Cost for Wells: 2024

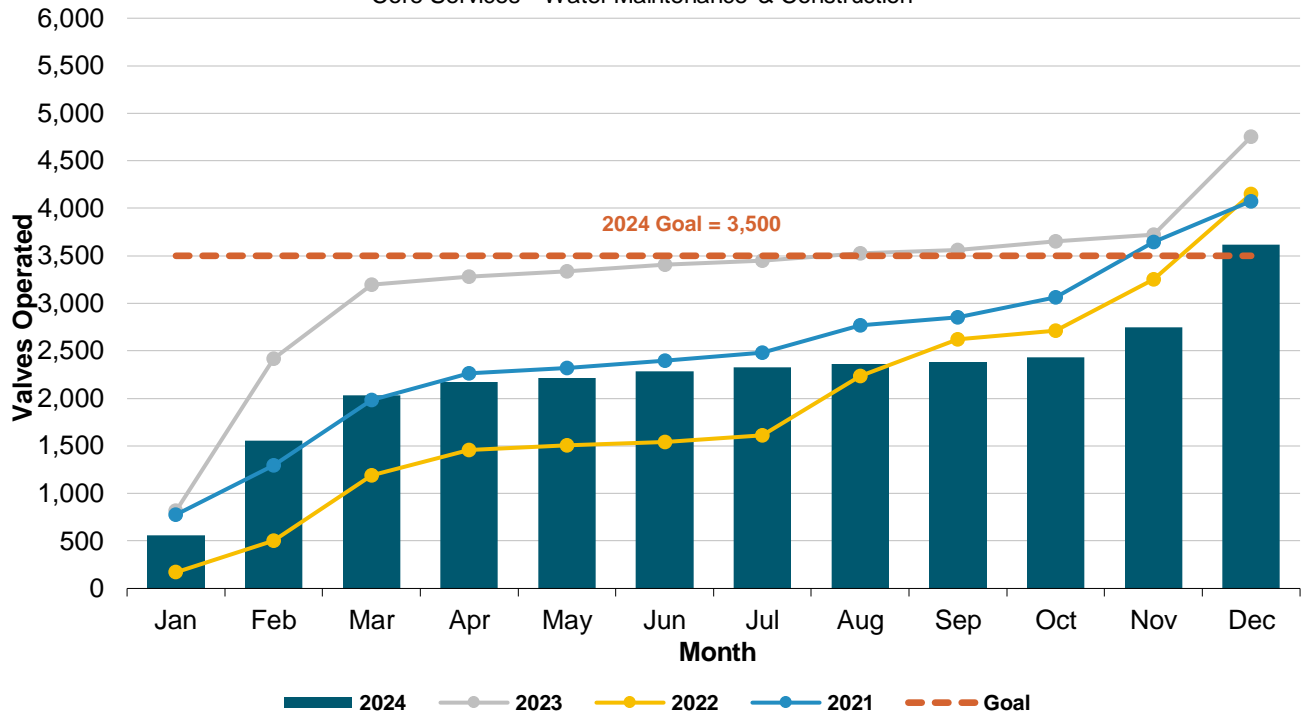
Core Services - Water Maintenance & Construction



WATER DIVISION

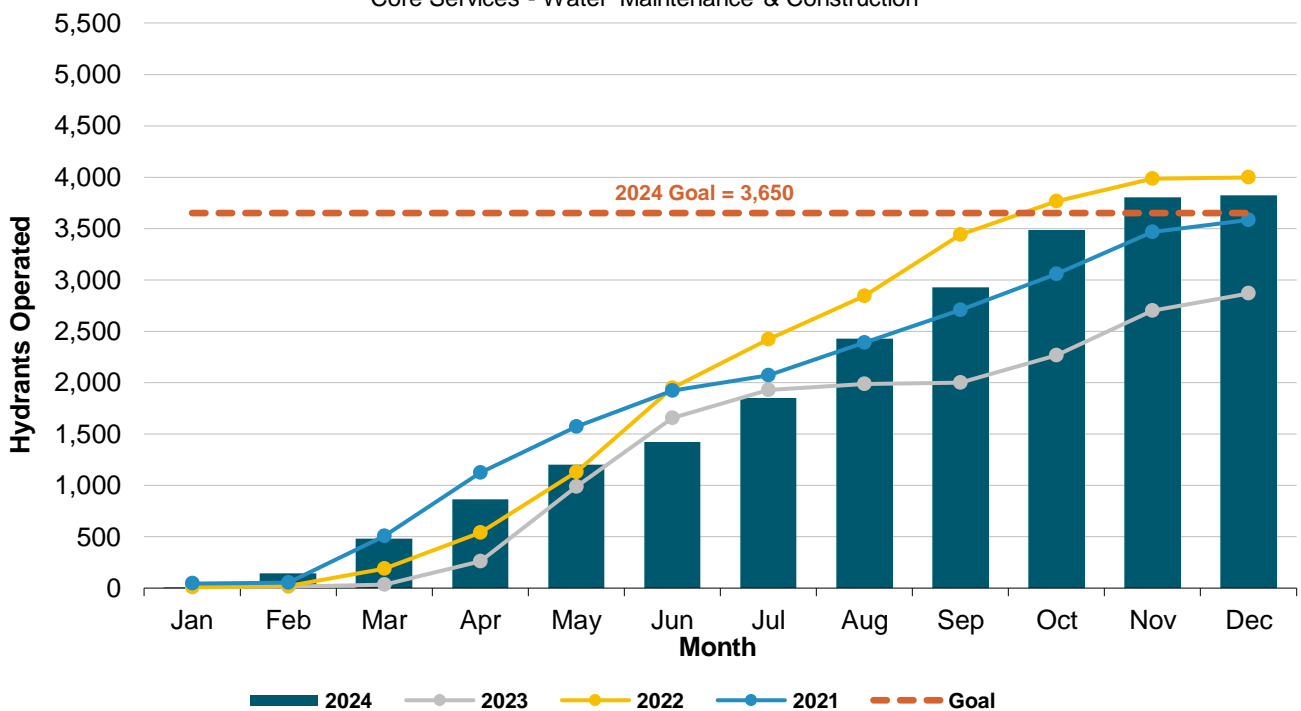
2024 Valve Operations Program

Core Services - Water Maintenance & Construction



2024 Hydrant Operations Program

Core Services - Water Maintenance & Construction



POWER DELIVERY

ELECTRIC UTILITY:

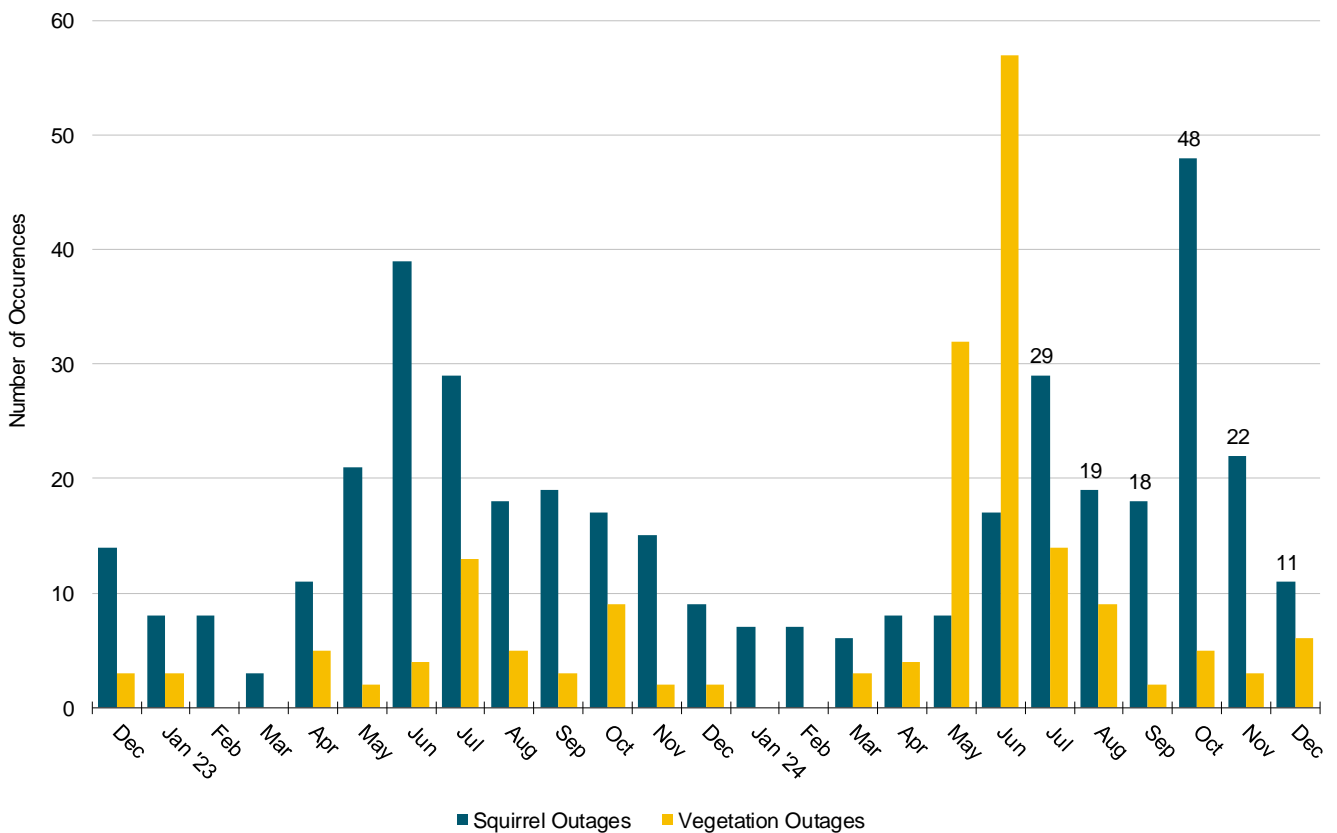
1. Electric Outage Calculations for the month and year to date (December 2024 Data)

- | | |
|--|---|
| a. Reliability= 99.99118% | Year-to-date Reliability = 99.99184% |
| b. 4,017 Customers Affected by Outages | Year-to-date Customers Affected by Outages = 41,978 |
| c. SAIDI= 3.93 min | Year-to-date SAIDI = 42.83 min |
| d. CAIDI= 53.30 min | Year-to-date CAIDI = 57.60 min |

2. Electric Utility Operations – T&D, Engineering, System Ops, GIS, Tech Services:

- Cable installation has begun within the finished duct segments of the Marion Road Duct Project.
- RPU electric has started the first Bold, Forward, Unbound project along 4th Ave SW. This segment requires relocation of a duct bank and 2 manholes along the project route.
- FERC approved RPU's transmission rate incentive filing for investment recovery during Construction Work In Progress (CWIP) as well as abandoned plant protection for RPU's ownership in the Mankato to Mississippi River regional transmission project.
- Reliability statistics were negatively impacted by prolonged ice storms in December.

Number of Outages by Select Cause Code



POWER DELIVERY

Summary of individual electrical outages (greater than 200 customers – December, 2024 data)

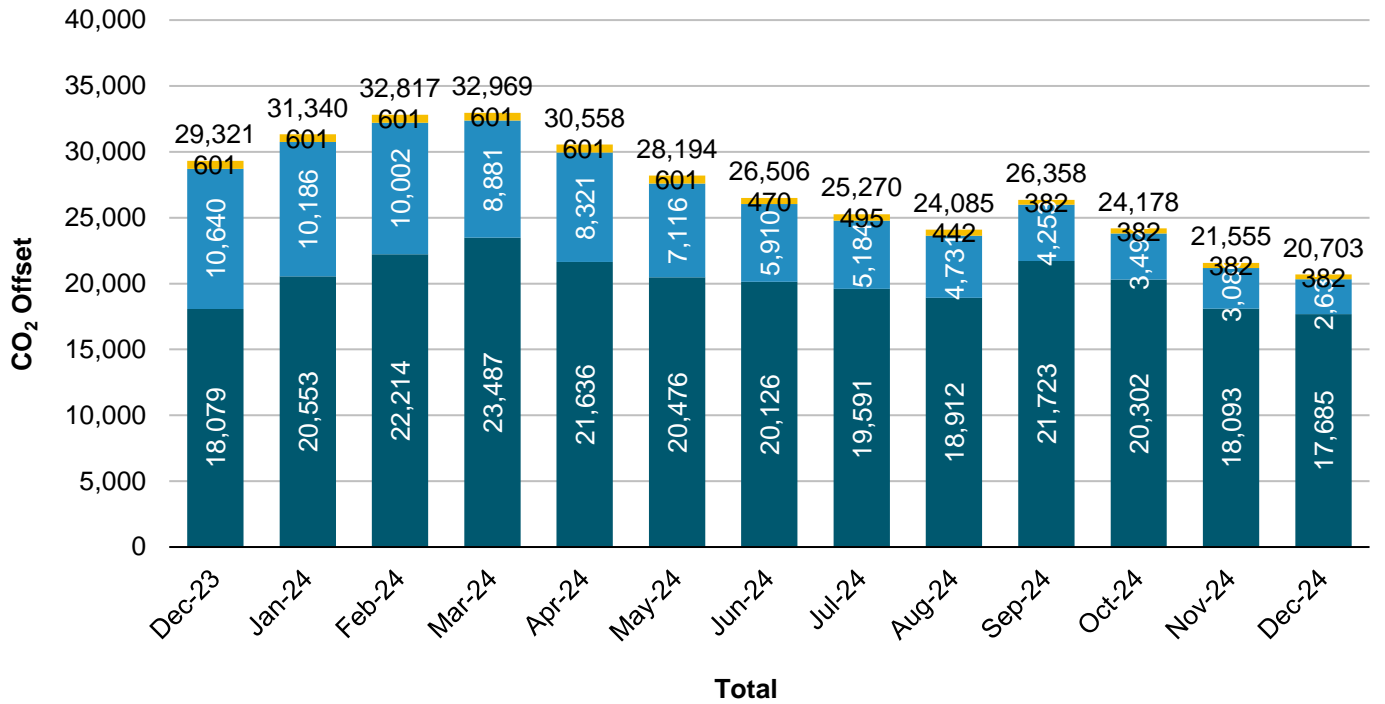
| # Customers | Date | Duration | Cause |
|-------------|------------|----------|--------------------|
| 1,996 | 12/29/2024 | 11m | Overhead Equipment |
| 1,643 | 12/15/2024 | 1h 22m | Vegetation |
| 398 | 12/21/2024 | 1h 59m | Vehicle |

Summary of aggregated incident types (greater than 200 customers – December, 2024 data)

| # Customers | Total # of Incidents | Cause |
|-------------|----------------------|--------------------|
| 2,037 | 2 | Overhead Equipment |
| 1,796 | 6 | Vegetation |
| 401 | 2 | Vehicle |

POWER RESOURCES

**RPU Environmental Stewardship Metric
Tons CO₂ Saved
12 Month Rolling Sum**



POWER RESOURCES

WHOLESALE OPERATIONS:

1. INSERT

a. Ancillary Service Market – Supplemental Reserves

- i. Cleared DA
 - 1. GT2 – 22 days
 - 2. WES – 21 days
- ii. Deployment YTD
 - 1. GT2 – 0
 - 2. WES – 0

b. Dispatched by MISO

| | | | |
|----------|------------|-----|-----------|
| i. GT1 | – 2 times | YTD | 29 times |
| ii. GT2 | – 7 times | YTD | 126 times |
| iii. WES | – 13 times | YTD | 182 times |

c. Hours of Operation

| | | | |
|----------|------------|-----|------------|
| i. GT1 | – 13 hours | YTD | 164 hours |
| ii. GT2 | – 53 hours | YTD | 792 hours |
| iii. WES | – 86 hours | YTD | 1206 hours |

d. Electricity Generated

| | | | |
|----------|------------|-----|------------|
| i. GT1 | – 279 MWh | YTD | 3,509 MWh |
| ii. GT2 | – 1763 MWh | YTD | 25,445 MWh |
| iii. WES | – 2459 MWh | YTD | 37,114 MWh |

e. Forced Outage

| | | | |
|----------|------------|-----|----------|
| i. GT1 | – 0 hours | YTD | 390hours |
| ii. GT2 | – 34 hours | YTD | 3 hours |
| iii. WES | – 19 hours | YTD | 68 hours |

2. MISO market Real-Time Price averaged \$37.08/MWh and Day Ahead Price averaged \$34.67/MWh.

STAKEHOLDER ENGAGEMENT, FORUMS, AND MEETINGS:

1. Customer Relations staff will participate in an Emergency Operations (EOC) enhanced tabletop training which will include a simulated full activation of the EOC following a tornado strike.
2. Utility Programs & Services has a Drive Electric Minnesota Steering Committee meeting scheduled for January 21. Key discussion topics include a review of the 2025 membership campaign plan and the next steps for organizing an annual in-person member meeting.

