



# **Rochester Public Utilities**

## **Board Meeting Packet**

**November 26, 2013**

ROCHESTER PUBLIC UTILITIES BOARD

MEETING AGENDA –November 26, 2013

RPU SERVICE CENTER  
4000 EAST RIVER ROAD NE  
ROCHESTER, MN 55906

4:00 PM

1. Approval of Minutes of November 12, 2013 Meeting
2. Approval of Accounts Payable

**NEW BUSINESS**

3. Open Comment Period  
*(This agenda section is for the purpose of allowing citizens to address the Utility Board. Comments are limited to 4 minutes, total comment period limited to 15 minutes. Any speakers not having the opportunity to be heard will be the first to present at the next Board meeting.)*
4. Consideration of Bids/Proposals:
  - a. Resolution: Westside Substation Indoor Metal Switchgear
  - b. Resolution: Wright Tree Service Inc.
5. Approval of Resolution to Authorize Minnesota Statute 453 Powers
6. Approve an Increase in PO # 10381 for Ash Disposal at Silver Lake Plant
7. General Manager's Report
8. Management Reports
9. Other Business
10. Adjourn

*The agenda and board packet for Utility Board meetings are available on-line at [www.rpu.org](http://www.rpu.org)*

ROCHESTER PUBLIC UTILITIES  
BOARD MEETING MINUTES  
November 12, 2013

Members Present: Mr. Williams, Mr. Stahl, Mr. Reichert, and Mr. Browning  
Absent: Mr. Wojcik  
Also Present: Terry Adkins, City Attorney

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

President Williams asked the board to change the order of the agenda, moving item #3 down after item #5.

1. Mr. Reichert moved to approve the revised minutes of the October 29, 2013 meeting, seconded by Mr. Stahl.

All voting "AYE"

2. Mr. Williams opened the meeting for comments from the public.  
Ray Schmitz, Rochester, MN came forward to comment on the Electric rate increase.

Larry Koshire, General Manager, gave the Board an overview of the budget process and management recommendations.

Susan Parker, Director of Corporate Services, presented the Board the budget and rate recommendations for the 2014 Electric and Water Budgets. The finance and audit committee, and management recommended the options providing for the best long-term financial stability. The board was reminded of the three financial targets: gross margin, maintaining debt service coverage ratio, and the minimum cash reserve, per board policy.

The Board discussed the options in detail, making sure all necessary targets would be met with the proposed option. Jerry Williams favored the 2.5 % increase as a more gradual move. Larry commented that there has been no rate increase since 2009, and a 4% SMMPA rate increase was absorbed, but was the right decision at the time. Roger Stahl favored the 3% increase and was concerned about the financial impact in the next couple years playing catch up if we went with the lower rate. Mark Browning was concerned about our reserve target and the need to keep funding projects such as Lake Zumbro and SLP, Dave Reichert agreed. The board will be involved in the rate study in January.

3. Mr. Reichert moved to approve the 2014 Electric Revenue Adjustment of 3%, seconded by Mr. Browning.

All voting "AYE"

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve the following rate schedules effective January 1, 2014.

Residential Service (RES)

Large General Service (LGS)

Residential Service-Dual Fuel (RES-DF)  
 Residential-High Efficiency HVAC (RESELGEO)  
 General Service (GS)  
 General Service-High Efficiency (GS-HEF)  
 General Service Time-Of-Use (GS-TOU)  
 Medium General Service (MGS)  
 Medium General Service-High Efficiency (MGS-HEF)  
 Medium General Service Time-Of-Use (MGS-TOU)

Large Industrial Service (LIS)  
 Interruptible Service (INTR)  
 City Street Lighting (CSL)  
 Traffic Signals (TS)  
 Highway Lighting (HL)  
 Security Lighting (SL)  
 Civil Defense Sirens (CDS)

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 an overall 3.0% electric revenue increase with changes to all customer classes effective January 1, 2014.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 12<sup>th</sup> day of November, 2013.

4. The board continued discussion on the proposed 0% management recommended increase in Water revenue. The board asked to consider a 1.5% rate increase as a more gradual option for future years. A cost of service study will be completed in 2015.

Mr. Browning moved to approve the 2014 Water Revenue Adjustment of 1.5%, seconded by Mr. Stahl.

All voting "AYE"

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, that the Common Council of the said City is requested to approve a 1.5% increase water rates effective January 1, 2014 to the following rate classes:

Water Service (WTR)  
 Fire Hydrant Facilities Charge (FHFC)

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 12<sup>th</sup> day of November, 2013.

5. Mr. Stahl moved to approve the 2014 Electric and Water Budgets, seconded by Mr. Browning

All voting "AYE"

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, that the Common Council of the said City is requested to approve the 2014 electric and water capital and operating budgets.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 12<sup>th</sup> day of November, 2013.

6. Other Business

7. Mr. Reichert moved to adjourn the meeting at 5:10 PM, seconded by Mr. Browning

All voting "AYE"

Submitted by:

  
Secretary

Approved by the Board:

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

\_\_\_\_\_  
Date

UNAPPROVED

# ROCHESTER PUBLIC UTILITIES

## A/P Board Listing By Dollar Range

For 10/16/2013 To 11/14/2013

Consolidated & Summarized Below 1,000

### Greater than 50,000 :

1			
2			
3	SOUTHERN MN MUNICIPAL POWER A	Monthly Billing	7,007,549.05
4	XCEL ENERGY CORP	CapX - LaCrosse Project CMA	1,904,936.49
5	DN TANKS INC	3.3 Mil Gal Reservoir Project - Phase 2	552,973.71
6	CONSTELLATION NEWENERGY-GAS D	Pilot and Boiler Gas	375,865.10
7	DUECO, INC	Terex Hi-Ranger TM105 Aerial Device	270,777.43
8	ALVIN E BENIKE INC (P)	Data Recovery Backup Construction	113,063.00
9	CONSTELLATION NEWENERGY-GAS D	Gas at Cascade Creek	69,320.63
10	BORDER STATES ELECTRIC SUPPLY	MC3 Mobile Readers Per Attached Quote	55,404.00
11	WRIGHT TREE SERVICE INC	Lump Sum Tree Trimming 801C/905B	50,867.62
12			
13		<b>Price Range Total:</b>	<b>10,400,757.03</b>
14			
15			

### 5,000 to 50,000 :

16			
17			
18	STUART C IRBY CO INC	Wire in Duct, AL 15kV 1/0 Solid, 1/C	48,002.96
19	SCHWEITZER ENGINEERING LAB IN	Relay, SEL 311L, 48v DC	44,849.02
20	PAPER & GRAPHICS INC	Door Hangers, Returned Check, Meter Gray	44,785.00
21	BILLTRUST dba	Credit Card/Billing/Mailing/IVR Services	42,881.03
22	WRIGHT TREE SERVICE INC	2013 Hourly Tree Contract	37,205.25
23	PEOPLES ENERGY COOPERATIVE	Services Compensable, 10/1/2013-10/31/20	35,017.09
24	KEMA SERVICES INC	Prof Serv - SCADA Upgrade	30,000.00
25	CITY OF ROCHESTER	Street Repair Opening	28,924.80
26	RESCO	SL Pole, 25ft, Residential, 21ft Mtg Ht	28,876.77
27	WESCO DISTRIBUTION INC	Trans, PM, 3ph, 500kVA, 13.8/8, 208/120	27,479.88
28	BORDER STATES ELECTRIC SUPPLY	Meter, FM2S CL200 240V AMR	21,546.00
29	AXON SOLUTIONS INC	2013 Support Agreement	19,144.00
30	BLUESPIRE STRATEGIC MARKETING	2013 RPU Plugged In Contract	19,135.64
31	JOHN DEERE FINANCIAL	2014 Wheel Loader Lease Payment	18,770.96
32	VISION COMPANIES LLC	Operational Strategy	14,250.00
33	SCHWEITZER ENGINEERING LAB IN	Relay, SEL 311L, 125v DC	13,988.00
34	WESCO DISTRIBUTION INC	Trans, PM, 3ph, 500kVA, 13.8/8, 208/120	13,739.94
35	U S ALLIANCE GROUP	Credit Card Processing Fees October 2013	13,566.52
36	OSMOSE UTILITIES SERVICES INC	Pole treatment	13,176.75
37	ALL SYSTEMS INSTALLATION INC	Fiber Splice Silver Creek Rd at Green Pi	12,471.24
38	XYLO TECHNOLOGIES INC	Dominic Avila - Corp Svcs/IS	12,213.00
39	CITY OF ROCHESTER	Workers Comp	12,064.87
40	GREENWAY COOP SERVICE CO INC	Monthly Vehicle Fuel - Oct	12,013.23
41	T K D A	Prof Engr Design & Construction Insp Svc	11,348.93
42	CENTURYLINK	Monthly billings	11,198.08
43	PAPER & GRAPHICS INC	Door Hangers, Returned Check, Pole Gray	11,197.50
44	CENTURYLINK	Monthly billings / sublines	11,187.40
45	TRENCH LTD	CT, 161kV, 1500:5, Meter Acc	11,109.66
46	XYLO TECHNOLOGIES INC	2013 Mark Johnson-Corp Svcs/IS	11,075.40