EVENTS/OPPORTUNITIES FOR CUSTOMERS:

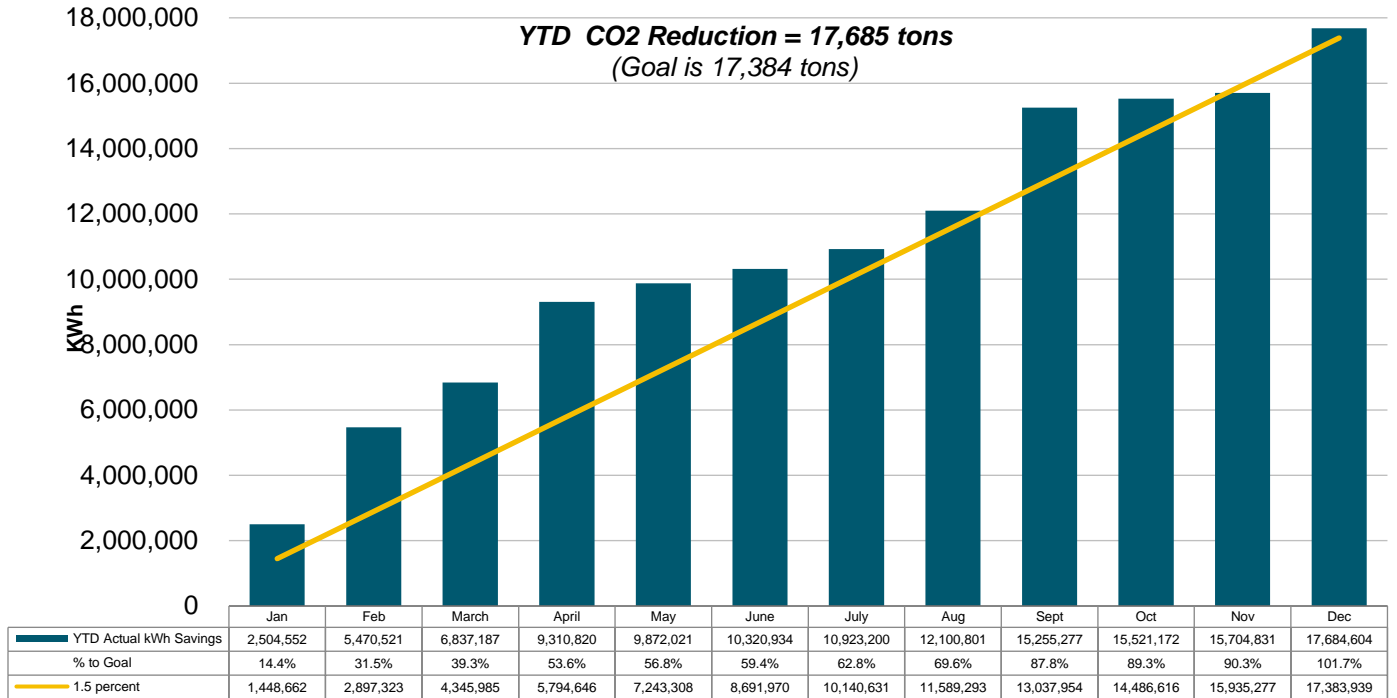
1. Customer Care and Collections continue to make outreach calls to customers with past due balances on their accounts. The intent is to be proactive and connect these customers with outside resources for financial assistance. In December, a total of 1,253 customers were contacted.
2. Our Annual Trade Ally & Commercial Customer Meeting is scheduled for Wednesday, January 22, in collaboration with Minnesota Energy Resources. This event will provide an opportunity for RPU and Minnesota Energy Resources to share program updates for 2025 and express appreciation to our stakeholders for their participation in the 2024 programs.

COMMUNICATIONS:

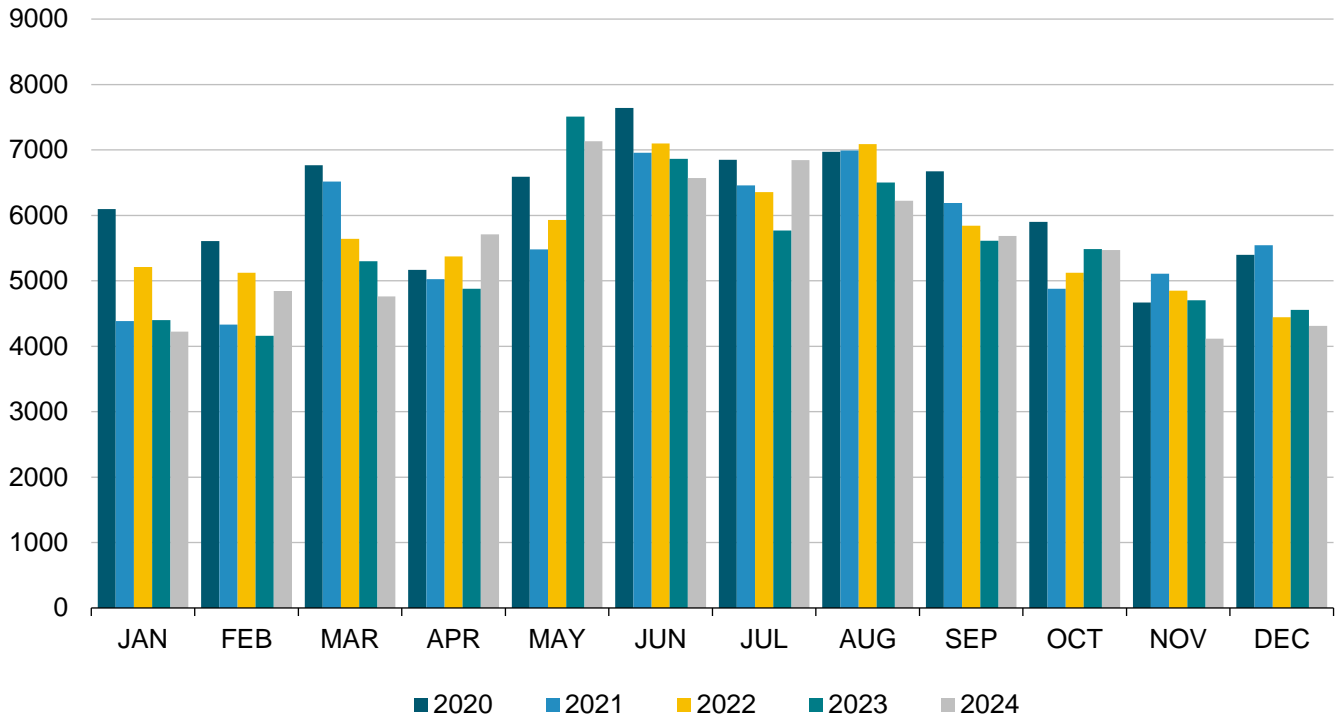
1. City Public Information Officers and staff will be briefed on RPU's outage communications process and procedures on January 28.

RPU'S 2024 CUMULATIVE kWh SAVINGS As of December 31, 2024

1.5% Goal = 17,383,939 kWh

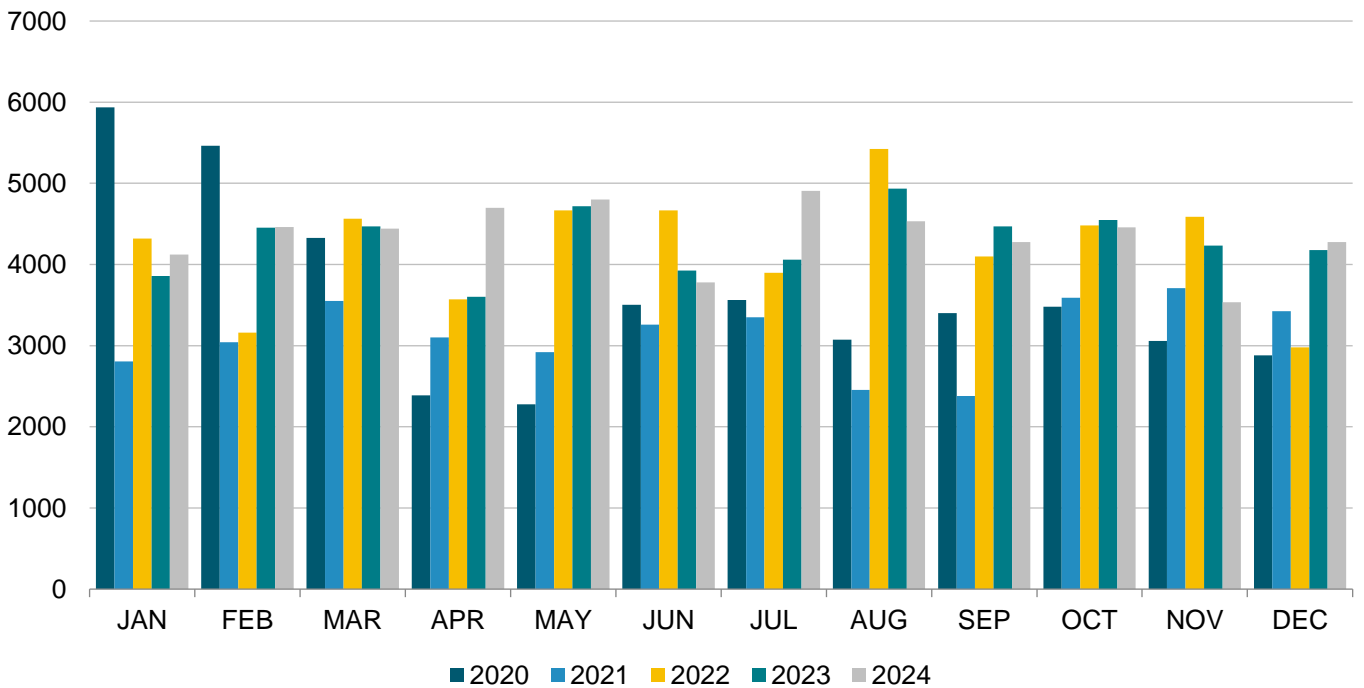


Number of Calls Handled



• Total Number of Calls - 4,310

Total Transactions Processed by Customer Care

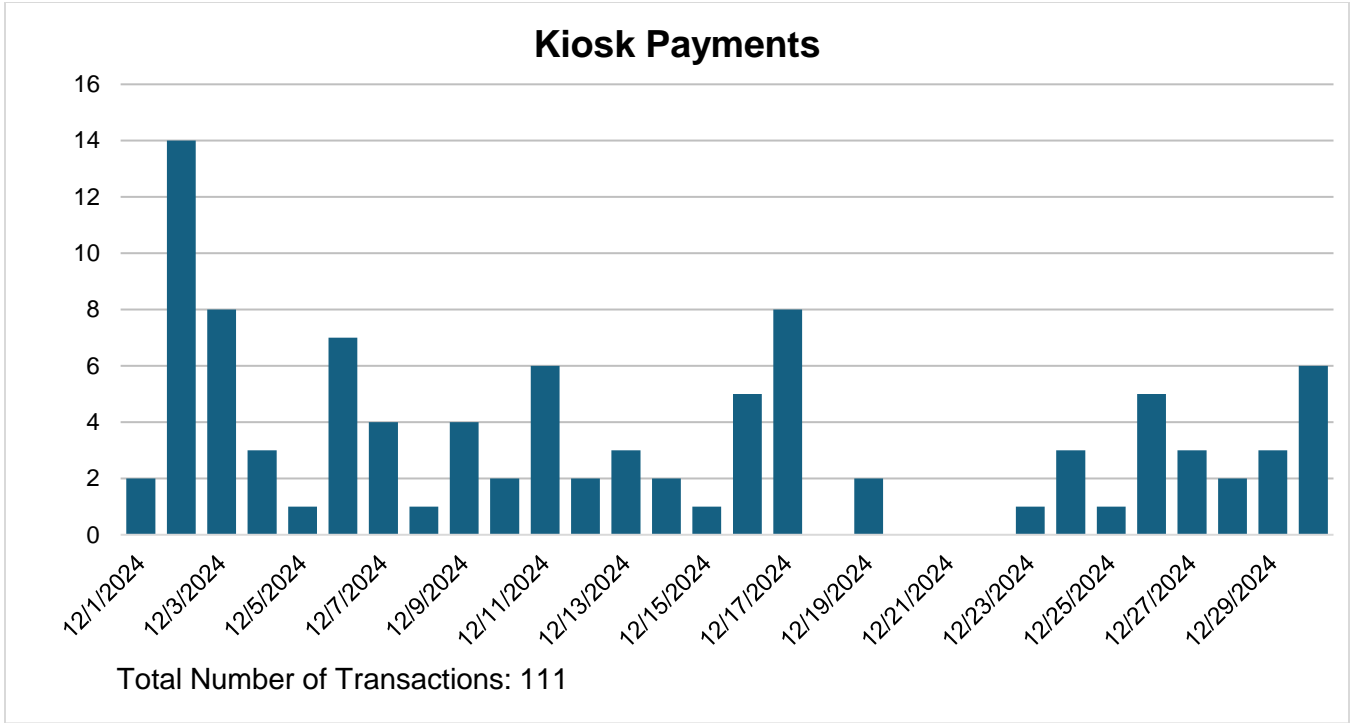


• Total Number of Transactions Processed by Representatives -

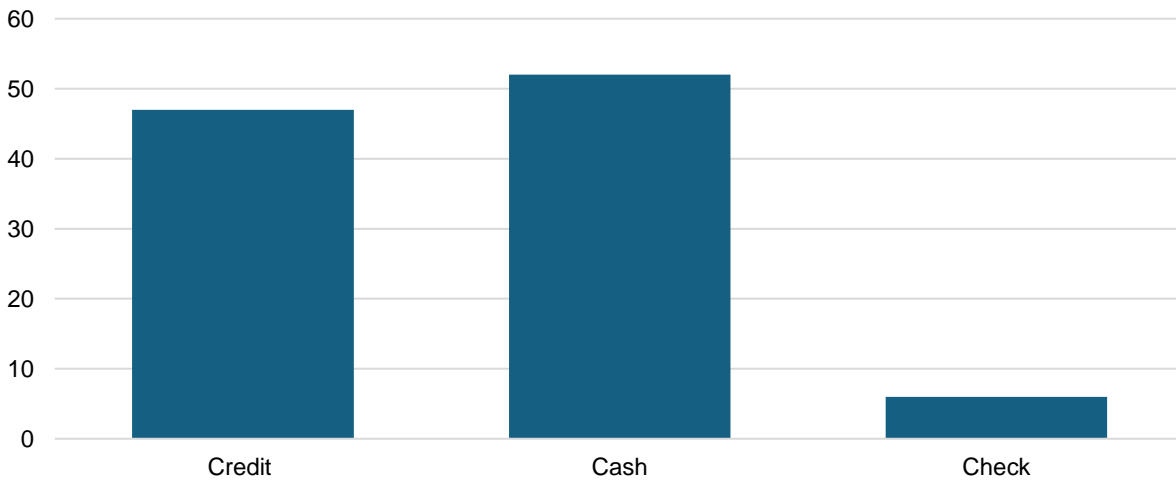
4,277

• Total Number in Dollars Processed by Representatives -

\$1,546,431.53



Kiosk Payments by Revenue Source



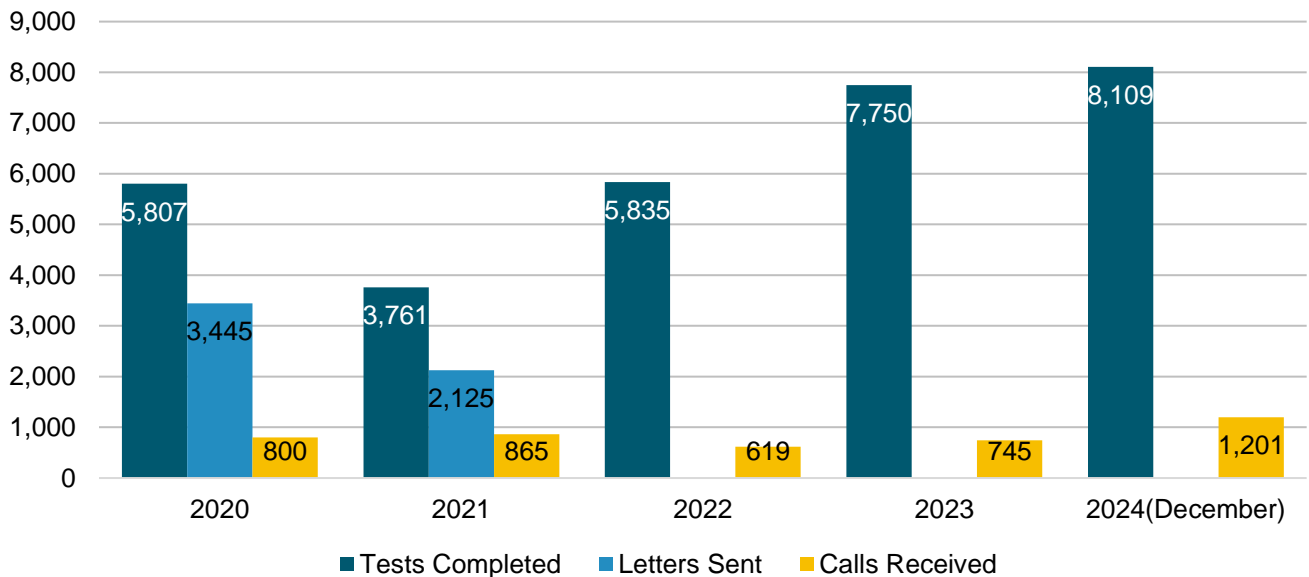
- Total Number of Transactions - 105
- Total Number of Transactions by Payment Method:
 - Cash - 52
 - Check - 6
 - Credit Card - 47

CORPORATE SERVICES

BUSINESS SERVICES:

1. Coordinated onboarding activities for one full-time employee.
2. Completed annual apprenticeship program audit with the Department of Labor.
3. Completed the annual IT controls audit.
4. All employees completed the required annual customer data management policy training

**Backflow Program
Residential and Commercial**

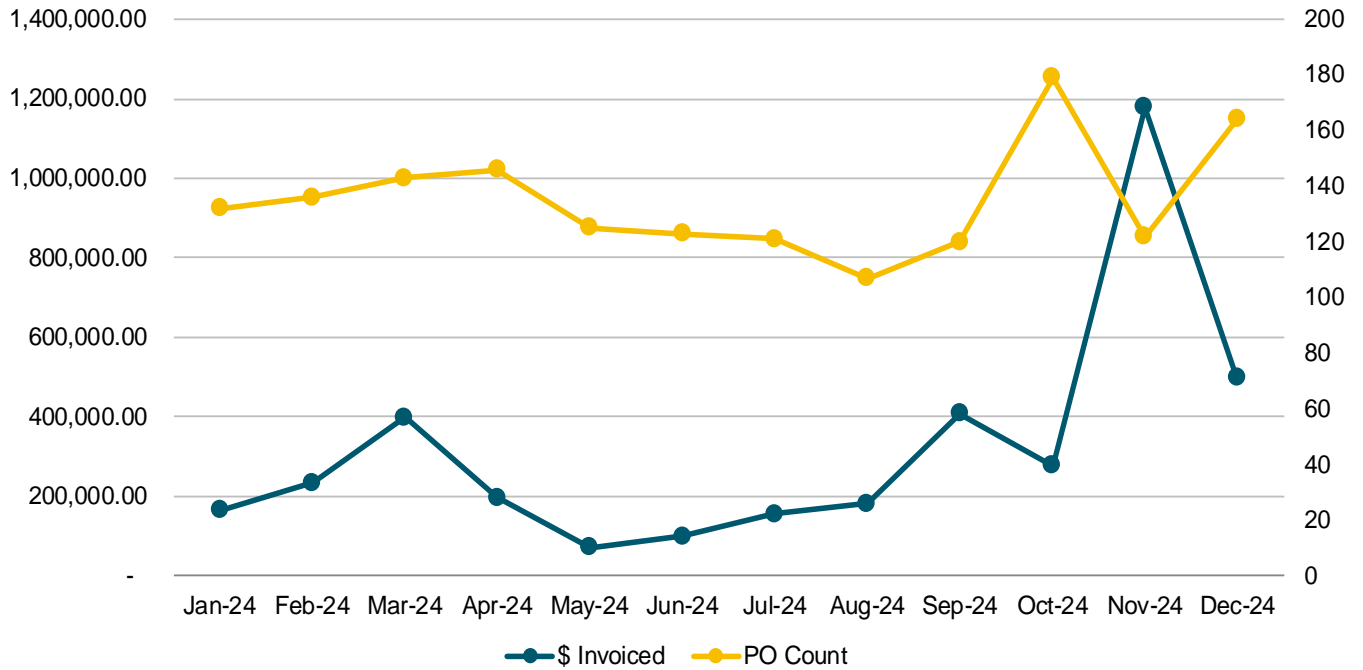


PURCHASING AND MATERIALS MANAGEMENT:

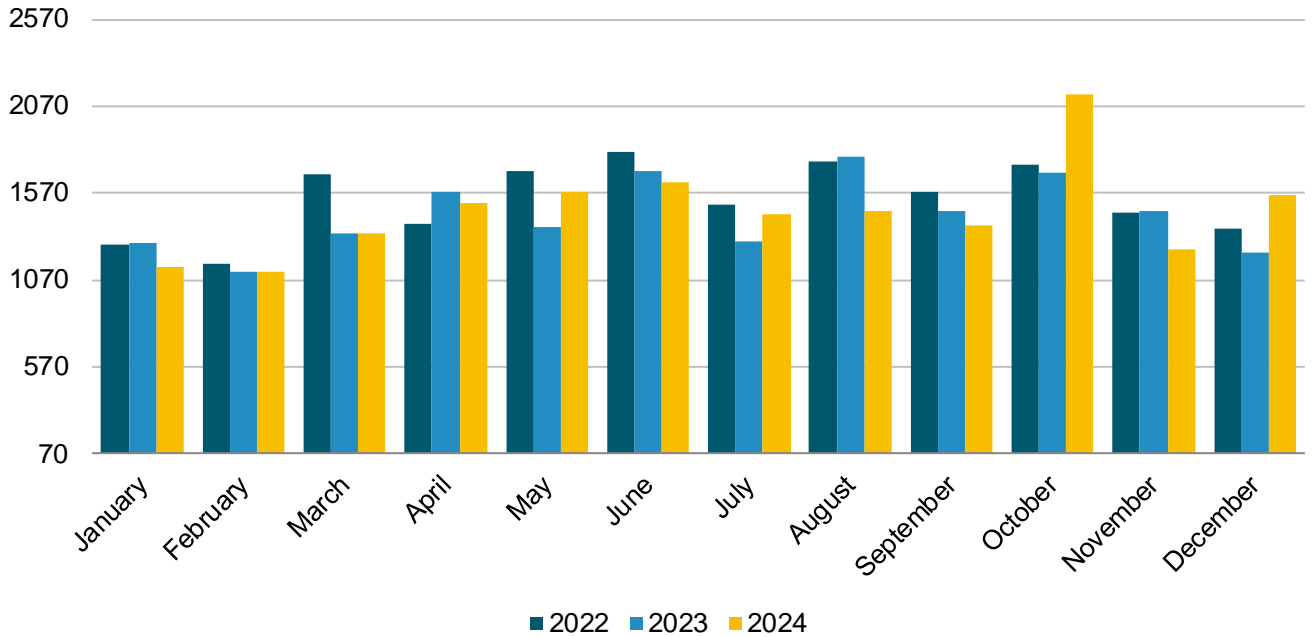
- A request for proposal (RFP) has been issued for the Mount Simon electrical generation station.
- An RFP has been issued for services related to the lead water service line replacement program.

CORPORATE SERVICES

Purchase Order Count and Dollars Invoiced



**Warehouse Transactions Count
All Plants**



CORPORATE SERVICES

FINANCE AND ACCOUNTING:

- The City Council reviewed and approved the recommended 2025 Electric and Water Utility budgets and rate adjustments at the December 2 Council meeting.
- Currently preparing an RFP for a planned upgrade or replacement of our Enterprise Resource Program (ERP), SAP. This is being done in coordination with the city, which has the same need with their current ERP, JD Edwards. Anticipate releasing a request for proposals following the February 6, 2025, City Council meeting.
- Starting on February 18, 2025, the financial auditors, BakerTilly, will be conducting fieldwork for the year ending December 31, 2024. We anticipate a presentation of the audit reports at the April 2025 Board meeting.
- The accounting team updated our Continuing Disclosures related to our outstanding debt issuances, as required by the SEC in December 2024.

INFORMATION SERVICES:

- Updates and maintenance of our UPS system at the service center were completed successfully in December.
- The Director of Information Technology position is currently posted.
- We have an active project to upgrade the operating systems on all workstations.

FINANCIAL RESULTS:

Note: Budget numbers are compared to the Board approved 2024 budget. The 2024 budget has been updated to reflect 2023 capital budget items that were not completed in 2023.

November, 2024

| (In Thousands) | Current Month | | | Year to Date | | |
|-----------------------------------|---------------|-----------|----------|--------------|------------|----------|
| | Actual | Budget | Variance | Actual | Budget | Variance |
| Revenue - Electric | \$ 13,677 | \$ 13,081 | \$ 596 | \$ 167,722 | \$ 165,932 | \$ 1,790 |
| Revenue - Water | 968 | 950 | 18 | 11,888 | 11,559 | 329 |
| Change in Net Position - Electric | 3,438 | 3,305 | 133 | 34,712 | 22,338 | 12,374 |
| Change in Net Position - Water | 186 | 217 | (31) | 3,223 | 2,476 | 747 |