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47	CASCADE MEADOW WETLANDS &	2013 Annual Lease at Cascade Meadows	11,000.00
48	MINNESOTA ENERGY RESOURCES CO	SLP Pilot and Boiler Gas	10,921.68
49	ENVIRO-LOGIC INC	Ash Disposal Services 2011-2012	10,901.06
50	TRENCH LTD	CVT, Outdoor, 161kV 1400/800:1 Meter Acc	9,971.44
51	ALVIN E BENIKE INC (P)	Replace and install flag poles	9,800.00
52	THE ENERGY AUTHORITY INC	TEA Resource Fee	9,723.89
53	MISNER NOAH	CIP Conserve & Save Rebates	9,700.00
54	WESCO DISTRIBUTION INC	Trans, PM, 1ph, 100kVA, 13.8/8, 240/120	9,428.75
55	CUSTOM TRUCK BODY & EQ CO INC	Body Shelving switch over from V503	8,443.13
56	WELLS FARGO BANK ACCT ANALYSI	Banking Services	8,336.75
57	RESCO	Conduit, HDPE, 2.00, Empty	8,163.11
58	STEVE BENNING ELECTRIC	Manual switch gear, Wellhouse 35	8,040.00
59	OPOWER INC	2013 Home Energy Reports	8,000.00
60	MOORHEAD MACHINERY & BOILER I	Repair #3 boiler tube leaks	7,956.93
61	STEVE BENNING ELECTRIC	Manual switch gear	7,800.00
62	DAKOTA SUPPLY GROUP	AMR Badger M-25 Integral	7,797.60
63	LEAGUE OF MN CITIES INS TRUST	Claim, Shopko Stores	7,355.23
64	ALLIED VALVE INC	Valve Repair	7,314.00
65	MASTEC INC	2013 Directional Boring/Misc Excavation	7,182.50
66	CDW GOVERNMENT INC	Switched Rack mount PDU	6,970.32
67	ULTEIG ENGINEERS INC	Steel and foundation design	6,484.00
68	D P C INDUSTRIES INC	2013 Hydrofluorosilicic Acid - Delivered	6,461.59
69	FLOYD ROBYN	CIP Conserve & Save Rebates	6,360.00
70	E H RENNER & SONS INC	Drilling of Well #41	6,175.00
71	ALVIN E BENIKE INC (P)	Install pass-thru window	6,126.00
72	GREENWAY COOP SERVICE CO INC	Monthly Vehicle Fuel - Oct	5,936.50
73	ARNOLDS SUPPLY & KLEENIT CO (	2013-2014 Monthly Cleaning Services	5,887.74
74	OLM COUNTY AUDITOR/TREASURER	OWEF Energy Purchases	5,777.83
75	LORBER WALT	CIP Conserve & Save Rebates	5,600.00
76	ACE TRAILER SALES dba	Aluma 7814 trailer (T532)	5,301.00
77	ENVENTIS TELECOM INC	Change Order #2	5,280.00
78	CRESCENT ELECTRIC SUPPLY CO	Conduit, HDPE, 1.50, Empty, Orange	5,105.94

**Price Range Total:**

**876,520.91**

### 1,000 to 5,000 :

84	CRESCENT ELECTRIC SUPPLY CO	Conduit, PVC Sch 40, 5.00, 10' length	4,821.40
85	STUART C IRBY CO INC	Cutout, 14.4kV, NLB, 100A	4,810.66
86	MAYO FOUNDATION	*CIP - Customer Education (BOC Awards)	4,800.00
87	DAKOTA SUPPLY GROUP	Meter, 5/8x3/4" Badger Disc Bottom	4,568.91
88	ULTEIG ENGINEERS INC	Eng Serv CO #7 to PO 10844	4,449.00
89	CRW ARCHITECTURE + DESIGN GRO	Design Services for Wellhouse #41	4,327.50
90	OLM COUNTY AUDITOR/TREASURER	Ash Disposal	4,272.00
91	BORDER STATES ELECTRIC SUPPLY	Wire, AAC, 1590, Coreopsis	4,252.56
92	MOTOROLA INC	Radio, Handheld, XTS 1500 W/Battery	4,142.35
93	TSP INC	A&E Design Disaster Recovery Site	4,139.25

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94	RESCO	Conduit, HDPE, 2.00, Orange, SDR 13.5	4,081.56
95	D P C INDUSTRIES INC	2013 Carus 8500 Aqua Mag Kjell F35	3,993.10
96	EXPRESS SERVICES INC	2013 Fred Rahn - Field Svcs	3,922.23
97	TEAM INDUSTRIAL SERVICES (P)	External Tank Inspection	3,900.00
98	STUART C IRBY CO INC	Metal Sec. Encl, 3ph, 30" x 67" x 22"	3,854.18
99	LEAGUE OF MN CITIES INS TRUST	Claim, Rochester Public Utilities	3,653.06
100	EAGLE EYE POWER SOLUTIONS LLC	Digital Hydrometer /Density Meter	3,595.00
101	D P C INDUSTRIES INC	2013 Chlorine, 150 lb Cyl	3,525.00
102	CITY OF ROCHESTER	136-925 AdmGnl-Oper-Injuries_Damages	3,434.36
103	LOCATORS AND SUPPLIES	Receiver	3,372.98
104	DAVE SYVERSON TRUCK CENTER IN	Parts & Misc charge	3,327.98
105	WESCO DISTRIBUTION INC	Wire, Copper, #6 SD Solid, Bare	3,282.40
106	MOORHEAD MACHINERY & BOILER I	Repair boiler leaks in #4.	3,245.82
107	VISION COMPANIES LLC	Process imp analysis, process impl / i a	3,225.00
108	ARTISTIC FRAMERS INC	Ten sets of Word Maps and Vision/Mission	3,212.66
109	NALCO COMPANY	DI Vessels & Rel. Expenses (Frt,Rent,etc	3,210.00
110	WIESER PRECAST STEPS INC (P)	Rescue Training Manhole	3,206.25
111	BROWN C O INS AGENCY INC	Protective Liability-Soo Line/Canadian P	3,194.80
112	RESCO	Pedestal, Secondary, (Plastic) 10 x 11	2,966.85
113	MN PIPE & EQUIPMENT	Hydrant, 8 ft	2,939.06
114	ALL SYSTEMS INSTALLATION INC	Install Cabling in T&D area	2,899.00
115	VERIZON WIRELESS	Cellphones	2,788.66
116	WESCO DISTRIBUTION INC	Bulb, 100W, HPS	2,786.23
117	MN PIPE & EQUIPMENT	Hydrant, 6 ft 6 in	2,726.10
118	THOMPSON GARAGE DOOR CO INC	GDO panels stock	2,604.54
119	SCHWEITZER ENGINEERING LAB IN	Relay, SEL 351-6, 48V DC, Rack	2,597.06
120	MN UNCLAIMED PROPERTY DIVISIO	*Unclaimed Property 2012 - Refunds and R	2,583.57
121	MARSHALL BILL	CIP Conserve & Save Rebates	2,550.00
122	LOCATORS AND SUPPLIES	Transmitter	2,546.83
123	GORRINGE, GRACE	Customer Refunds	2,508.93
124	CDW GOVERNMENT INC	APC Rack AR2500	2,454.92
125	MENARDS ROCHESTER SOUTH	wood material	2,383.34
126	BORDER STATES ELECTRIC SUPPLY	Heat Shrink Insul. Jacket 500-750 Elbow	2,320.04
127	WESCO DISTRIBUTION INC	Bulb, 100W, HPS	2,279.64
128	ENVENTIS TELECOM INC	Phone System Support 3 Yrs (Monthly Bill	2,270.00
129	ENVENTIS TELECOM INC	Enventis Change Order #3	2,268.42
130	EXPRESS SERVICES INC	2013 Diane Bengtson - Prof Services	2,200.80
131	WATER TOWER CLEAN & COAT INC	Tower Cleaning #91 Golden Hill	2,137.50
132	WATER TOWER CLEAN & COAT INC	Tower Cleaning #96 Airport	2,137.50
133	WATER TOWER CLEAN & COAT INC	Tower Cleaning #98 Viola	2,137.50
134	STUART C IRBY CO INC	Grd Sleeve, 1ph Trans., 37 x 43 x 15	2,132.16
135	CRESCENT ELECTRIC SUPPLY CO	Conduit, PVC Sch 40, 4.00	2,105.15
136	MILLERBERND MANUFACTURING CO	SL Pole, 30ft, 16 sided, SS,No Arm, Gray	2,103.30
137	BORDER STATES ELECTRIC SUPPLY	Conduit, PVC Sch 40, 4.00	2,084.89
138	ENVENTIS	Internet	1,988.95
139	JERRY'S ELECTRIC INC	Power capacitors for disposal	1,978.00
140	POMPS TIRE SERVICE INC	6 / 225/70R19.5/12 b/s Tires, Veh 178	1,963.57