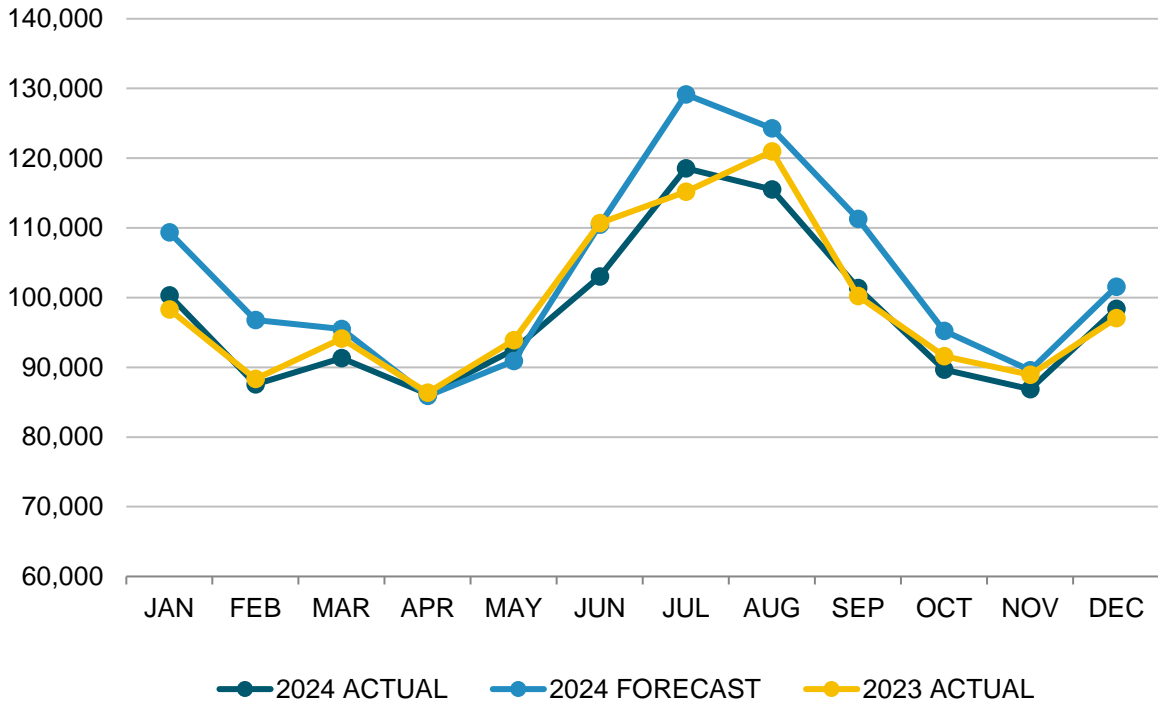
TO: Bill Bullock, Director of Power Resources
FROM: Tina Livingston, Senior Financial Analyst
SUBJECT: LOAD FORECAST SUMMARY FOR 2024

| MONTH | SYSTEM ENERGY | | | PEAK SYSTEM DATA | | |
|------------|------------------|------------------|-------------|------------------|----------------|--------|
| | ACTUAL MWH | FORECAST MWH | % DIFF | ACTUAL MW | FORECAST MW | % DIFF |
| JAN | 100,306 | 109,357 | -8.3% | 173.9 | 187.9 | -7.5% |
| FEB | 87,566 | 96,804 | -9.5% | 152.2 | 180.0 | -15.4% |
| MAR | 91,320 | 95,511 | -4.4% | 152.1 | 161.0 | -5.6% |
| APR | 86,173 | 85,898 | 0.3% | 144.9 | 153.0 | -5.3% |
| MAY | 92,531 | 90,923 | 1.8% | 184.0 | 214.7 | -14.3% |
| JUN | 103,049 | 110,450 | -6.7% | 227.3 | 266.8 | -14.8% |
| JUL | 118,551 | 129,147 | -8.2% | 260.4 | 293.1 | -11.2% |
| AUG | 115,499 | 124,259 | -7.1% | 290.5 | 258.7 | 12.3% |
| SEP | 101,366 | 111,269 | -8.9% | 230.2 | 263.6 | -12.7% |
| OCT | 89,654 | 95,228 | -5.9% | 167.3 | 174.5 | -4.2% |
| NOV | 86,872 | 89,596 | -3.0% | 154.7 | 154.3 | 0.3% |
| DEC | 98,389 | 101,557 | -3.1% | 170.6 | 175.3 | -2.6% |
| YTD | 1,171,275 | 1,239,999 | -5.5 | | | |

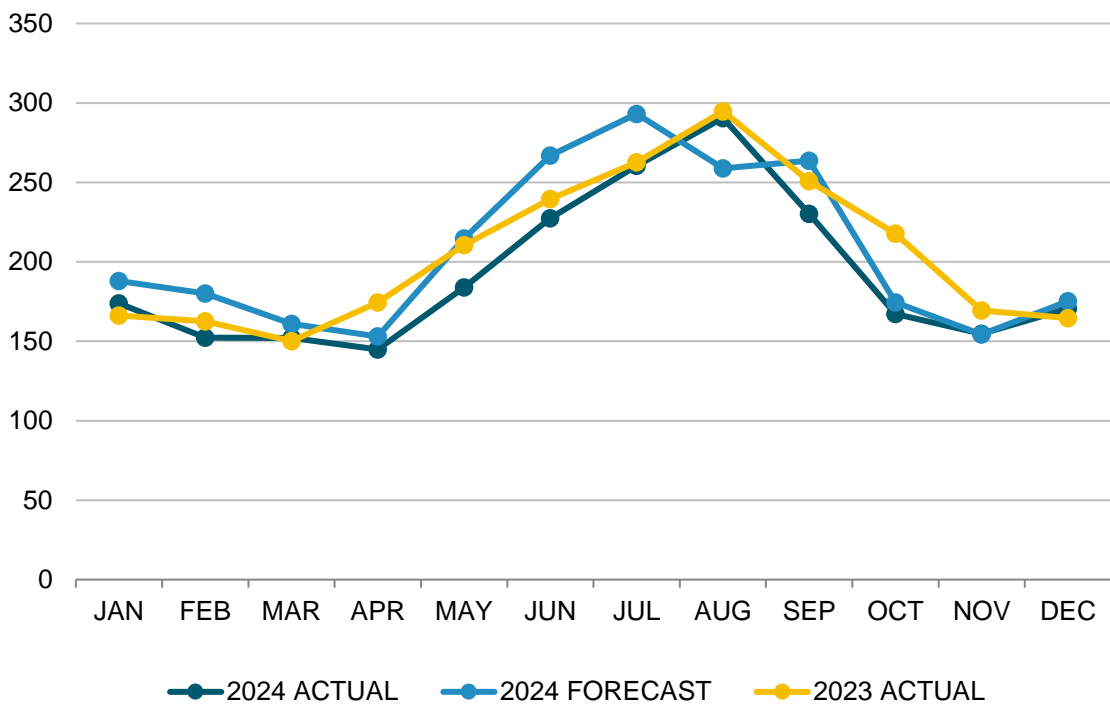
HISTORICAL SYSTEM PEAK 294.8 MW 08/23/2023

% DIFF = (ACTUAL / FORECAST X 100) - 100
MWH = MEGAWATT HOUR = 1000 KILOWATT HOURS
MW = MEGAWATT = 1000 KILOWATTS

2024 YTD System Requirements Energy Required for the Month (MWH)



Peak Demand for the Month (MW)



ROCHESTER PUBLIC UTILITIES

INDEX

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DATE: November 2024

TO: _____

From: **Judith Anderson** (507) 292-1217
Controller

SUBJ: **RPU - Financial Statements**

RPU - ELECTRIC UTILITY Financial Reports

REPORT TITLE:

Statement of Net Position - Condensed
Statement of Revenues, Expenses
& Changes in Net Position YTD
Statement of Cash Flows YTD
Production and Sales Statistics - YTD
GRAPH - Capital Expenditures
GRAPH - Major Maintenance Expenditures
GRAPH - Cash & Temporary Investments
GRAPH - Changes in Net Position
GRAPH - Bonds

RPU - WATER UTILITY Financial Reports

REPORT TITLE:

Statement of Net Position - Condensed
Statement of Revenues, Expenses
& Changes in Net Position YTD
Statement of Cash Flows YTD
Production and Sales Statistics - YTD
GRAPH - Capital Expenditures
GRAPH - Major Maintenance Expenditures
GRAPH - Cash & Temporary Investments
GRAPH - Changes in Net Position

ROCHESTER PUBLIC UTILITIES
STATEMENT OF NET POSITION
ELECTRIC UTILITY
November 30, 2024

| | <u>November 2024</u> | <u>November 2023</u> | <u>Difference</u> | <u>% Diff.</u> | <u>October 2024</u> |
|---|----------------------|----------------------|-------------------|----------------|---------------------|
| ASSETS | | | | | |
| CURRENT ASSETS | | | | | |
| CASH & INVESTMENTS | | | | | |
| Unreserved Cash & Investments | 8,784,080 | 57,382,181 | (48,598,101) | (84.7) | 64,964,769 |
| BOARD RESERVED CASH & INVESTMENTS | | | | | |
| Clean Air Rider Reserve | 4,621,587 | 5,332,022 | (710,435) | (13.3) | 4,621,587 |
| Working Funds Reserve | 22,807,000 | 20,545,000 | 2,262,000 | 11.0 | 22,807,000 |
| Special Capital & Major Maintnce Reserve | 54,295,344 | 3,799,868 | 50,495,476 | 1,328.9 | 4,295,344 |
| Contingency Reserve | 12,680,000 | 11,970,000 | 710,000 | 5.9 | 12,680,000 |
| General Capital & Major Maintnce Reserve | 20,488,988 | 15,348,955 | 5,140,033 | 33.5 | 20,482,787 |
| Total Reserved Cash & Investments | 114,892,919 | 56,995,846 | 57,897,074 | 101.6 | 64,886,718 |
| Total Cash & Investments | 123,676,999 | 114,378,027 | 9,298,973 | 8.1 | 129,851,487 |
| Receivables & Accrued Utility Revenues | 34,518,357 | 28,967,950 | 5,550,407 | 19.2 | 30,652,302 |
| Inventory | 11,250,232 | 11,344,008 | (93,776) | (0.8) | 11,295,528 |
| Other Current Assets | 3,156,032 | 3,134,669 | 21,363 | 0.7 | 1,920,412 |
| RESTRICTED ASSETS | | | | | |
| Restricted Cash and Equivalents | - | - | - | - | 9,571,695 |
| Total Current Assets | 172,601,620 | 157,824,654 | 14,776,966 | 9.4 | 183,291,425 |
| NON-CURRENT ASSETS | | | | | |
| RESTRICTED ASSETS | | | | | |
| RESTRICTED CASH & INVESTMENTS | | | | | |
| Debt Service Reserve | 12,439,126 | 12,356,460 | 82,665 | 0.7 | 12,298,713 |
| Funds Held in Trust | 49 | 49 | - | - | 49 |
| Total Restricted Cash & Investments | 12,439,174 | 12,356,509 | 82,665 | 0.7 | 12,298,761 |
| Total Restricted Assets | 12,439,174 | 12,356,509 | 82,665 | 0.7 | 12,298,761 |
| CAPITAL ASSETS | | | | | |
| NON-DEPRECIABLE ASSETS | | | | | |
| Land and Land Rights | 11,351,222 | 11,351,222 | - | - | 11,351,222 |
| Construction Work in Progress | 61,829,370 | 42,113,288 | 19,716,083 | 46.8 | 60,966,306 |
| Total Non-depreciable Assets | 73,180,592 | 53,464,509 | 19,716,083 | 36.9 | 72,317,528 |
| DEPRECIABLE ASSETS | | | | | |
| Utility Plant in Service, Net | 235,569,485 | 237,091,887 | (1,522,401) | (0.6) | 236,726,089 |
| Steam Assets, Net | 319,104 | 613,661 | (294,557) | (48.0) | 343,650 |
| Subscription-Based IT Arrangements, Net | 2,014,150 | - | 2,014,150 | - | 2,068,243 |
| Total Depreciable Assets | 237,902,739 | 237,705,548 | 197,192 | 0.1 | 239,137,982 |
| Net Capital Assets | 311,083,331 | 291,170,057 | 19,913,274 | 6.8 | 311,455,511 |
| Other Non-Current Assets | 10,684,338 | 11,392,605 | (708,267) | (6.2) | 10,718,153 |
| Total Non-Current Assets | 334,206,844 | 314,919,171 | 19,287,673 | 6.1 | 334,472,424 |
| TOTAL ASSETS | 506,808,464 | 472,743,824 | 34,064,639 | 7.2 | 517,763,849 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | |
| DEFERRED OUTFLOWS OF RESOURCES | 2,493,813 | 5,294,383 | (2,800,570) | (52.9) | 2,698,943 |
| TOTAL ASSETS + DEFERRED OUTFLOW RESOURCE | <u>509,302,276</u> | <u>478,038,207</u> | <u>31,264,069</u> | <u>6.5</u> | <u>520,462,792</u> |
| LIABILITIES | | | | | |
| CURRENT LIABILITIES | | | | | |
| Accounts Payable | 11,986,219 | 11,190,708 | 795,511 | 7.1 | 16,155,549 |
| Due to other funds | 3,637,564 | 3,556,765 | 80,800 | 2.3 | 3,609,368 |
| Customer Deposits | 2,485,618 | 2,409,115 | 76,503 | 3.2 | 2,482,023 |
| Compensated absences | 2,286,722 | 2,125,750 | 160,972 | 7.6 | 2,277,211 |
| Accrued Salaries & Wages | 976,275 | 823,550 | 152,726 | 18.5 | 861,655 |
| Interest Payable | - | - | - | - | 2,485,861 |
| Current Portion of Long Term Debt | 8,005,000 | 7,730,000 | 275,000 | 3.6 | 7,730,000 |
| Misc Other Current Liabilities | 447,343 | 1,205 | 446,137 | 37,019.2 | 445,372 |
| Total Current Liabilities | 29,824,741 | 27,837,093 | 1,987,648 | 7.1 | 36,047,040 |
| NON-CURRENT LIABILITIES | | | | | |
| Compensated absences | 1,501,707 | 1,634,830 | (133,123) | (8.1) | 1,485,098 |
| Other Non-Current Liabilities | 13,148,567 | 19,020,462 | (5,871,895) | (30.9) | 13,148,567 |
| Unearned Revenues | 1,606,802 | 1,792,148 | (185,346) | (10.3) | 1,606,802 |
| Long-Term Debt | 140,608,441 | 149,740,855 | (9,132,413) | (6.1) | 148,708,503 |
| Misc Other Non-Current Liabilities | 1,053,735 | - | 1,053,735 | - | 1,049,691 |
| Total Non-Current Liabilities | 157,919,251 | 172,188,295 | (14,269,043) | (8.3) | 165,998,660 |
| TOTAL LIABILITIES | 187,743,992 | 200,025,388 | (12,281,395) | (6.1) | 202,045,701 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| DEFERRED INFLOWS OF RESOURCES | 11,503,776 | 10,274,720 | 1,229,056 | 12 | 11,800,358 |
| NET POSITION | | | | | |
| Net Investment in Capital Assets | 174,656,948 | 147,489,865 | 27,167,083 | 18.4 | 164,599,328 |
| Total Restricted Net Position | 49 | 49 | - | - | 7,085,882 |
| Unrestricted Net Position | 135,397,511 | 120,248,186 | 15,149,325 | 12.6 | 134,931,523 |
| TOTAL NET POSITION | <u>310,054,508</u> | <u>267,738,099</u> | <u>42,316,409</u> | <u>15.8</u> | <u>306,616,733</u> |
| TOTAL LIAB,DEFERRED INFLOWS,NET POSITION | <u>509,302,276</u> | <u>478,038,207</u> | <u>31,264,069</u> | <u>6.5</u> | <u>520,462,792</u> |

ROCHESTER PUBLIC UTILITIES
Statement of Revenues, Expenses & Changes in Net Position
ELECTRIC UTILITY
November, 2024
YEAR TO DATE

| | <u>Actual YTD</u> | <u>Original Budget YTD</u> | <u>Actual to Original Budget</u> | <u>% Var.</u> | <u>Last Yr Actual YTD</u> |
|---|--------------------|--------------------------------|--------------------------------------|---------------|-----------------------------------|
| 8 SALES REVENUE | | | | | |
| 9 Retail Revenue | | | | | |
| 10 Electric - Residential Service | 60,490,881 | 61,751,643 | (1,260,763) | (2.0) | 58,634,264 |
| 11 Electric - General & Industrial Service | 92,224,563 | 90,483,423 | 1,741,139 | 1.9 | 87,919,800 |
| 12 Electric - Public Street & Highway Light | 1,406,146 | 1,615,556 | (209,410) | (13.0) | 1,310,391 |
| 13 Electric - Rental Light Revenue | 192,559 | 198,753 | (6,194) | (3.1) | 182,981 |
| 14 Electric - Interdepartmental Service | 1,259,867 | 1,075,516 | 184,352 | 17.1 | 1,224,043 |
| 15 Electric - Power Cost Adjustment | 1,330,331 | 62,682 | 1,267,649 | 2,022.3 | 206,082 |
| 16 Electric - Clean Air Rider | 1,864,797 | 1,989,846 | (125,049) | (6.3) | 1,914,990 |
| 17 Electric - Total Retail Revenue | <u>158,769,144</u> | <u>157,177,419</u> | <u>1,591,725</u> | <u>1.0</u> | <u>151,392,551</u> |
| 18 Wholesale Electric Revenue | | | | | |
| 19 Energy & Fuel Reimbursement | 3,756,233 | 2,962,205 | 794,028 | 26.8 | 5,159,550 |
| 20 Capacity & Demand | 1,529,544 | 1,114,343 | 415,201 | 37.3 | 2,152,185 |
| 21 Total Wholesale Electric Revenue | <u>5,285,777</u> | <u>4,076,548</u> | <u>1,209,229</u> | <u>29.7</u> | <u>7,311,735</u> |
| 22 Steam Sales Revenue | <u>3,667,529</u> | <u>4,678,178</u> | <u>(1,010,649)</u> | <u>(21.6)</u> | <u>4,454,827</u> |
| 23 TOTAL SALES REVENUE | 167,722,450 | 165,932,145 | 1,790,305 | 1.1 | 163,159,113 |
| 24 COST OF REVENUE | | | | | |
| 25 Purchased Power | 92,759,391 | 93,334,646 | (575,255) | (0.6) | 91,010,061 |
| 26 Generation Fuel, Chemicals & Utilities | 3,505,449 | 4,953,144 | (1,447,695) | (29.2) | 5,322,209 |
| 27 TOTAL COST OF REVENUE | <u>96,264,840</u> | <u>98,287,790</u> | <u>(2,022,950)</u> | <u>(2.1)</u> | <u>96,332,269</u> |
| 28 GROSS MARGIN | | | | | |
| 29 Retail | 66,009,754 | 63,842,773 | 2,166,980 | 3.4 | 60,382,490 |
| 30 Wholesale | 5,447,857 | 3,801,581 | 1,646,276 | 43.3 | 6,444,353 |
| 31 TOTAL GROSS MARGIN | <u>71,457,610</u> | <u>67,644,355</u> | <u>3,813,256</u> | <u>5.6</u> | <u>66,826,843</u> |
| 32 FIXED EXPENSES | | | | | |
| 33 Utilities Expense | 410,270 | 450,851 | (40,581) | (9.0) | 427,987 |
| 34 Depreciation & Amortization | 14,568,792 | 14,620,066 | (51,275) | (0.4) | 14,173,889 |
| 35 Salaries & Benefits | 23,063,246 | 21,453,422 | 1,609,824 | 7.5 | 23,464,401 |
| 36 Materials, Supplies & Services | 9,954,250 | 12,901,179 | (2,946,929) | (22.8) | 11,035,537 |
| 37 Inter-Utility Allocations | (1,974,236) | (1,806,750) | (167,486) | (9.3) | (1,789,312) |
| 38 TOTAL FIXED EXPENSES | <u>46,022,322</u> | <u>47,618,768</u> | <u>(1,596,446)</u> | <u>(3.4)</u> | <u>47,312,503</u> |
| 39 Other Operating Revenue | 9,175,547 | 9,969,494 | (793,947) | (8.0) | 9,837,327 |
| 40 NET OPERATING INCOME (LOSS) | <u>34,610,835</u> | <u>29,995,080</u> | <u>4,615,756</u> | <u>15.4</u> | <u>29,351,668</u> |
| 41 NON-OPERATING REVENUE / (EXPENSE) | | | | | |
| 42 Investment Income (Loss) | 4,547,966 | 2,511,860 | 2,036,105 | 81.1 | 3,147,873 |
| 43 Interest Expense | (4,770,760) | (4,640,147) | (130,613) | (2.8) | (4,837,185) |
| 44 Amortization of Debt Issue Costs | (86,439) | (86,439) | - | - | (91,751) |
| 45 Miscellaneous - Net | (134,957) | (23,580) | (111,377) | (472.3) | (68,955) |
| 46 TOTAL NON-OPERATING REV (EXP) | <u>(444,190)</u> | <u>(2,238,306)</u> | <u>1,794,116</u> | <u>80.2</u> | <u>(1,850,018)</u> |
| 47 INCOME (LOSS) BEFORE TRANSFERS / CAPITAL CONTRIBUTIONS | <u>34,166,645</u> | <u>27,756,774</u> | <u>6,409,872</u> | <u>23.1</u> | <u>27,501,650</u> |
| 48 Transfers Out | (9,981,836) | (9,877,666) | (104,170) | (1.1) | (8,846,852) |
| 49 Capital Contributions | 10,526,959 | 4,458,419 | 6,068,539 | 136.1 | 4,242,814 |
| 50 CHANGE IN NET POSITION | <u>34,711,768</u> | <u>22,337,527</u> | <u>12,374,241</u> | <u>55.4</u> | <u>22,897,612</u> |
| 51 Net Position, Beginning | 275,342,740 | | | | 244,840,487 |
| 52 NET POSITION, ENDING | <u>310,054,508</u> | | | | <u>267,738,099</u> |
| 53 | | | | | |
| 54 | | Rolling 12 Months | Planned for Curr Year | | |
| 55 Debt Coverage Ratio | | 4.49 | 3.64 | | |

ROCHESTER PUBLIC UTILITIES
STATEMENT OF CASH FLOWS
ELECTRIC UTILITY
FOR
NOVEMBER, 2024
YEAR-TO-DATE

| | | <u>Actual YTD</u> | <u>Last Yr Actual YTD</u> |
|----|--|---------------------|---------------------------|
| 7 | | | |
| 8 | CASH FLOWS FROM OPERATING ACTIVITIES | | |
| 9 | Cash Received From Customers | 174,641,505 | 170,033,486 |
| 10 | Cash Received From Wholesale & Steam Customer | 9,477,506 | 12,919,515 |
| 11 | Cash Paid for: | | |
| 12 | Purchased Power | (92,817,692) | (91,894,199) |
| 13 | Operations and Maintenance | (32,571,033) | (35,151,148) |
| 14 | Fuel | (3,433,475) | (5,412,922) |
| 15 | Payment in Lieu of Taxes | (9,942,634) | (8,861,244) |
| 16 | Net Cash Provided by(Used in) Utility | | |
| 17 | Operating Activities | 45,354,177 | 41,633,488 |
| 18 | Sewer, Storm Water, Sales Tax & MN Water Fee Collections | | |
| 19 | Receipts from Customers | 44,013,813 | 43,471,200 |
| 20 | Remittances to Government Agencies | (43,745,061) | (43,292,819) |
| 21 | Net Cash Provided by(Used in) Non-Utility | | |
| 22 | Operating Activities | 268,752 | 178,381 |
| 23 | NET CASH PROVIDED BY(USED IN) | | |
| 24 | OPERATING ACTIVITIES | 45,622,929 | 41,811,869 |
| 25 | CASH FLOWS FROM CAPITAL & RELATED | | |
| 26 | FINANCING ACTIVITIES | | |
| 27 | Additions to Utility Plant & Other Assets | (30,078,754) | (20,719,736) |
| 28 | Payments related to Service Territory Acquisition | (147,190) | (159,538) |
| 29 | Payment on Long-Term Debt | (7,730,000) | (7,395,000) |
| 30 | Net Bond/Loan Receipts | - | - |
| 31 | Cash Paid for Interest & Commissions | (6,009,205) | (6,294,868) |
| 32 | NET CASH PROVIDED BY(USED IN) | | |
| 33 | CAPITAL & RELATED ACTIVITIES | (43,965,149) | (34,569,142) |
| 34 | CASH FLOWS FROM INVESTING ACTIVITIES | | |
| 35 | Interest Earnings on Investments | 3,583,847 | 2,423,660 |
| 36 | Construction Fund (Deposits)Draws | - | - |
| 37 | Bond Reserve Account | 1,286,314 | 855,451 |
| 38 | Escrow/Trust Account Activity | - | - |
| 39 | NET CASH PROVIDED BY(USED IN) | | |
| 40 | INVESTING ACTIVITIES | 4,870,161 | 3,279,111 |
| 41 | Net Increase(Decrease) in Cash & Investments | 6,527,941 | 10,521,838 |
| 42 | Cash & Investments, Beginning of Period | 117,149,059 | 103,856,182 |
| 43 | CASH & INVESTMENTS, END OF PERIOD | 123,677,000 | 114,378,020 |
| 44 | Externally Restricted Funds | 12,439,174 | 12,356,509 |
| 45 | Grand Total | 136,116,174 | 126,734,529 |

**ROCHESTER PUBLIC UTILITIES
PRODUCTION & SALES STATISTICS
ELECTRIC UTILITY**

**November, 2024
YEAR-TO-DATE**

| | | <u>Actual YTD</u> | <u>Budget YTD</u> | <u>Variance</u> | <u>% Var.</u> | <u>Last Yr Actual YTD</u> | |
|----|---|-----------------------------------|-------------------|-----------------|---------------|-------------------------------|---------------|
| 9 | ENERGY SUPPLY (kWh) | | | | | | |
| | | <i>(primarily calendar month)</i> | | | | | |
| 10 | Net Generation | | | | | | |
| 11 | IBM Diesel Generators | 22,235 | - | 22,235 | - | 31,740 | |
| 12 | Lake Zumbro Hydro | 9,715,191 | 10,618,693 | (903,502) | (8.5) | 9,887,369 | |
| 13 | Cascade Creek Gas Turbine | 26,913,030 | 19,232,000 | 7,681,030 | 39.9 | 37,933,725 | |
| 14 | Westside Energy Station | 34,655,200 | 35,123,000 | (467,800) | (1.3) | 46,125,205 | |
| 15 | Total Net Generation | 71,305,656 | 64,973,693 | 6,331,963 | 9.7 | 93,978,039 | |
| 16 | Other Power Supply | | | | | | |
| 17 | Firm Purchases | 1,061,335,640 | 1,124,425,135 | (63,089,495) | (5.6) | 1,074,575,298 | |
| 18 | Non-Firm Purchases | 3,996,852 | 3,396,805 | 600,047 | 17.7 | 5,976,626 | |
| 19 | LRP Received | - | - | - | - | - | |
| 20 | Total Other Power Supply | 1,065,332,492 | 1,127,821,939 | (62,489,447) | (5.5) | 1,080,551,924 | |
| 21 | TOTAL ENERGY SUPPLY | 1,136,638,148 | 1,192,795,633 | (56,157,485) | (4.7) | 1,174,529,963 | |
| 22 | ENERGY USES (kWh) | | | | | | |
| | | <i>(primarily billing period)</i> | | | | | |
| 23 | Retail Sales | <u># Custs</u> | | | | | |
| 24 | Electric - Residential Service | 55,410 | 335,679,408 | 362,359,433 | (26,680,025) | (7.4) | 346,673,101 |
| 25 | Electric - General Service & Industrial | 5,201 | 691,111,055 | 731,459,367 | (40,348,312) | (5.5) | 695,467,121 |
| 26 | Electric - Street & Highway Lighting | 3 | 3,138,055 | 3,335,292 | (197,237) | (5.9) | 3,096,196 |
| 27 | Electric - Rental Lights | n/a | 647,579 | 672,364 | (24,785) | (3.7) | 673,230 |
| 28 | Electric - Interdptmntl Service | 1 | 7,603,083 | 7,643,619 | (40,536) | (0.5) | 8,542,302 |
| 29 | Total Customers | <u>60,615</u> | | | | | |
| 30 | Total Retail Sales | | 1,038,179,180 | 1,105,470,075 | (67,290,895) | (6.1) | 1,054,451,950 |
| 31 | Wholesale Sales | | 61,729,731 | 54,355,000 | 7,374,731 | 13.6 | 84,195,988 |
| 32 | Company Use | | 5,262,336 | 5,203,713 | 58,623 | 1.1 | 5,558,233 |
| 33 | TOTAL ENERGY USES | | 1,105,171,247 | 1,165,028,788 | (59,857,541) | (5.1) | 1,144,206,171 |
| 34 | Lost & Unacctd For Last 12 Months | | 34,763,621 | 2.8% | | | |
| 35 | STEAM SALES (mlbs) | | | | | | |
| | | <i>(primarily billing period)</i> | | | | | |
| 36 | Steam Sales in Mlbs | 367,860 | 400,800 | (32,940) | (8.2) | 384,388 | |