# ROCHESTER PUBLIC UTILITIES

## A/P Board Listing By Dollar Range

For 10/16/2013 To 11/14/2013

Consolidated & Summarized Below 1,000

141	POMPS TIRE SERVICE INC	6 / 225/70R19.5/12 b/s Tires, Veh 490	1,963.57
142	ALTERNATIVE TECHNOLOGIES INC	Oil Test	1,950.00
143	MN SUPPLY COMPANY INC	Forks for Manitou	1,934.18
144	WATER TOWER CLEAN & COAT INC	Tower Cleaning #92 Bailey	1,923.75
145	MEGGER (P)	Contact Machine Repair	1,870.00
146	UNITED RENTALS INC	Boom stick	1,823.41
147	AFFILIATED GROUP INC	First Party Collections	1,768.99
148	STUART C IRBY CO INC	Wire, Tracer, Orange, #12, CCS	1,763.44
149	NALCO COMPANY	Nalco, Bromine Bleach, ST-70.15, TWR SLP	1,746.03
150	STEVE BENNING ELECTRIC	Tank mixer wiring	1,710.82
151	VERIZON WIRELESS	Equipment	1,699.29
152	IPSWITCH INC	2014 WhatsUp Gold Prem Svc Agmt	1,699.00
153	CRYTEEL TRUCK EQUIPMENT INC	Cylinder	1,661.90
154	STATE CHEMICAL MFG CO	Degreaser, 68A	1,630.91
155	NETWORKFLEET INC	Monthly Charge - GPS Fleet tracking	1,608.90
156	HAWKEYE SERVICES	Weed Spray @ wells & towers	1,571.06
157	STUART C IRBY CO INC	Metal Sec. Encl, 3ph, 30" x 67" x 22"	1,541.67
158	CDW GOVERNMENT INC	APC Rack AR2580	1,534.59
159	DELL MARKETING LP	Monitor 21-24"	1,533.78
160	STUART C IRBY CO INC	Wire, Copper, 600V, #2 Str, XLP	1,522.97
161	METRO SALES INC	2013-14 Maintenance per Copy Costs	1,507.82
162	CRESCENT ELECTRIC SUPPLY CO	Wire, Copper, 600V, 12-2 Solid w/Grd, UF	1,493.56
163	MEYER MECHANICAL LLC	Replace Defective Condensing Unit	1,465.00
164	JIM WHITING NURSERY/GARDEN CT	replacement trees - 1948 Westwood Ct SW	1,458.78
165	STEVE BENNING ELECTRIC	Install tank mixer wiring	1,438.00
166	BRAUN INTERTEC CORPORATION	St Marys Resr, H2O Main Backfil Compacti	1,375.50
167	GRAYBAR ELECTRIC COMPANY INC	Wire, Copper, 600V, #2 Str, XLP	1,354.22
168	WESCO DISTRIBUTION INC	Junction, LB, 200A, 4 Pos, w/Strap	1,349.30
169	CDW GOVERNMENT INC	Adaptive Security Appliance	1,344.72
170	BORDER STATES ELECTRIC SUPPLY	Postage And Shipping	1,312.60
171	RESCO	Grd Sleeve, 3ph Sect. Encl, 18 x 67 x 23	1,279.29
172	THERMO FISHER SCIENTIFIC	Analyzer Cooler	1,271.81
173	WIESER PRECAST STEPS INC (P)	PME Switchgear Basements	1,250.00
174	CRESCENT ELECTRIC SUPPLY CO	Tape, Plastic, .750" x 66', 3M Super +33	1,238.00
175	GALAXY COMPUTERS INC	2013 Server Maintenance	1,226.69
176	CRESCENT ELECTRIC SUPPLY CO	Wire, 14 ga, 600V SIS Panel, 41 STR	1,225.43
177	CONVAL INC	Valve, SW, A105, 1" Conval, 900#	1,211.96
178	VISION COMPANIES LLC	project oversight for SCADA	1,200.00
179	MN PIPE & EQUIPMENT	Stihle chop saw - serial # 176102079 //	1,175.63
180	PAYMENT REMITTANCE CENTER	Best Buy, Visio LED Smart TV, Adapters,	1,163.81
181	DELL MARKETING LP	Laptop	1,147.30
182	DAVE SYVERSON TRUCK CENTER IN	Labor	1,138.40
183	EAST JORDAN IRON WORKS INC db	Square base manhole casting and lid	1,132.88
184	SOMA CONSTRUCTION INC	Class 5 recycle	1,126.38
185	DAKOTA SUPPLY GROUP	Meter, 2" Badger Disc Bottom	1,115.78
186	WESCO DISTRIBUTION INC	Bracket, Equip Mtg, 3ph, 48", 6 Mtgs	1,111.50
187	DAKOTA SUPPLY GROUP	FM2S CL320 BI-DIRECTIONAL AMR-TRIPLE E	1,101.24

## ROCHESTER PUBLIC UTILITIES

### A/P Board Listing By Dollar Range

For 10/16/2013 To 11/14/2013

Consolidated & Summarized Below 1,000

188	DELL MARKETING LP	Monitor	1,085.35
189	SUN CONTROL OF MINNESOTA	Install window film	1,075.00
190	BAIER GERALD	2013 Garage Sweep Feb-December	1,068.75
191	STUART C IRBY CO INC	Adjustable Rope Positioning Lanyard	1,068.75
192	BORDER STATES ELECTRIC SUPPLY	Deadend Recept, 15kV, 200A, LB	1,052.51
193	NARDINI FIRE EQUIPMENT CO INC	Fire System Checks 6-month	1,050.00
194	STUART C IRBY CO INC	Wire, Copper, #2 Str, Bare	1,047.38
195	ROCHESTER ARMORED CAR CO INC	2013/14 Pick Up Services May-April	1,041.89
196	THOMPSON GARAGE DOOR CO INC	Replace GDO motor assembly	1,040.63
197	WESCO DISTRIBUTION INC	Conn, Trans, 1/0-1000, 12-Tap, Bare	1,034.55
198	BORDER STATES ELECTRIC SUPPLY	Meter Sockets	1,030.00
199	PAYMENT REMITTANCE CENTER	Travel, SAP Utilities, Hyatt, hotel	1,026.92

200

201

202

203

204

#### **0 to 1,000 :**

205

206	EXPRESS SERVICES INC	Summarized transactions: 37	19,636.86
207	REBATES	Summarized transactions: 114	17,797.27
208	PAYMENT REMITTANCE CENTER	Summarized transactions: 85	13,570.99
209	Customer Refunds (CIS)	Summarized transactions: 129	9,308.36
210	BORDER STATES ELECTRIC SUPPLY	Summarized transactions: 47	8,038.50
211	STUART C IRBY CO INC	Summarized transactions: 27	6,726.77
212	CITY OF ROCHESTER	Summarized transactions: 15	5,579.18
213	G & K SERVICES	Summarized transactions: 123	5,248.67
214	MN PIPE & EQUIPMENT	Summarized transactions: 35	4,840.34
215	POMPS TIRE SERVICE INC	Summarized transactions: 9	3,614.15
216	ENVENTIS TELECOM INC	Summarized transactions: 6	3,608.14
217	INNOVATIVE OFFICE SOLUTIONS L	Summarized transactions: 99	3,568.56
218	RESCO	Summarized transactions: 10	3,483.92
219	GRAYBAR ELECTRIC COMPANY INC	Summarized transactions: 7	3,355.70
220	WESCO DISTRIBUTION INC	Summarized transactions: 41	3,020.09
221	LAWSON PRODUCTS INC (P)	Summarized transactions: 13	2,828.32
222	CRESCENT ELECTRIC SUPPLY CO	Summarized transactions: 49	2,825.69
223	STEVE BENNING ELECTRIC	Summarized transactions: 5	2,328.00
224	RONCO ENGINEERING SALES INC	Summarized transactions: 9	2,176.10
225	DUECO, INC	Summarized transactions: 5	2,043.34
226	SCHMIDT GOODMAN OFFICE PRODUC	Summarized transactions: 5	1,961.07
227	GARCIA GRAPHICS INC	Summarized transactions: 9	1,927.34
228	ARNOLDS SUPPLY & KLEENIT CO (	Summarized transactions: 4	1,889.34
229	WOODRUFF COMPANY	Summarized transactions: 18	1,778.09
230	ONLINE INFORMATION SERVICES I	Summarized transactions: 2	1,695.47
231	HAWK & SON'S INC	Summarized transactions: 3	1,685.00
232	VIKING ELECTRIC SUPPLY INC	Summarized transactions: 8	1,635.63
233	PRESTON JAMES	Summarized transactions: 3	1,570.52
234	ROCH SERVICE COMPANY INC	Summarized transactions: 2	1,525.00