ROCHESTER PUBLIC UTILITIES
PRODUCTION & SALES STATISTICS (continued)
ELECTRIC UTILITY

November, 2024

YEAR-TO-DATE

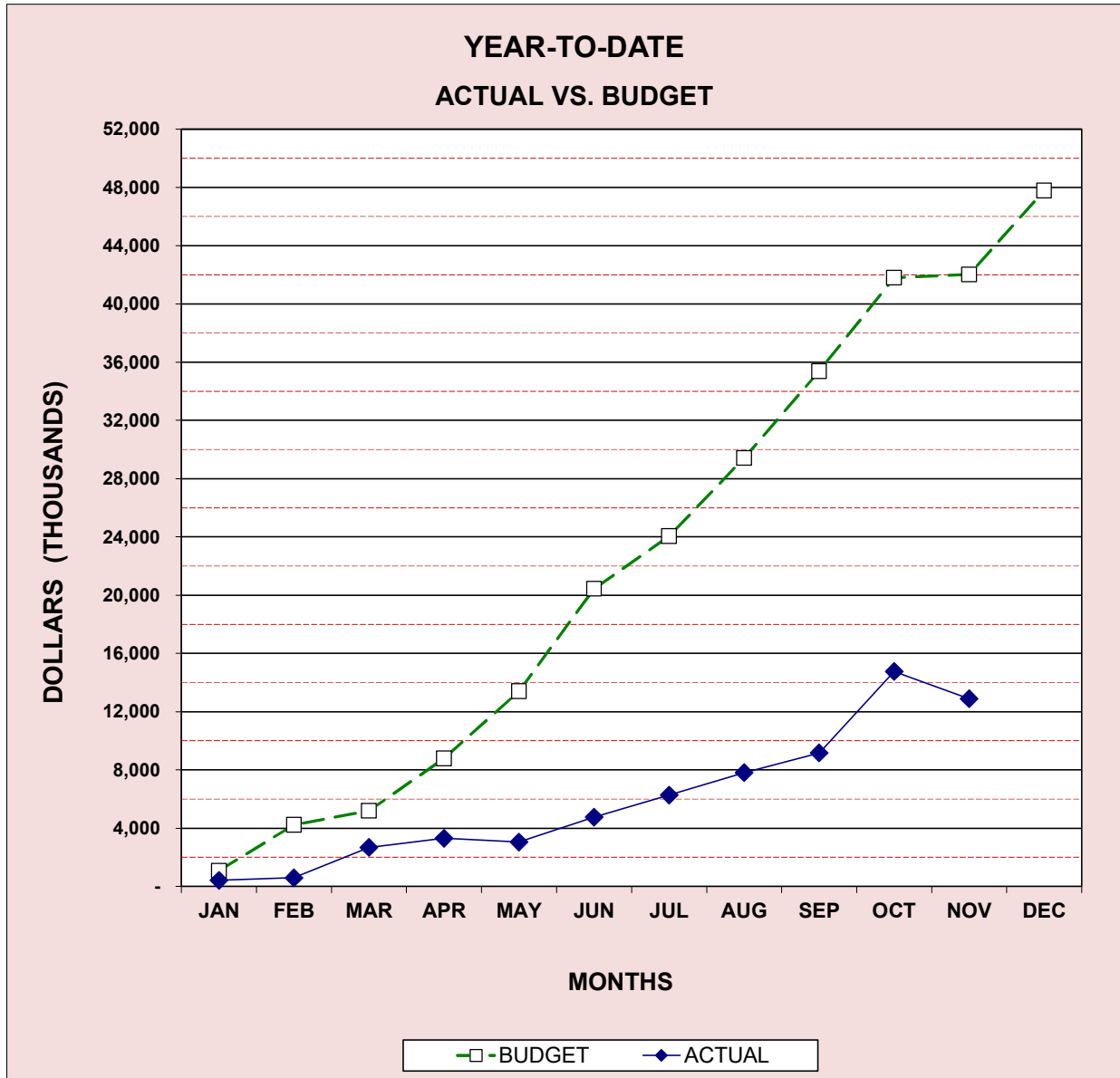
| | <u>Actual YTD</u> | <u>Budget YTD</u> | <u>Variance</u> | <u>% Var.</u> | <u>Last Yr</u> <u>Actual YTD</u> | | | |
|---|-------------------|-------------------|-----------------|---------------|-------------------------------------|--------|-----------|-----|
| FUEL USAGE <i>(calendar month)</i> | | | | | | | | |
| Gas Burned | | | | | | | | |
| SLP | 487,088 | MCF | 581,160 | MCF | (94,072) | (16.2) | 516,552 | MCF |
| Cascade | 274,274 | MCF | 222,513 | MCF | 51,761 | 23.3 | 381,763 | MCF |
| Westside | 302,115 | MCF | 277,468 | MCF | 24,647 | 8.9 | 361,133 | MCF |
| Total Gas Burned | 1,063,477 | MCF | 1,081,141 | MCF | (17,664) | (1.6) | 1,259,448 | MCF |
| Oil Burned | | | | | | | | |
| Cascade | 9,483 | GAL | - | GAL | 9,483 | - | 46,224 | GAL |
| IBM | 1,808 | GAL | - | GAL | 1,808 | - | 2,413 | GAL |
| Total Oil Burned | 11,291 | GAL | - | GAL | 11,291 | - | 48,637 | GAL |

**CAPITAL EXPENDITURES
ELECTRIC**

| <u>Current Year</u> | |
|---------------------|------------|
| ANNUAL BUDGET | 47,781,947 |
| ACTUAL YTD | 12,896,855 |
| % OF BUDGET | 27.0 |

November , 2024

| Prior Years Ending Dec 31st | | |
|-----------------------------|-------------|-------------|
| <u>2023</u> | <u>2022</u> | <u>2021</u> |
| 38,932,416 | 24,799,405 | 15,246,736 |
| 13,858,241 | 10,976,457 | 7,041,030 |
| 35.6 | 44.3 | 46.2 |

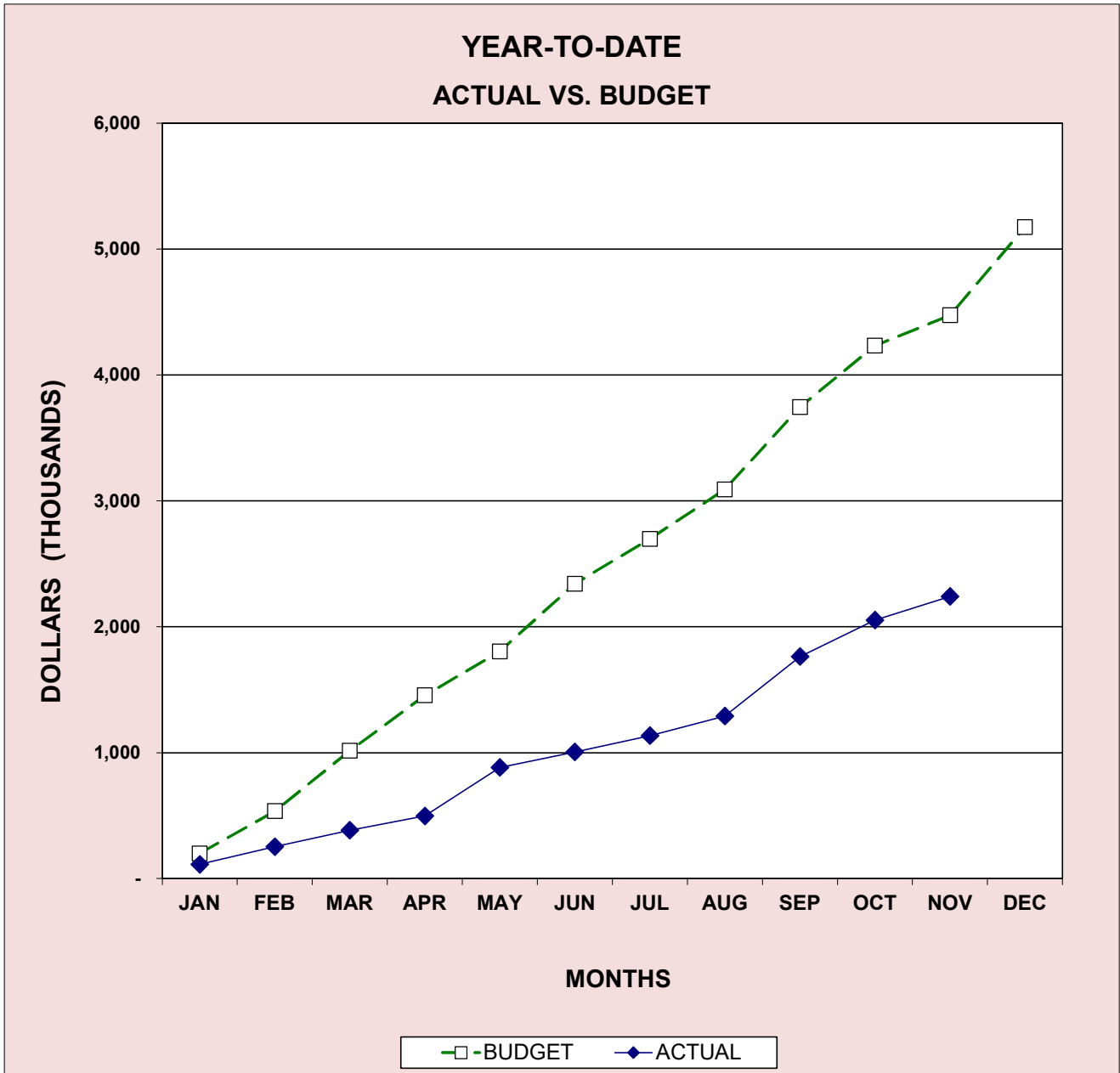


MAJOR MAINTENANCE EXPENDITURES ELECTRIC

November , 2024

| Current Year | |
|---------------|-----------|
| ANNUAL BUDGET | 5,173,960 |
| ACTUAL YTD | 2,239,909 |
| % OF BUDGET | 43.3 |

| Prior Years Ending Dec 31st | | |
|-----------------------------|-----------|-----------|
| 2023 | 2022 | 2021 |
| 4,855,403 | 8,589,452 | 3,815,243 |
| 3,807,729 | 6,479,286 | 3,680,535 |
| 78.4 | 75.4 | 96.5 |