**Price Range Total:**

**258,558.11**

## ROCHESTER PUBLIC UTILITIES

### A/P Board Listing By Dollar Range

For 10/16/2013 To 11/14/2013

Consolidated & Summarized Below 1,000

235	SUPERIOR COMPANIES OF MINNESO	Summarized transactions: 5	1,521.00
236	ROCH LANDSCAPING SERVICES INC	Summarized transactions: 2	1,431.38
237	ZIEGLER INC	Summarized transactions: 8	1,429.46
238	ADKINS TERRY L	Summarized transactions: 3	1,404.62
239	TENG PHIL	Summarized transactions: 5	1,377.50
240	NALCO COMPANY	Summarized transactions: 16	1,369.13
241	MINNESOTA ENERGY RESOURCES CO	Summarized transactions: 5	1,339.35
242	STAHL ROGER	Summarized transactions: 3	1,309.96
243	NAPA AUTO PARTS (P)	Summarized transactions: 33	1,262.12
244	MAJERUS WILLIAM	Summarized transactions: 6	1,261.17
245	MCMASTER CARR SUPPLY COMPANY	Summarized transactions: 16	1,261.06
246	ALL SYSTEMS INSTALLATION INC	Summarized transactions: 2	1,235.00
247	TELVENT USA LLC	Summarized transactions: 2	1,197.00
248	GARTNER LORI	Summarized transactions: 3	1,189.72
249	FIRST SUPPLY (P)	Summarized transactions: 15	1,166.64
250	HACH COMPANY	Summarized transactions: 4	1,127.35
251	METRO SALES INC	Summarized transactions: 3	1,115.27
252	HUDSON WORKWEAR CO INC	Summarized transactions: 8	1,113.50
253	CLAREY'S SAFETY EQUIPMENT dba	Summarized transactions: 4	1,110.30
254	MOORE RYAN	Summarized transactions: 3	1,076.77
255	DELL MARKETING LP	Summarized transactions: 3	1,050.33
256	DAKOTA SUPPLY GROUP	Summarized transactions: 9	1,038.56
257	THOMPSON GARAGE DOOR CO INC	Summarized transactions: 2	1,025.00
258	REBATES	Summarized transactions: 19	1,011.00
259	TEAM INDUSTRIAL SERVICES (P)	Summarized transactions: 2	1,010.00
260	GRAINGER INC	Summarized transactions: 7	998.08
261	HAWKEYE SERVICES	Summarized transactions: 3	995.01
262	SCHWEITZER ENGINEERING LAB IN	Summarized transactions: 2	961.68
263	R F L ELECTRONICS INC	Summarized transactions: 2	947.71
264	BELL AND HOWELL LLC	Summarized transactions: 2	940.14
265	GUTHRIE SCOTT	Summarized transactions: 3	939.96
266	BUCKINGHAM MFG	Summarized transactions: 3	929.68
267	BOBCAT OF ROCHESTER	Summarized transactions: 4	924.28
268	MN VALLEY TESTING LABS INC	Summarized transactions: 5	918.50
269	FLEETPRIDE INC	Summarized transactions: 9	887.65
270	HI LINE UTILITY SUPPLY CO	Summarized transactions: 8	843.10
271	MILLERBERND MANUFACTURING CO	Summarized transactions: 2	841.11
272	CONSTELLATION NEWENERGY-GAS D	Summarized transactions: 1	836.00
273	U S POSTMASTER	Summarized transactions: 2	835.00
274	AFFILIATED GROUP INC	Summarized transactions: 2	833.72
275	QUALITROL CORPORATION LLC	Summarized transactions: 2	821.69
276	TSP INC	Summarized transactions: 11	807.58
277	MISSISSIPPI WELDERS SUPPLY CO	Summarized transactions: 13	804.43
278	MN DEPT OF HEALTH	Summarized transactions: 1	800.00
279	CONNEY SAFETY PRODUCTS LLC	Summarized transactions: 4	797.45
280	PUREGAS LLC	Summarized transactions: 7	789.98
281	SCHLINK WALTER	Summarized transactions: 10	788.76

## ROCHESTER PUBLIC UTILITIES

### A/P Board Listing By Dollar Range

For 10/16/2013 To 11/14/2013

Consolidated & Summarized Below 1,000

282	MEGGER (P)	Summarized transactions: 3	766.02
283	OPEN ACCESS TECHNOLOGY	Summarized transactions: 1	765.11
284	C EMERY NELSON INC	Summarized transactions: 2	761.31
285	HEROLD FLAGS	Summarized transactions: 2	760.97
286	CENTURYLINK	Summarized transactions: 3	757.74
287	NORTH AMERICAN ENERGY MARKETS	Summarized transactions: 1	750.00
288	DEX MEDIA EAST INC	Summarized transactions: 2	722.46
289	NORTHERN / BLUETARP FINANCIAL	Summarized transactions: 7	708.41
290	OPERATION TECHNOLOGY INC	Summarized transactions: 2	689.35
291	ZEE MEDICAL SERVICE INC (P)	Summarized transactions: 3	680.05
292	NICKELS SCOTT	Summarized transactions: 2	653.83
293	AUTHORIZE.NET	Summarized transactions: 1	653.20
294	CARQUEST AUTO PARTS	Summarized transactions: 9	649.45
295	STURM DANNY K	Summarized transactions: 2	642.00
296	UNITED RENTALS INC	Summarized transactions: 4	627.45
297	SOMA CONSTRUCTION INC	Summarized transactions: 1	614.63
298	RONCO ENGINEERING SALES INC	Summarized transactions: 4	613.94
299	CITEL INC	Summarized transactions: 2	610.15
300	VISION COMPANIES LLC	Summarized transactions: 1	600.00
301	INTERSTATE MOTOR TRUCKS INC	Summarized transactions: 2	583.43
302	MISSISSIPPI WELDERS SUPPLY CO	Summarized transactions: 3	577.13
303	LOCATORS AND SUPPLIES	Summarized transactions: 3	571.01
304	BOB GANDER PLUMBING & HEATING	Summarized transactions: 2	569.90
305	DAKOTA SUPPLY GROUP	Summarized transactions: 3	565.23
306	SIEMENS WATER TECHNOLOGIES LL	Summarized transactions: 3	555.90
307	UNITED RENTALS INC	Summarized transactions: 4	551.51
308	MIDWEST ISO INC	Summarized transactions: 1	550.00
309	CORPORATE WEB SERVICES INC	Summarized transactions: 3	545.00
310	POSSABILITIES OF SOUTHERN MN	Summarized transactions: 1	530.00
311	SHERWIN WILLIAMS CO	Summarized transactions: 13	514.31
312	FASTENAL COMPANY	Summarized transactions: 18	513.66
313	PRO DATA COMPUTER SERVICES IN	Summarized transactions: 2	501.81
314	BANKS JOSHUA C	Summarized transactions: 1	500.00
315	CANADIAN PACIFIC	Summarized transactions: 1	500.00
316	GATEWAY	Summarized transactions: 1	500.00
317	MN GROUND WATER ASSOC	Summarized transactions: 4	500.00
318	AUTOMATION DIRECT.COM	Summarized transactions: 1	492.69
319	MENARDS ROCHESTER NORTH	Summarized transactions: 7	479.42
320	CITY OF ROCHESTER	Summarized transactions: 2	476.88
321	NORTHERN / BLUETARP FINANCIAL	Summarized transactions: 4	474.22
322	IPSWITCH INC	Summarized transactions: 1	453.95
323	ARROW ACE HARDWARE-ST PETER	Summarized transactions: 12	450.16
324	CUSTOM AV RACK LLC	Summarized transactions: 1	448.88
325	DALCO CORPORATION	Summarized transactions: 3	447.12
326	CISCO WEBEX LLC	Summarized transactions: 2	442.26
327	MN MUNICIPAL UTILITIES ASSN C	Summarized transactions: 1	440.26
328	MCMASTER CARR SUPPLY COMPANY	Summarized transactions: 15	435.88

## ROCHESTER PUBLIC UTILITIES

### A/P Board Listing By Dollar Range

For 10/16/2013 To 11/14/2013

Consolidated & Summarized Below 1,000

329	FEDEX	Summarized transactions: 17	428.86
330	KAUTZ TRAILER SALES dba	Summarized transactions: 2	427.50
331	ACE TRAILER SALES dba	Summarized transactions: 3	419.82
332	ADVANTAGE DIST LLC (P)	Summarized transactions: 2	419.62
333	DZUBAY TONY	Summarized transactions: 1	407.99
334	PRATT & WHITNEY POWER SYSTEMS	Summarized transactions: 5	406.08
335	JOHNSON PRINTING CO INC	Summarized transactions: 2	400.78
336	MECHANICAL SYSTEMS INC (P)	Summarized transactions: 3	400.76
337	G & K SERVICES	Summarized transactions: 3	382.59
338	OLSON BJORN	Summarized transactions: 3	373.64
339	REINDERS INC	Summarized transactions: 4	371.36
340	ADVANCED TEST EQUIPMENT CORP	Summarized transactions: 2	368.11
341	GOODWAY TECHNOLOGIES CORP	Summarized transactions: 2	366.93
342	PEOPLES ENERGY COOPERATIVE	Summarized transactions: 2	361.93
343	STEVE BENNING ELECTRIC	Summarized transactions: 2	360.00
344	LITTLE DAVID	Summarized transactions: 3	359.64
345	REGIONAL CONCRETE CUTTING INC	Summarized transactions: 1	350.00
346	RYAN ELECTRIC OF ROCHESTER IN	Summarized transactions: 1	350.00
347	PITNEY BOWES INC	Summarized transactions: 2	346.39
348	SHERMAN & REILLY INC	Summarized transactions: 2	341.75
349	CENTURYLINK	Summarized transactions: 1	325.95
350	MILESTONE MATERIALS	Summarized transactions: 2	321.62
351	STATE CHEMICAL MFG CO	Summarized transactions: 1	321.41
352	BAIER GERALD	Summarized transactions: 1	320.63
353	OSWEILER TODD	Summarized transactions: 4	316.39
354	A T & T	Summarized transactions: 1	309.80
355	ELPERT MONTE	Summarized transactions: 2	309.64
356	FIEK STEVEN	Summarized transactions: 2	309.64
357	KEACH TODD	Summarized transactions: 2	309.64
358	STRUVES PAINT & DECORATING (P	Summarized transactions: 1	307.80
359	ALTO CONSULTING & TRAINING IN	Summarized transactions: 1	300.00
360	PROGRESSIVE BUSINESS PUBLICAT	Summarized transactions: 1	299.00
361	VANCO SERVICES LLC	Summarized transactions: 1	289.30
362	KOSHIRE LARRY J	Summarized transactions: 4	289.21
363	THOMAS TOOL & SUPPLY INC	Summarized transactions: 2	279.54
364	BASLER ELECTRIC	Summarized transactions: 2	277.36
365	MN SUPPLY COMPANY INC	Summarized transactions: 3	272.96
366	WHITEWATER WIRELESS INC	Summarized transactions: 2	272.00
367	BASLER ELECTRIC COMPANY	Summarized transactions: 1	268.26
368	OIL AIR PRODUCTS LLC (P)	Summarized transactions: 3	268.06
369	PAYMENT REMITTANCE CENTER	Summarized transactions: 2	267.25
370	VERIFIED CREDENTIALS INC	Summarized transactions: 1	264.00
371	PEOPLES ENERGY COOPERATIVE	Summarized transactions: 1	258.95
372	FRONTIER	Summarized transactions: 1	258.12
373	PROTECTIVE PRODUCTS CORP	Summarized transactions: 3	253.74
374	WOODRUFF COMPANY	Summarized transactions: 4	250.00
375	MASTEC INC	Summarized transactions: 1	246.00

## ROCHESTER PUBLIC UTILITIES

### A/P Board Listing By Dollar Range

For 10/16/2013 To 11/14/2013

Consolidated & Summarized Below 1,000

376	ON SITE SANITATION INC	Summarized transactions: 2	235.18
377	MENARDS ROCHESTER SOUTH	Summarized transactions: 2	234.59
378	REICHERT DAVE	Summarized transactions: 2	233.25
379	GREENWAY COOP SERVICE CO INC	Summarized transactions: 3	231.16
380	FIRST CLASS PLUMBING & HEATIN	Summarized transactions: 1	227.72
381	RENTAL DEPOT INC	Summarized transactions: 1	223.77
382	BOEGE INSULATION INC	Summarized transactions: 1	223.67
383	T E C INDUSTRIAL INC	Summarized transactions: 6	222.82
384	SARGENTS LANDSCAPE NURSERY IN	Summarized transactions: 2	210.27
385	BROCK WHITE COMPANY LLC	Summarized transactions: 3	206.82
386	INSTITUTE FOR ENVIRONMENTAL	Summarized transactions: 1	206.46
387	GREAT RIVER ENERGY	Summarized transactions: 1	205.64
388	M W BEVINS CO INC	Summarized transactions: 3	203.76
389	ALTERNATIVE TECHNOLOGIES INC	Summarized transactions: 1	200.00
390	LORIMOR THOMAS A	Summarized transactions: 1	200.00
391	R D O - POWERPLAN OIB	Summarized transactions: 2	190.05
392	ASSOC OF ENERGY ENGINEERS	Summarized transactions: 1	190.00
393	THERMO FISHER SCIENTIFIC	Summarized transactions: 3	184.80
394	PENTEK CHARLES	Summarized transactions: 1	182.00
395	OLSEN CHAIN & CABLE CO INC	Summarized transactions: 3	179.23
396	SIMONIZ	Summarized transactions: 2	161.96
397	McGRANN SHEA CARNIVAL STRAUGH	Summarized transactions: 1	155.00
398	CENTER FOR ENERGY AND ENVIRON	Summarized transactions: 1	154.00
399	SLEEPY EYE TELEPHONE COMPANY	Summarized transactions: 1	151.89
400	KAMAN INDUSTRIAL TECHNOLOGIES	Summarized transactions: 3	150.14
401	KIWANIS CLUB OF ROCHESTER WES	Summarized transactions: 1	150.00
402	ROCH PLUMBING & HEATING CO IN	Summarized transactions: 1	148.50
403	ALLIED ELECTRONICS INC	Summarized transactions: 2	145.80
404	R E CARLSON INC	Summarized transactions: 2	144.14
405	BAUER BUILT INC (P)	Summarized transactions: 2	140.69
406	CLEMENTS GM PARTS	Summarized transactions: 1	138.09
407	LARSON GUSTAVE A COMPANY INC	Summarized transactions: 1	137.36
408	U S A BLUE BOOK	Summarized transactions: 3	135.23
409	NUSS TRUCKS OF ROCHESTER INC	Summarized transactions: 1	132.22
410	ANDERTON RANDY	Summarized transactions: 1	130.00
411	OLM COUNTY PROPERTY RECORDS	Summarized transactions: 2	126.00
412	SCHWAB VOLLHABER LUBRATT CORP	Summarized transactions: 1	118.12
413	TWIN CITY SECURITY INC	Summarized transactions: 1	107.38
414	INCOM DIRECT	Summarized transactions: 1	106.94
415	HOBART FOOD SERVICE dba	Summarized transactions: 1	106.88
416	SMITH-SHARPE FIRE BRICK SUPPL	Summarized transactions: 2	106.49
417	HATHAWAY TREE SERVICE INC	Summarized transactions: 1	105.00
418	MN GROUND WATER ASSOC	Summarized transactions: 3	105.00
419	SUPERIOR COMPANIES OF MINNESO	Summarized transactions: 1	99.00
420	CDW GOVERNMENT INC	Summarized transactions: 1	92.45
421	KRUSE LUMBER	Summarized transactions: 4	90.76
422	SLEEPY EYE TELEPHONE CO	Summarized transactions: 1	90.59

## ROCHESTER PUBLIC UTILITIES

### A/P Board Listing By Dollar Range

For 10/16/2013 To 11/14/2013

Consolidated & Summarized Below 1,000

423	BLACKBURN MANUFACTURING CO	Summarized transactions: 1	88.28
424	KELLER TOM A JR	Summarized transactions: 1	88.00
425	U S BANK	Summarized transactions: 1	86.71
426	WIESER PRECAST STEPS INC (P)	Summarized transactions: 1	85.94
427	LEDEBUHR BOB	Summarized transactions: 1	85.88
428	VIKING ELECTRIC SUPPLY INC	Summarized transactions: 3	80.22
429	OLM COUNTY COURT ADMINISTRATO	Summarized transactions: 1	80.00
430	MENARDS ROCHESTER NORTH	Summarized transactions: 3	78.41
431	FLEETPRIDE INC	Summarized transactions: 2	77.16
432	MENARDS ROCHESTER SOUTH	Summarized transactions: 2	75.99
433	FCX PERFORMANCE INC	Summarized transactions: 2	73.83
434	HY VEE	Summarized transactions: 2	73.19
435	FASTENAL COMPANY	Summarized transactions: 3	71.66
436	PAULS LOCK & KEY SHOP INC	Summarized transactions: 1	71.61
437	POST BULLETIN CO	Summarized transactions: 1	71.28
438	PALMER SODERBERG INC	Summarized transactions: 1	66.80
439	ALS LABORATORY GROUP TRIBOLOG	Summarized transactions: 1	66.30
440	AL-CORN CLEAN FUEL	Summarized transactions: 1	64.13
441	MN UNCLAIMED PROPERTY DIVISIO	Summarized transactions: 1	61.33
442	CRYTEEL TRUCK EQUIPMENT INC	Summarized transactions: 1	53.44
443	K & S HEATING & AIR COND INC	Summarized transactions: 2	51.81
444	ARNOLDS SUPPLY & KLEENIT CO (	Summarized transactions: 1	51.30
445	ARROW ACE HARDWARE-ST PETER	Summarized transactions: 3	47.06
446	AUTOMATED ENERGY INC	Summarized transactions: 2	44.00
447	CUSTOM TRUCK BODY & EQ CO INC	Summarized transactions: 1	43.84
448	DITCH WITCH OF MINNESOTA INC	Summarized transactions: 2	43.13
449	ABILITY BUILDING CENTER INC	Summarized transactions: 2	40.62
450	KRUSE LUMBER	Summarized transactions: 5	37.13
451	D P C INDUSTRIES INC	Summarized transactions: 1	35.40
452	DOUBLETREE HOTEL - BGDS HOTEL	Summarized transactions: 1	30.00
453	OLM COUNTY CENTRAL FINANCE	Summarized transactions: 1	28.80
454	EAGLE EYE POWER SOLUTIONS LLC	Summarized transactions: 3	26.99
455	MINNESOTA ENERGY RESOURCES CO	Summarized transactions: 1	25.92
456	PAPER & GRAPHICS INC	Summarized transactions: 1	24.04
457	RADIO SHACK	Summarized transactions: 2	21.39
458	OLM COUNTY AUDITOR/TREASURER	Summarized transactions: 1	21.20
459	BOWMANS SAFE & LOCK SHOP LTD	Summarized transactions: 1	18.17
460	CONVAL INC	Summarized transactions: 2	17.63
461	HUMPHREY STEPHANIE	Summarized transactions: 1	15.00
462	HANSON PATRICIA S	Summarized transactions: 1	15.00
463	BLEVINS JAN	Summarized transactions: 1	15.00
464	LARSON DRU	Summarized transactions: 1	15.00
465	LEITZ VICTORIA	Summarized transactions: 1	15.00
466	IDEXX DISTRIBUTION CORP	Summarized transactions: 2	14.73
467	ROCH RESTAURANT SUPPLY	Summarized transactions: 1	13.63
468	NATL JOINT APP & TRAINING COM	Summarized transactions: 1	13.28
469	ROCH AREA BUILDERS INC	Summarized transactions: 1	10.00

**ROCHESTER PUBLIC UTILITIES**

**A/P Board Listing By Dollar Range**

For 10/16/2013 To 11/14/2013

**Consolidated & Summarized Below 1,000**

470	MRV COMMUNICATIONS INC	Summarized transactions: 1	9.44
471	SOUTHERN MN AUTO SUPPLY INC	Summarized transactions: 1	8.86
472	NAPA AUTO PARTS (P)	Summarized transactions: 1	8.81
473	WRIGHTS SMALL ENGINE SERVICE	Summarized transactions: 1	5.26
474	THRONDSOIN OIL AND LP GAS CO	Summarized transactions: 1	4.02
475			
476		<b>Price Range Total:</b>	<b>241,440.25</b>
477			
478	<b><u>Grand Total:</u></b>		<b>11,777,276.30</b>

## FOR BOARD ACTION

Agenda Item # 4a

Meeting Date: November 26, 2013

**SUBJECT:** Consideration of Bids – Westside Substation Switchgear

**PREPARED BY:** Chuck Pentek, Project Electrical Engineer  
Neil Stiller, Sr. Electrical Engineer  
Bob Ledebuhr, C.P.M., Materials Manager

### ITEM DESCRIPTION:

Bids were received on October 30, 2013, for 15kV indoor metalclad switchgear to be installed at Westside substation. One existing power transformer in the Westside substation yard will supply power to this switchgear equipment that will serve customers in northwest Rochester via five distribution feeders. Installation and commissioning work is scheduled for a mid-June 2014 start, with completion scheduled for early to mid-August 2014.