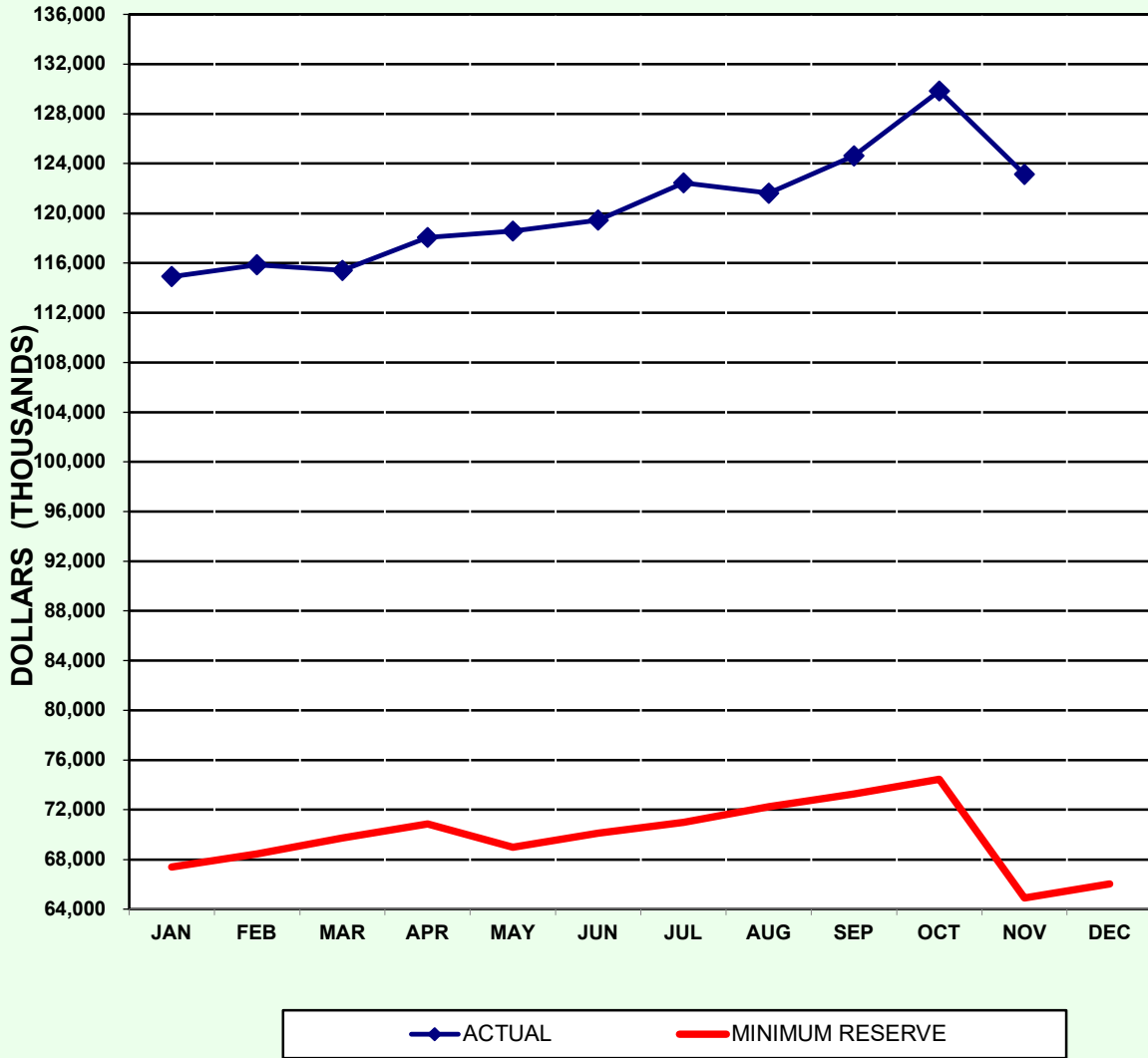


CASH AND TEMPORARY INVESTMENTS ELECTRIC

November , 2024

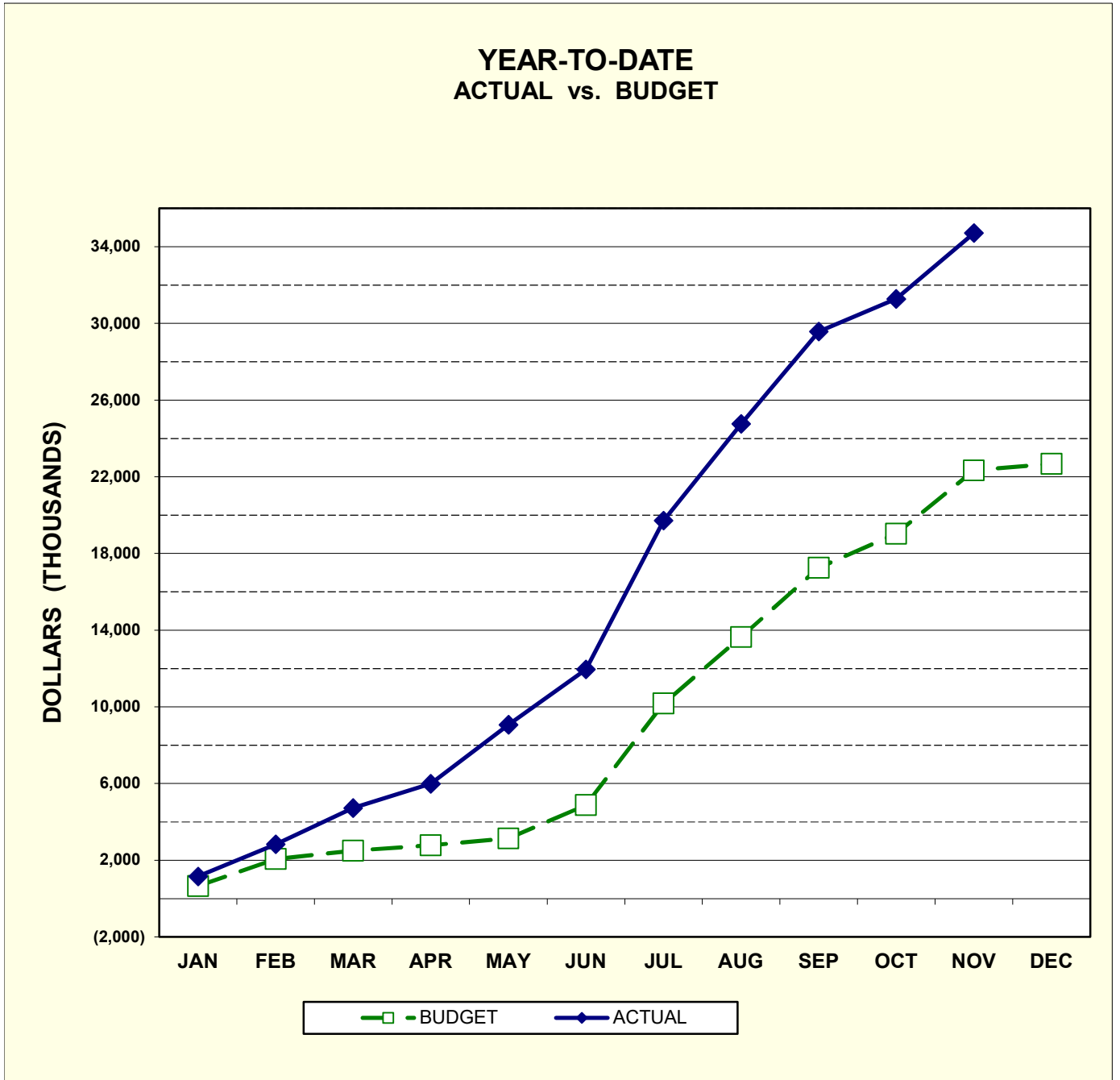
YEAR-TO-DATE ACTUAL

Excluding: Construction Fund, Debt Reserve,
and Escrow Funds Accounts



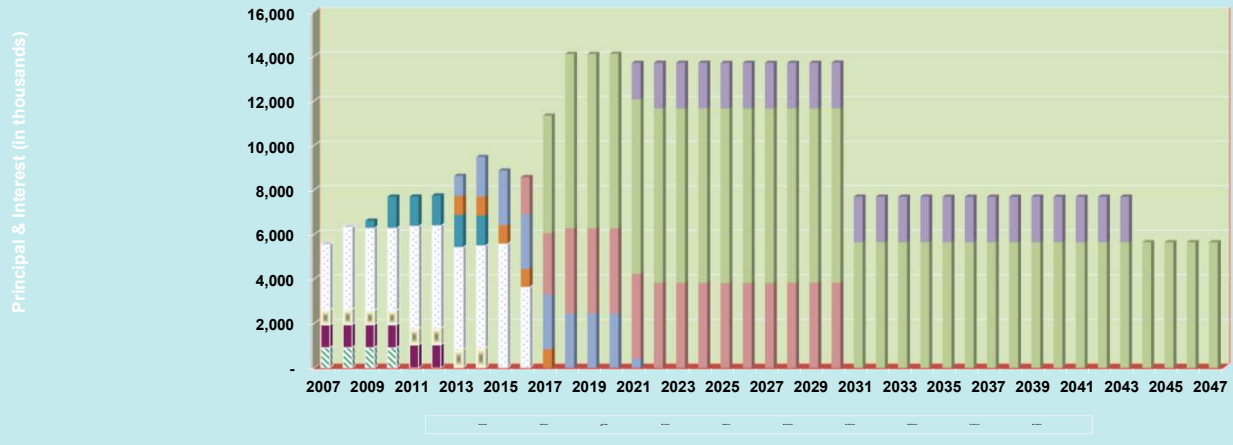
CHANGE IN NET POSITION ELECTRIC

November , 2024



Electric Debt Service Payments

(2002 Bonds were redeemed in full on 4/1/2013; 2007C Bonds were partially redeemed on 11/17/2015 and redeemed in full on 2/15/17, 2013B Bonds were redeemed in full on 2/10/21)



Electric Outstanding Debt (as of End of Year)



ROCHESTER PUBLIC UTILITIES
STATEMENT OF NET POSITION
WATER UTILITY
November 30, 2024

| | <u>November 2024</u> | <u>November 2023</u> | <u>Difference</u> | <u>% Diff.</u> | <u>October 2024</u> |
|---|----------------------|----------------------|-------------------|----------------|---------------------|
| ASSETS | | | | | |
| CURRENT ASSETS | | | | | |
| CASH & INVESTMENTS | | | | | |
| Unreserved Cash & Investments | 7,071,053 | 7,575,552 | (504,499) | (6.7) | 7,036,766 |
| BOARD RESERVED CASH & INVESTMENTS | | | | | |
| Working Funds Reserve | 1,263,000 | 1,190,000 | 73,000 | 6.1 | 1,263,000 |
| Capital & Major Maintenance Reserve | 5,859,000 | 4,445,000 | 1,414,000 | 31.8 | 5,859,000 |
| Contingency Reserve | 1,849,000 | 1,732,000 | 117,000 | 6.8 | 1,849,000 |
| Total Reserved Cash & Investments | 8,971,000 | 7,367,000 | 1,604,000 | 21.8 | 8,971,000 |
| Total Cash & Investments | 16,042,053 | 14,942,552 | 1,099,501 | 7.4 | 16,007,766 |
| Receivables & Accrued Utility Revenues | 1,085,438 | 894,142 | 191,296 | 21.4 | 1,062,311 |
| Inventory | 300,820 | 340,203 | (39,383) | (11.6) | 303,912 |
| Other Current Assets | 180,590 | 206,441 | (25,851) | (12.5) | 13,793 |
| Total Current Assets | 17,608,902 | 16,383,339 | 1,225,563 | 7.5 | 17,387,783 |
| CAPITAL ASSETS | | | | | |
| NON-DEPRECIABLE ASSETS | | | | | |
| Land and Land Rights | 742,667 | 742,667 | - | - | 742,667 |
| Construction Work in Progress | 11,672,195 | 8,577,134 | 3,095,062 | 36.1 | 11,480,063 |
| Total Non-depreciable Assets | 12,414,862 | 9,319,800 | 3,095,062 | 33.2 | 12,222,729 |
| DEPRECIABLE ASSETS | | | | | |
| Utility Plant in Service, Net | 100,630,881 | 99,241,842 | 1,389,039 | 1.4 | 100,840,463 |
| Net Capital Assets | 113,045,743 | 108,561,642 | 4,484,101 | 4.1 | 113,063,192 |
| Other Non-Current Assets | 18,630,871 | 19,534,381 | (903,510) | (4.6) | 18,630,871 |
| Total Non-Current Assets | 131,676,614 | 128,096,024 | 3,580,591 | 2.8 | 131,694,063 |
| TOTAL ASSETS | 149,285,516 | 144,479,362 | 4,806,153 | 3.3 | 149,081,846 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | |
| DEFERRED OUTFLOWS OF RESOURCES | 157,108 | 468,130 | (311,022) | (66.4) | 182,034 |
| TOTAL ASSETS + DEFERRED OUTFLOW RESOURCE | <u>149,442,624</u> | <u>144,947,493</u> | <u>4,495,131</u> | <u>3.1</u> | <u>149,263,880</u> |
| LIABILITIES | | | | | |
| CURRENT LIABILITIES | | | | | |
| Accounts Payable | 382,979 | 505,605 | (122,626) | (24.3) | 285,656 |
| Due to Other Funds | - | - | - | - | - |
| Customer Deposits | 164,942 | 127,923 | 37,019 | 28.9 | 159,905 |
| Compensated Absences | 269,214 | 291,451 | (22,237) | (7.6) | 271,992 |
| Accrued Salaries & Wages | 113,200 | 98,147 | 15,054 | 15.3 | 92,483 |
| Total Current Liabilities | 930,334 | 1,023,125 | (92,790) | (9.1) | 810,037 |
| NON-CURRENT LIABILITIES | | | | | |
| Compensated Absences | 92,382 | 165,111 | (72,730) | (44.0) | 91,597 |
| Other Non-Current Liabilities | 1,665,588 | 2,400,013 | (734,425) | (30.6) | 1,665,588 |
| Total Non-Current Liabilities | 1,757,970 | 2,565,125 | (807,155) | (31.5) | 1,757,185 |
| TOTAL LIABILITIES | 2,688,304 | 3,588,249 | (899,945) | (25.1) | 2,567,222 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| DEFERRED INFLOWS OF RESOURCES | 17,584,874 | 18,662,280 | (1,077,406) | (5.8) | 17,713,621 |
| NET POSITION | | | | | |
| Net Investment in Capital Assets | 113,045,743 | 108,561,642 | 4,484,101 | 4.1 | 113,063,192 |
| Unrestricted Net Assets (Deficit) | 16,123,703 | 14,135,322 | 1,988,381 | 14.1 | 15,919,845 |
| TOTAL NET POSITION | <u>129,169,446</u> | <u>122,696,964</u> | <u>6,472,482</u> | <u>5.3</u> | <u>128,983,037</u> |
| TOTAL LIAB, DEFERRED INFLOWS, NET POSITION | <u>149,442,624</u> | <u>144,947,493</u> | <u>4,495,131</u> | <u>3.1</u> | <u>149,263,880</u> |

ROCHESTER PUBLIC UTILITIES
Statement of Revenues, Expenses & Changes in Net Position
WATER UTILITY
November, 2024
YEAR TO DATE

| | <u>Actual YTD</u> | <u>Original Budget YTD</u> | <u>Actual to Original Budget</u> | <u>% Var.</u> | <u>Last Yr Actual YTD</u> |
|--|--------------------|--------------------------------|--------------------------------------|---------------|-------------------------------|
| 7 | | | | | |
| 8 RETAIL REVENUE | | | | | |
| 9 Water - Residential Service | 7,144,061 | 6,723,634 | 420,427 | 6.3 | 6,896,977 |
| 10 Water - Commercial Service | 3,491,706 | 3,530,917 | (39,211) | (1.1) | 3,427,089 |
| 11 Water - Industrial Service | 622,810 | 611,311 | 11,500 | 1.9 | 654,869 |
| 12 Water - Public Fire Protection | 601,092 | 668,187 | (67,095) | (10.0) | 564,882 |
| 13 Water - Interdepartmental Service | 28,413 | 25,209 | 3,204 | 12.7 | 31,762 |
| 14 TOTAL RETAIL REVENUE | 11,888,082 | 11,559,258 | 328,824 | 2.8 | 11,575,579 |
| 15 COST OF REVENUE | | | | | |
| 16 Utilities Expense | 1,285,042 | 1,042,199 | 242,844 | 23.3 | 1,255,478 |
| 17 Water Treatment Chemicals/Demin Water | 225,193 | 249,767 | (24,574) | (9.8) | 242,503 |
| 18 Billing Fees | 723,938 | 726,461 | (2,523) | (0.3) | 705,315 |
| 19 TOTAL COST OF REVENUE | 2,234,174 | 2,018,427 | 215,747 | 10.7 | 2,203,297 |
| 20 GROSS MARGIN | 9,653,909 | 9,540,831 | 113,077 | 1.2 | 9,372,282 |
| 21 FIXED EXPENSES | | | | | |
| 22 Depreciation & Amortization | 2,685,661 | 2,938,600 | (252,939) | (8.6) | 2,657,922 |
| 23 Salaries & Benefits | 2,586,982 | 3,021,667 | (434,685) | (14.4) | 3,030,499 |
| 24 Materials, Supplies & Services | 1,572,440 | 1,532,544 | 39,896 | 2.6 | 1,250,621 |
| 25 Inter-Utility Allocations | 1,974,236 | 1,806,750 | 167,486 | 9.3 | 1,789,312 |
| 26 TOTAL FIXED EXPENSES | 8,819,319 | 9,299,560 | (480,241) | (5.2) | 8,728,354 |
| 27 Other Operating Revenue | 1,918,065 | 1,971,043 | (52,978) | (2.7) | 1,909,890 |
| 28 NET OPERATING INCOME (LOSS) | 2,752,655 | 2,212,314 | 540,341 | 24.4 | 2,553,819 |
| 29 NON-OPERATING REVENUE / (EXPENSE) | | | | | |
| 30 Investment Income (Loss) | 783,579 | 717,009 | 66,570 | 9.3 | 676,726 |
| 31 Interest Expense | (3,675) | - | (3,675) | - | (1,920) |
| 32 Miscellaneous - Net | (2,627) | - | (2,627) | - | (50,993) |
| 33 TOTAL NON-OPERATING REV (EXP) | 777,277 | 717,009 | 60,268 | 8.4 | 623,814 |
| 34 INCOME (LOSS) BEFORE TRANSFERS / CAPITAL CONTRIBUTIONS | 3,529,932 | 2,929,323 | 600,609 | 20.5 | 3,177,633 |
| 35 Transfers Out | (435,867) | (453,191) | 17,325 | 3.8 | (460,632) |
| 36 Capital Contributions | 128,754 | - | 128,754 | - | - |
| 37 CHANGE IN NET POSITION | 3,222,819 | 2,476,132 | 746,687 | 30.2 | 2,717,000 |
| 38 Net Position, Beginning | 125,946,627 | | | | 119,979,964 |
| 39 NET POSITION, ENDING | 129,169,446 | | | | 122,696,964 |

ROCHESTER PUBLIC UTILITIES
STATEMENT OF CASH FLOWS
WATER UTILITY
FOR
NOVEMBER, 2024
YEAR-TO-DATE

| | <u>Actual YTD</u> | <u>Last Yr Actual YTD</u> |
|--|--------------------------|---------------------------|
| 7 | | |
| 8 CASH FLOWS FROM OPERATING ACTIVITIES | | |
| 9 Cash Received From Customers | 15,180,528 | 14,125,423 |
| 10 Cash Paid for: | | |
| 11 Operations and Maintenance | (9,502,732) | (9,465,953) |
| 12 Payment in Lieu of Taxes | (434,372) | (460,557) |
| 13 Net Cash Provided by(Used in) Utility | | |
| 14 Operating Activities | 5,243,424 | 4,198,913 |
| 15 Sales Tax & MN Water Fee Collections | | |
| 16 Receipts from Customers | 581,564 | 575,461 |
| 17 Remittances to Government Agencies | (511,084) | (509,094) |
| 18 Net Cash Provided by(Used in) Non-Utility | | |
| 19 Operating Activities | 70,480 | 66,367 |
| 20 NET CASH PROVIDED BY(USED IN) | | |
| 21 OPERATING ACTIVITIES | 5,313,904 | 4,265,280 |
| 22 CASH FLOWS FROM CAPITAL & RELATED | | |
| 23 FINANCING ACTIVITIES | | |
| 24 Additions to Utility Plant & Other Assets | (4,825,508) | (4,144,783) |
| 25 Payment on Long-Term Debt | - | - |
| 26 Net Loan Receipts | - | - |
| 27 Cash Paid for Interest & Commissions | - | - |
| 28 NET CASH PROVIDED BY(USED IN) | | |
| 29 CAPITAL & RELATED ACTIVITIES | (4,825,508) | (4,144,783) |
| 30 CASH FLOWS FROM INVESTING ACTIVITIES | | |
| 31 Interest Earnings on Investments | 779,904 | 674,809 |
| 32 NET CASH PROVIDED BY(USED IN) | | |
| 33 INVESTING ACTIVITIES | 779,904 | 674,809 |
| 34 Net Increase(Decrease) in Cash & Investments | 1,268,300 | 795,306 |
| 35 Cash & Investments, Beginning of Period | 14,773,753 | 14,147,248 |
| 36 <u>CASH & INVESTMENTS, END OF PERIOD</u> | <u>16,042,053</u> | <u>14,942,554</u> |