Three bids were received. The bid from Square D was determined to be non-responsive due to the absence of required pricing for spare parts. The bid from ABB was determined to be non-responsive due to incomplete submittals and non-compliance with technical specifications. Eaton Omaha Power Center offered the only responsive bid at \$384,320. Their proposal is attached. Technical evaluation of the Eaton bid was performed by RPU staff. Eaton proposed acceptable equipment and delivery schedule. RPU has purchased equipment from this company in the last five years with satisfactory performance and customer support.

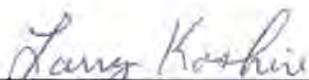
Bid information is summarized on the attached tabulation page.

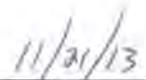
### FOR CAPITAL PURCHASES/BIDS/MAJOR PROJECTS:

The work is part of a budgeted Westside substation project for 2014. The project budget allowed \$450,000 for this equipment.

### UTILITY BOARD ACTION REQUIRED:

Staff recommends that the Utility Board reject non-responsive bids from Square D and ABB. Staff requests the Utility Board approve a purchase order agreement with Eaton Omaha Power Center, in the amount of \$384,320.00 to provide 15kV indoor metalclad switchgear to be installed at Westside substation per the attached proposal.

  
\_\_\_\_\_  
General Manager

  
\_\_\_\_\_  
Date



Omaha Power Center  
Electrical Sector  
Power Distribution  
Organization - Americas  
3900 Dahlman Avenue  
Omaha, NE 68107  
Ph: 402-734-3900

October 28, 2013

Bob Ledebuhr  
Rochester Public Utilities,  
400 East River Road NE  
Rochester, MN 55906-2813

Subject: 15kV Indoor Metal-Clad Switchgear for Westside Substation  
Reference: OPC Quote # 6193

Mr, Ledebuhr:

Eaton's Omaha Power Center is pleased to present our proposal for 15kV Indoor Metal-Clad Switchgear. This proposal is based on our interpretation of the Rochester Public Utilities specification and drawings provided with the RFQ. Please see the attached of the bill material and drawing for your review.

Bid Item	Qty	Description	PRICE
1	1	15kV Indoor Metal-Clad Switchgear consisting (8) medium voltage switchgear sections. (5) 1200A feeder breakers, (1) 2000A Main and (1) 2000A Tie, (1) VT trunnion, (1) 75KVA CPT with fuse trunnion.	\$ 384,320.00
2	1	(24) Month Extended Warranty	Included

This material will be designed, manufactured and tested in our Omaha, Nebraska factory, utilizing our normal labor force.

**Our proposal includes the following items:**

1. Production tests per ANSI Standards C37.20.2. We will also perform a functional test of all control circuits utilizing the specific circuit breakers being provided for this project.
2. Witness of tests and inspection of the switchgear prior to shipment.

**Our proposal does not include the following items:**

1. Sales or use tax.
2. Offloading and installation of the equipment to Owners foundation.

3. Power cable and ground terminal connectors or terminators.
4. Travel expenses for customer representative to witness factory testing.

**Comments and Clarifications:**

1. Selling Policy 25-000 is attached. These terms and conditions will apply, unless altered by negotiations prior to order placement.
2. Please see attached Indoor Metal-Clad Brochure for the construction features that have been included.
3. Recommend spare parts list will be provided upon completion of engineering.
4. Suitable access roads and job site conditions that are capable of supporting the weight and overall size of each switchgear shipment, including necessary turn radius, are to be provide by customer.
5. Circuit breakers included in this proposal are Eaton VCP-W40C, K=1 rated breakers.
6. Eaton's OPC warrants all goods manufactured to be free from defects in material and workmanship at the time of shipment from our factory for a period of (24) months from date of shipment or (18) months from date of energization, whichever comes first. Warranty will require that equipment has been installed, operated and maintained with Eaton's recommendations and standard practice.

PAYMENT TERMS:	100%, net 30 days
DRAWING:	4-6 weeks A.R.O.
FREIGHT:	F.O.B. Destination, Prepaid and Allowed
PRICES:	FIRM, through quoted delivery
PRICE VALIDITY:	60 Days
DELIVERY:	22-24 Weeks A.D.A. and R.F.M.

Thank you for the opportunity to present our proposal. Please contact April Pennington at 206 713 8167 if additional information or clarification is required. We would appreciate the opportunity to review our proposal with you.

Sincerely,

  
 Deanna Conte  
 Sales Support Manager  
 Omaha Power Center

Attachments:

Proposal Drawing and Bill of Material  
 Eaton Selling Policy 25-000  
 Indoor Metal-Clad Brochure  
 cc: April Pennington – OPC Medium Voltage Specialist- Western Region  
 Andy Van Fossen– OPC Product Line Sales Manager

Response to Request for Proposal

City of Rochester, Rochester Public Utilities  
Westside Substation, 15kV Indoor Metalclad Switchgear

**EAT•N**

*Powering Business Worldwide*

# Proposal Package

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Bid Security  
Bid Form  
Authorization of Signature Form

### Tab 2

Proposal Letter

### Tab 3

Proposal Drawing

### Tab 4

Bill of Materials

### Tab 5

Indoor Metal-Clad Construction Features Brochure

### Tab 6

Eaton Selling Policy

### Tab 7

User's Reference List

### Tab 8

Technical Support Services Rates

# Document A310™ – 2010

Conforms with The American Institute of Architects AIA Document 310

## Bid Bond

Bond No. 01003513-47

### CONTRACTOR:

(Name, legal status and address)

**Eaton Corporation**  
3900 Dahlman Avenue  
Omaha, NE 68107

### SURETY:

(Name, legal status and principal place of business)

**Travelers Casualty and Surety  
Company of America**  
One Tower Square, Hartford, CT  
06183-6014

### OWNER:

(Name, legal status and address)

**Rochester Public Utilities**  
4000 East River Road NE  
Rochester, MN 55906-2813

### Mailing Address for Notices

Same as above.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

**BOND AMOUNT: 5% of Amount Bid**

### PROJECT:

(Name, location or address, and Project number, if any)

**Supply 15kV Metal-Clad Switchgear for Westside Substation**

The Contractor and Surety are bound to the Owner in the amount set forth above, for the payment of which the Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, as provided herein. The conditions of this Bond are such that if the Owner accepts the bid of the Contractor within the time specified in the bid documents, or within such time period as may be agreed to by the Owner and Contractor, and the Contractor either (1) enters into a contract with the Owner in accordance with the terms of such bid, and gives such bond or bonds as may be specified in the bidding or Contract Documents, with a surety admitted in the jurisdiction of the Project and otherwise acceptable to the Owner, for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof; or (2) pays to the Owner the difference, not to exceed the amount of this Bond, between the amount specified in said bid and such larger amount for which the Owner may in good faith contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect. The Surety hereby waives any notice of an agreement between the Owner and Contractor to extend the time in which the Owner may accept the bid. Waiver of notice by the Surety shall not apply to any extension exceeding sixty (60) days in the aggregate beyond the time for acceptance of bids specified in the bid documents, and the Owner and Contractor shall obtain the Surety's consent for an extension beyond sixty (60) days.

If this Bond is issued in connection with a subcontractor's bid to a Contractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

When this Bond has been furnished to comply with a statutory or other legal requirement in the location of the Project, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

Signed and sealed this **25th** day of **October, 2013**

(Witness)

  
(Witness) Kathy DelGreco

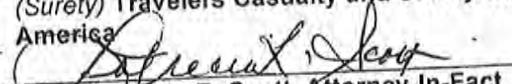
**Eaton Corporation**

(Principal)

(Seal)

(Title)

(Surety) **Travelers Casualty and Surety Company of America**

  
(Title) Latrecia R. Scott, Attorney-in-Fact

(Seal)

State of Michigan  
County of Wayne

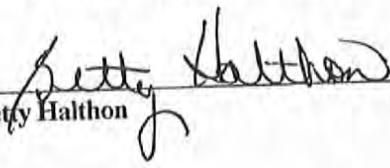
} ss:

On **October 25, 2013**, before me, a Notary Public in and for said County and State, residing therein, duly commissioned and sworn, personally appeared  
**Latrechia R. Scott**

known to me to be Attorney-in-Fact of **Travelers Casualty and Surety Company of America** the corporation described in and that executed the within and foregoing instrument, and known to me to be the person who executed the said instrument in behalf of the said corporation, and he duly acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year stated in this certificate above.

My Commission Expires September 03, 2019

  
Betty Halthon Notary Public



POWER OF ATTORNEY

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company

Attorney-In Fact No. 215566

Certificate No. 005579917

KNOW ALL MEN BY THESE PRESENTS: That Farmington Casualty Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company are corporations duly organized under the laws of the State of Connecticut, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc., is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

Betty Halthon, Kathy L. DelGreco, Lisa M. Wilmot, and Latrecia R. Scott

of the City of Detroit, State of Michigan, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 29th day of July, 2013

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company



State of Connecticut
City of Hartford ss.