ROCHESTER PUBLIC UTILITIES
PRODUCTION & SALES STATISTICS
WATER UTILITY

November, 2024

YEAR-TO-DATE

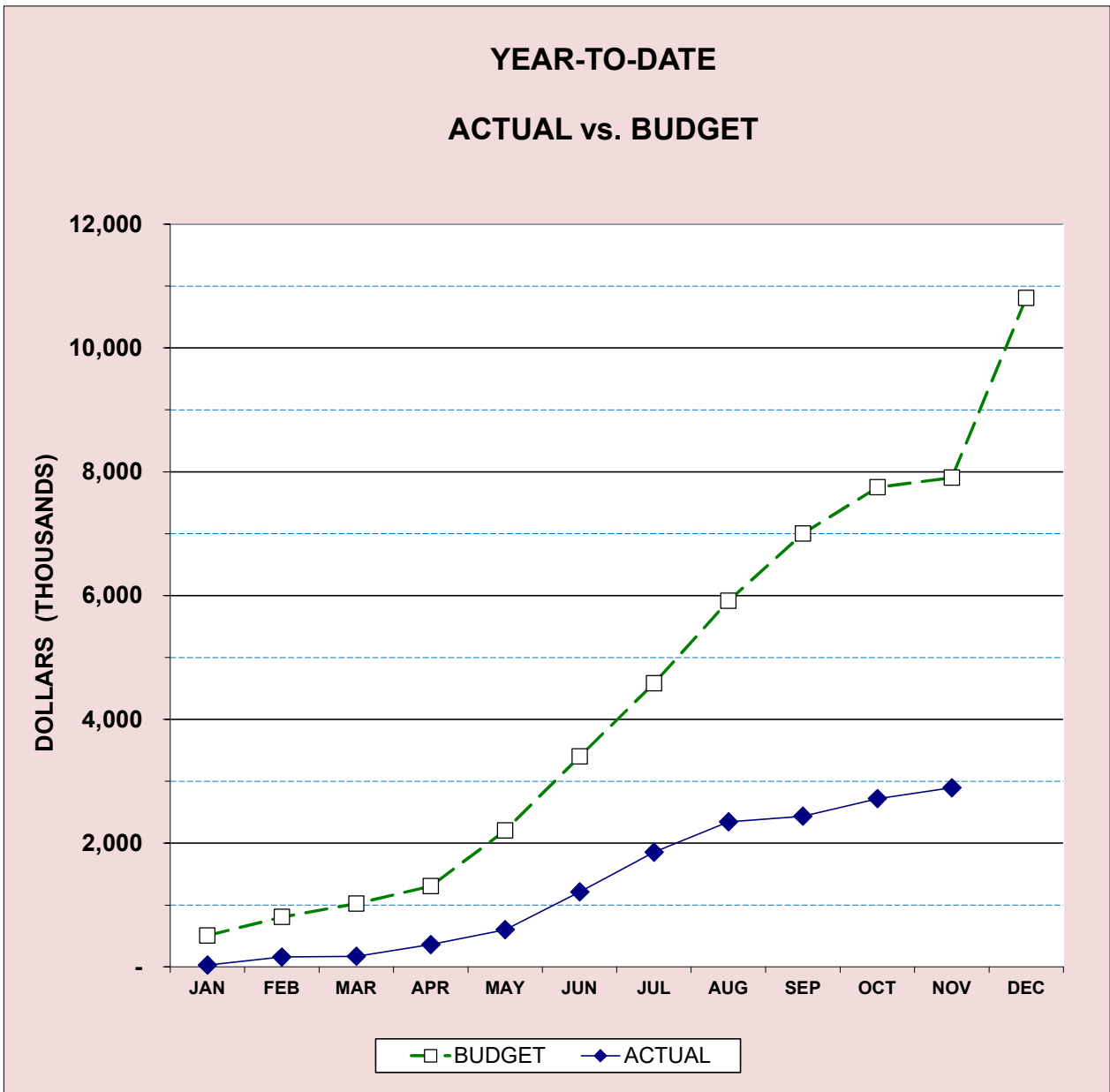
| | | <u>Actual YTD</u> | <u>Budget YTD</u> | <u>Variance</u> | <u>% Var.</u> | <u>Last Yr Actual YTD</u> | |
|----|------------------------------------|-----------------------------------|-------------------|-----------------|---------------|-------------------------------|-----------|
| | | (ccf) | (ccf) | (ccf) | | | |
| 9 | PUMPAGE | <i>(primarily calendar month)</i> | | | | | |
| 10 | TOTAL PUMPAGE | 5,637,693 | 5,502,711 | 134,982 | 2.5 | 6,219,782 | |
| 11 | RETAIL SALES | <i>(primarily billing period)</i> | | | | | |
| | | <u># Custs</u> | | | | | |
| 12 | Water - Residential Service | 38,077 | 2,573,614 | 2,735,400 | (161,786) | (5.9) | 2,972,536 |
| 13 | Water - Commercial Service | 3,916 | 2,192,113 | 2,221,332 | (29,219) | (1.3) | 2,288,196 |
| 14 | Water - Industrial Service | 22 | 573,178 | 565,422 | 7,756 | 1.4 | 639,489 |
| 15 | Water - Interdptmntl Service | 1 | 20,991 | 17,929 | 3,062 | 17.1 | 25,835 |
| 16 | Total Customers | <u>42,016</u> | | | | | |
| 17 | TOTAL RETAIL SALES | 5,359,896 | 5,540,083 | (180,187) | (3.3) | 5,926,055 | |
| 18 | Lost & Unaccntd For Last 12 Months | 297,148 | 4.9% | | | | |

CAPITAL EXPENDITURES WATER

| <u>Current Year</u> | |
|---------------------|------------|
| ANNUAL BUDGET | 10,806,658 |
| ACTUAL YTD | 2,895,562 |
| % OF BUDGET | 26.8 |

November , 2024

| Prior Years Ending Dec 31st | | |
|-----------------------------|-------------|-------------|
| <u>2023</u> | <u>2022</u> | <u>2021</u> |
| 6,508,342 | 4,878,440 | 6,807,825 |
| 3,203,906 | 2,696,538 | 3,548,783 |
| 49.2 | 55.3 | 52.1 |

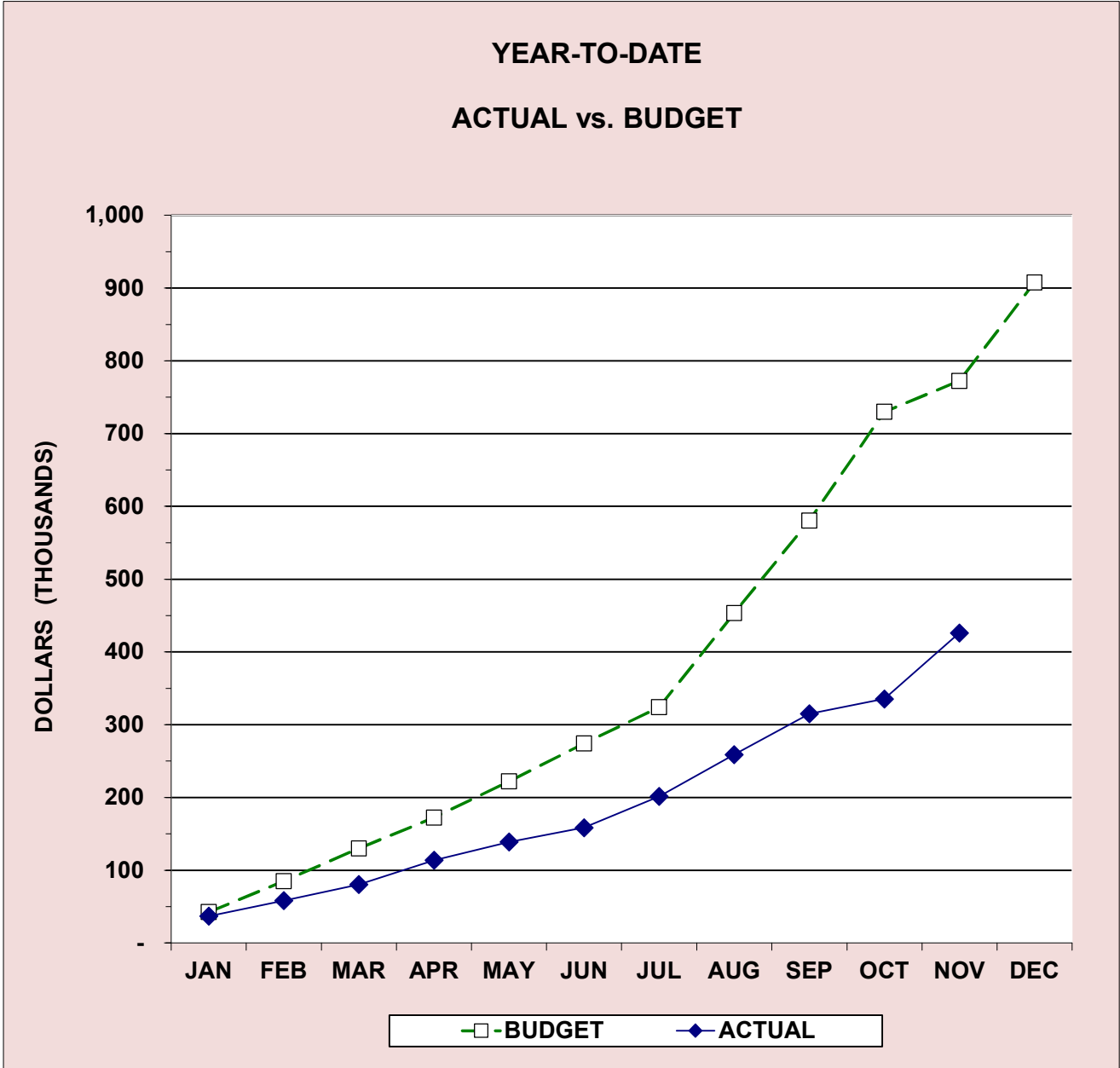


**MAJOR MAINTENANCE EXPENDITURES
WATER**

November , 2024

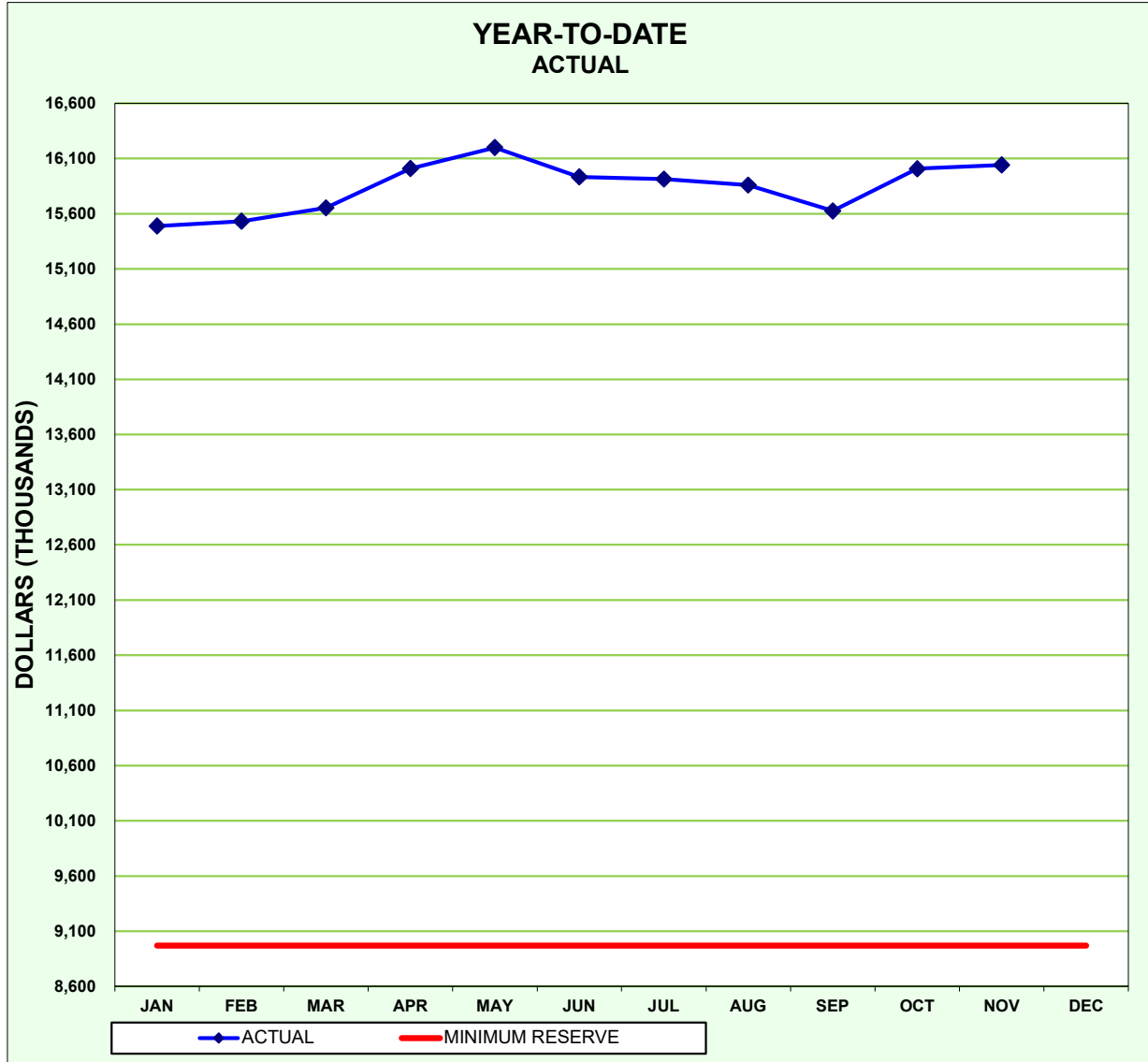
| <u>Current Year</u> | |
|---------------------|---------|
| ANNUAL BUDGET | 907,895 |
| ACTUAL YTD | 426,258 |
| % OF BUDGET | 47.0 |

| <u>Prior Years Ending Dec 31st</u> | | |
|------------------------------------|-------------|-------------|
| <u>2023</u> | <u>2022</u> | <u>2021</u> |
| 796,090 | 1,015,476 | 528,408 |
| 396,411 | 447,519 | 225,087 |
| 49.8 | 44.1 | 42.6 |



CASH AND TEMPORARY INVESTMENTS
WATER

November , 2024



CHANGE IN NET POSITION WATER

November, 2024

YEAR-TO-DATE ACTUAL vs. BUDGET