By: [Signature]
Robert L. Raney, Senior Vice President

On this the 29th day of July, 2013, before me personally appeared Robert L. Raney, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal. My Commission expires the 30th day of June, 2016.



[Signature]
Marie C. Tetreault, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, which resolutions are now in full force and effect, reading as follows:

**RESOLVED**, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

**FURTHER RESOLVED**, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

**FURTHER RESOLVED**, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

**FURTHER RESOLVED**, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, Kevin E. Hughes, the undersigned, Assistant Secretary, of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 25th day of October, 2013.

WARNING: THIS POWER OF ATTORNEY IS INVALID WITHOUT THE RED BORDER

*Kevin E. Hughes*  
Kevin E. Hughes, Assistant Secretary



To verify the authenticity of this Power of Attorney, call 1-800-421-3880 or contact us at [www.travelersbond.com](http://www.travelersbond.com). Please refer to the Attorney-In-Fact number, the above-named individuals and the details of the bond to which the power is attached.

BID FORM  
004160

BID DUE DATE: October 30, 2013, 2:00 PM Central Time

PROJECT: City of Rochester, Rochester Public Utilities  
Westside Substation, 15 kV Indoor Metalclad Switchgear

FROM: Eaton Omaha Power Center

ATTENTION: Bob Ledebuhr, C.P.M., Materials Manager

The undersigned agrees, if this bid is accepted, to enter into a contract for the work described in this request for bid and any subsequent formal written changes, exclusive of any qualifications attached hereto, for the following firm lump sum price for the work, including freight F.O.B. jobsite, insurance, overhead, profit, taxes, etc.:

Base Bid

Item No.	Description	Base Bid Amount
1	Base bid for supply of 15kV indoor metalclad switchgear, (Qty. 1 set of 8 cubicles)	\$ 384,320

Spare Parts

The City may, at its sole discretion, purchase spare parts from Contractor at the unit prices listed below. All prices shall include material per specification. Any changes in price of Contract will require a change order before the changed work can be performed, in accordance with the Contract Documents.

Item No.	Description	Amount
1	Price per Trip Coil	\$ 244.00
2	Price per Close Coil	\$ 244.00
3	Price per Charging Motor, complete	\$ 1,206.00
4	Price per 1200 amp circuit breaker, complete.	\$ 7,359.00
5	Price per 2000 amp circuit breaker, complete.	\$ 9101.00
6	Price per 1200:5 amp MR C200 bushing current transformer, complete	\$ 174.00
7	Price per 2000:5 amp SR C200 bushing current transformer, complete	\$ 174.00

	Yes	No
Bid is, without exception, in exact accordance with the subcontract, specifications, drawings, terms, conditions and requirement of this RFB? (If no, list all exceptions.)		No
Pricing will remain valid for acceptance for 90 days and is not subject to escalation.	Yes	
Bidder has completed and submitted the Acknowledgement of Corporation Form?	Yes	

**EXCEPTIONS AND ENCLOSURES**

The Bidder shall state below whether they will comply with all the requirements of the RFB Package including the Purchase Order Addendum. Material exceptions to the specifications that have not been approved prior to bid submission may cause a bid to be considered non-responsive and thus disqualified. Any and all exceptions not so approved shall be at Bidder's risk and shall be itemized below or on an additional document attached to the bid. Each exception shall be referenced to its specific section of the RFB documents. It shall be in the City's sole discretion as to whether any such exception is a material variation from the specifications. Except for the items in this listing, material, equipment, and construction shall be exactly as specified.

<u>Section</u>	<u>Exception</u>
<u>1.7 D - 2.L</u>	<u>A 1 year recommend spare parts list will be provided upon completion of engineering.</u>
<u>_____</u>	<u>_____</u>

List hereunder all enclosures accompanying the Bid which are not attached to other sections:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**MILESTONE DATES**

The Bidder shall commit to milestones by providing "Seller Committed Dates." Key milestone dates for the work are as follows:

<u>Milestone Schedule</u>	<u>City Scheduled Date</u>	<u>Seller Committed Date</u>
RFB Due	October 30, 2013	N/A
Signed Purchase Order Required to Meet Delivery Date	December 5, 2013	December 5, 2013
Issue of Approval Drawings	January 15, 2014	January 30, 2013
Delivery	April 1, 2014	June 20, 2013

The undersigned agrees, if this bid or Alternate Bid is accepted, to enter into contract for the work described in this Request for Bid and any subsequent formal written changes, exclusive of any qualifications attached hereto.

Submitted by:

*Mr. Marshall* / Business Unit Mgr  
Signature/Title

10/29/2013  
Date

Eaton Corporation  
Company

(402) 734 4755  
Phone

3900 Dahlman Ave.  
Address

(402) 734 0622  
Fax

Omaha, NE 68107  
City/State/Zip

MarleondFarley@eaton.com  
Email

ACKNOWLEDGMENT OF CORPORATION

AUTHORIZED SIGNATURE

STATE OF Nebraska }

COUNTY OF Douglas }

On this 29th day of October, 2013, before me appeared

Amir Messih to me personally known, who, being by me  
*Name of Officer*

Duly sworn, did say that he/she is the Business Unit Mgr of Eaton Omaha Power Center  
*Title* *Name of Corporation*

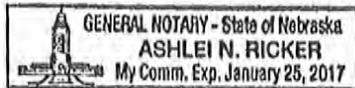
3900 Dahlman Ave, Omaha, NE, 68107  
*Address* *City & State* *Zip Code*

A corporation; and that said instrument was executed in behalf of said corporation

by authority of its Board of Directors; and that said Amir Messih  
*Name of Officer*

Acknowledge said instrument to be the free act and deed of said corporation.

NOTARIAL SEAL.



Ashlei Ricker  
Notary Public

Douglas  
County

My Commission Expires: Jan. 25, 2017

AUTHORIZATION OF CORPORATE AGENT

Eaton Corporation does hereby authorize Amir Messih  
*Name of Corporation* *Name of Person(s)*

To act as an agent of Eaton Corporation to contracts entered into the  
*Name of Corporation*

City of Rochester. The purpose of this authorization is to allow officials of the City of Rochester to  
accept Amir Messih's signature as an official act of  
*Name of Person(s)*

Eaton Corporation. This authorization is effective 10/1/2013  
*Name of Corporation* *Date*

And remains effective until such time as it is revoked by Eaton Corporation  
*Name of Corporation*

Board of Directors. No revocation of this authorization shall be effective until such time as it is filed  
with the city Clerk of the City of Rochester.

Richard L. Kruzic  
Chairman, Board of Directors  
Senior V.P. & G.M. of Power Distribution and Control Assemblies  
Eaton Corporation  
*Name of Corporation*

STATE OF Nebraska }  
COUNTY OF Douglas }

On this date appeared before me Richard L. Kruzic personally known  
*Chairman, Board of Directors*  
Senior V.P. & G.M. of Power Distribution and Control Assemblies  
to me to be the Chairman of the Board of Directors of Eaton Corporation  
*Name of Corporation*

to execute the above authorization of Corporate Agent for purposes of executing contracts with the City  
of Rochester.

Ashlei Ricker  
Notary Public  
My Commission Expires: Jan. 25, 2017

NOTARIAL SEAL





## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a purchase order agreement with Eaton Omaha Power Center for:

15kV Indoor Metal-clad Switchgear to be installed at Westside Substation

The amount of the agreement is to be THREE HUNDRED EIGHTY FOUR THOUSAND AND 320/100 DOLLARS (\$384,320.00).

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 26<sup>th</sup> day of November, 2013.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # 4b

Meeting Date: November 26, 2013

**SUBJECT:** Hourly Tree Trimming

**PREPARED BY:** Steve Fiek, Electrical Construction Supervisor  
Mona Hoeft, Buyer

**ITEM DESCRIPTION:**

Five companies were sent notifications of the hourly tree trimming bids for 2014-2015 with two bids received at the opening on November 8, 2013. The specifications sought hourly pricing for two, two person crews with an aerial lift, brush chipper, elevator lift and track bucket to be used based on RPU needs.

A track bucket was first used during the last contract cycle and was found to provide greater crew efficiency when working on taller trees and in tight neighborhood spaces. Both crews will be utilized through 2015 for routine line clearance tree trimming on transmission and distribution systems.

The results are as follows:

Contractor	2014	2015	Two Year Total
Wright Tree Service Inc.	\$393,995.80	\$398,488.60	\$792,484.40
Asplundh Tree Expert Co.	\$438,676.80	\$449,388.80	\$888,065.60

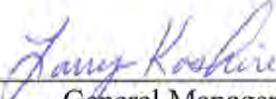
Wright's bid included no equipment increases and they will remain stable throughout the term of this contract. Their bid included an average increase in labor costs of 3 ½% in 2014 and 1.6% in 2015.

Based on our evaluation of the bids, Wright Tree Service, Inc. was determined to be the lowest responsive responsible bidder with a two year price of \$792,484.40.

We recently completed a review of our tree trimming practices with ArborMetrics Solutions, Inc to develop a long range plan and budget to accomplish the necessary trimming and keep the system on a 4 year cycle. This will result in increasing the historic budgets for tree trimming to cover the additional costs of reclaiming areas of overgrowth. Once the system is reclaimed, the cost to maintain the cycle will decrease. It is expected to take about six years to fully reclaim the system. This is being done to improve safety and reliability while driving down the long term costs of tree trimming. The 2014 budget was increased by \$200,000 to start the program and future budgets will be based on this long term plan.

**FOR CAPITAL PURCHASES/BIDS/MAJOR PROJECTS:**

The 2014 and projected 2015 operating budget includes \$800,000 for tree trimming services which include both hourly and lump sum contracts. It's expected that the lump sum contract will be released for bid within the next thirty days. The second year of this contract will be contingent upon Utility Board and Council approval of the 2015 RPU budget.

  
General Manager

  
Date

## FOR BOARD ACTION

Agenda Item # 4b

Meeting Date: November 26, 2013

UTILITY BOARD ACTION REQUESTED:

Management recommends that the Board approve a resolution to enter into a two year contract with Wright Tree Service, Inc. for a not to exceed amount of \$792,484.40, with the 2015 hourly contract amount of \$398,488.60 contingent upon the approval of the 2015 budget, and authorize the Mayor and City Clerk to execute the agreement.

\_\_\_\_\_  
General Manager

\_\_\_\_\_  
Date



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a Resolution to enter into a two year contract with Wright Tree Service, Inc., the lowest responsible bidder, and request the Mayor and the City Clerk to execute the agreement for

### Hourly Tree Trimming

The amount of the two year contract agreement is not to exceed seven hundred ninety-two thousand four hundred eighty four and 40/100 DOLLARS (\$792,484.40).

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 26th day of November, 2013.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # 5

Meeting Date: November 26, 2013

**SUBJECT:** Common Council Resolution Adopting Limited §453 Powers for Proposed Emission Reduction Project

**PREPARED BY:** Walter Schlink, Director of Power Resources

### ITEM DESCRIPTION:

The RPU Silver Lake Power Plant has exhausted the supply of coal at the site, and based on the direction of the Utility Board to decommission the plant and cease the use of coal as a primary fuel, it will not be necessary to keep some of the pollution control equipment in service as it is designed to treat emissions specifically related to the burning of coal.

The Air Quality Control System, commonly referred to as the Emission Reduction Project (ERP), is state of the art control equipment and still can be effectively deployed at other coal burning facilities to control criteria pollutants and comply with emerging regulations.

Staff has entered into discussions with potential partners to form a project team with the intent of relocating and constructing the ERP on another site to continue its pollution control effectiveness and to treat the decommissioning of the system in the most cost effective manner. Potential clients have been identified and could include coal based utility generation facilities or industrial processes where coal is used as generation fuel such as paper processing.

The project team is anticipated to comprise of an engineer firm, an original equipment manufacturer, an equipment erection construction firm and Rochester Public Utilities. The multiple participants, the complex and unique nature of the project and the multiple contracts that may need to be executed present some unique challenges that are not common to our more straight forward internal projects.

During the CAPx transmission project the Utility Board and City Council determined that the powers granted under the Municipal Electric Power statute was the preferable approach to the project and those governing bodies executed a resolution adopting the use of these powers as required by the statute. The ERP project has many attributes in common with the CAPx project including the multiple partners from both private and the public sector, the complexity of the scope of the project and the various agreements that may have to be executed for project formation and execution.

Following the project requirement review, staff has determined that using the same project governance that is granted under the Municipal Electric Power statute 453.51 – 453.62 would be the most efficient, effective and financially beneficial governance for the project and staff recommends that the Board approve and recommend approval of the resolution to the Common Council that authorize the utility to enter into a Emissions Reduction Project exercising the powers granted by the resolution.

  
\_\_\_\_\_  
General Manager

  
\_\_\_\_\_  
Date

**ROCHESTER PUBLIC UTILITIES**

# FOR BOARD ACTION

Agenda Item # 5

Meeting Date: November 26, 2013

FOR CAPITAL PURCHASES/BIDS/MAJOR PROJECTS:

Not Applicable

UTILITY BOARD ACTION REQUESTED:

Staff recommends that the RPU Board approve the Resolution Adopting Limited §453 powers and recommend ratifying by the Common Council.

\_\_\_\_\_  
General Manager

\_\_\_\_\_  
Date

## RESOLUTION

WHEREAS, the City of Rochester wishes to participate in the Emission Reduction Project involving the Silver Lake Plant Air Quality Control System; and

WHEREAS, the Emission Reduction Project consists of various equipment used to remove criteria pollutants and particulate emissions in coal burning boilers which the City has decommissioned effective November 2013 but can be used effectively in other existing electrical generation and industrial plants; and,

WHEREAS, the Emission Reduction Project is intricate, complex, and unique requiring multiple project participants within and without the State of Minnesota and requiring the relocation and commissioning of the emission reduction system which includes procurement, engineering, disassembly, packing, transport, construction and erection of large integrated pollution control systems and all appurtenances; and,

WHEREAS, Minn. Stat. §453.58, subd. 1, authorizes the City to exercise any of the powers granted to a municipal power agency in Minn. Stat. §§453.51 - 453.62 notwithstanding any provision of any city charter or any other law denying, limiting, or placing conditions upon the exercise of any such power; and,

WHEREAS, the Public Utility Board has reviewed the matter and recommends the Common Council ratify a resolution exercising these powers; and,

WHEREAS, Minn. Stat. §453.54, subd. 2, states that a City may plan, acquire, construct, reconstruct, operate, maintain, repair, extend, or improve one or more projects within or outside the state; and,

WHEREAS, Minn. Stat. §453.52, subd. 10 defines "Project" to mean "any plant, works, system, facilities, and real and personal property of any nature whatsoever, together with all parts thereof and appurtenances thereto, used or useful in the generation, production, transmission, purchase, sale, exchange, or interchange of electric energy or any interest therein or capacity thereof;" and,

WHEREAS, the Emission Reduction Project satisfies the definition of a Project as a system used or useful in the generation of electric energy and,

WHEREAS, in participating in the Emission Reduction Project, the City wishes to invoke the authority provided to it in Minn. Stat. §453.58, subd. 1 and exercise the powers granted by §§453.51 - 453.62 to include the power to:

- plan, acquire, construct, operate, maintain, repair, extend or improve one or more projects within or outside the state

- perform any act authorized by §§453.51 - 453.62 through or by means of its officers, agents, or employees or by contract with any person
- acquire, own, hire, use, operate and dispose of personal property
- acquire, own, use, lease as lessor or lessee, operate and dispose of real property and interests in real property and make improvements thereon
- contract with any person, within or outside the state, for the construction of any project or for the sale, with or without advertising for bids, or transmission of electric energy generated by any project or for any interest therein or any right to capacity thereof, on such terms and for such period of time as its board of directors determines.
- contract for the planning, acquisition, construction, reconstruction, operation, maintenance, repair, extension, and improvement of generation and transmission facilities outside of its corporate limits or those of its members, or may contract with other public or private owners of these facilities to perform these functions, without advertising for bids, preparing final plans and specifications in advance of construction, or securing performance and payment bonds, except to the extent that its governing body determines that these actions are desirable in furtherance of the purposes of §§453.51 - 453.62; and,

WHEREAS, the Common Council of the City of Rochester adopts this resolution in order to fulfill the requirements of Minn. Stat. §453.58, subd. 1.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Rochester that the City does hereby invoke its authority under Minn. Stat. §453.58, subd. 1 to exercise any of the powers granted in Minn. Stat. §§453.51 – 453.62 to a municipal power agency.

BE IT FURTHER RESOLVED by the Common Council of the City of Rochester that, pursuant to Minn. Stat. §453.58, subd. 2, the City Clerk is directed to publish this resolution in the City's official newspaper.

PASSED AND ADOPTED BY THE COMMON COUNCIL OF THE CITY OF  
 ROCHESTER, MINNESOTA, THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2013.

\_\_\_\_\_  
 PRESIDENT OF SAID COMMON COUNCIL

ATTEST: \_\_\_\_\_  
 CITY CLERK

APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2013.

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MAYOR OF SAID CITY

(Seal of the City of  
Rochester, Minnesota)

UtilResolu.MunPowerAgency1



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve the Resolution Adopting Limited §453 Powers and recommend approval by the Common Council to authorize the Utility to enter into an Emissions Reduction Project exercising the powers granted by the resolution.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 26<sup>th</sup> day of November, 2013.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # 6

Meeting Date: November 26, 2013

**SUBJECT:**

Ash Disposal at Silver Lake Plant – Increase to PO# 10381

**PREPARED BY:**

Tony Dzubay, Manager of Power Resources

ITEM DESCRIPTION:

RPU disposes of its ash via semi-truck into an industrial waste facility through Enviro-Logic Inc. The original purchase order from May 2011 was increased by \$295,000 in 2012 and 2013 for a total of \$490,050 to cover ash disposal costs for the remaining coal pile. Due to scraping of the coal yard, operating Unit 4 which generates an increased amount of ash and having more coal in the yard than anticipated, additional funding is needed to finalize coal operation at Silver Lake.

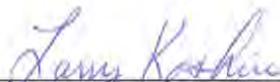
To cover the disposal costs of remaining ash in the silos, ducts, etc. at SLP, an increase of \$35,000 is needed. Any future reclamation of the coal yard necessitating hauling material off-site will be completed using alternate funding.

FOR CAPITAL PURCHASES/BIDS/MAJOR PROJECTS:

This increase is within the approved budget for Power Resources.

UTILITY BOARD ACTION REQUESTED:

Staff recommends that the Board approve an increase of PO# 10381 in the amount of \$35,000.

  
General Manager

  
Date



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve an increase in the purchase order agreement #10381 with Enviro-Logic Inc. for:

Ash Disposal at Silver Lake Plant

The amount of the increase is to be THIRTY FIVE THOUSAND AND 00/100 DOLLARS (\$35,000.00).

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 26<sup>th</sup> day of November, 2013.

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President

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Secretary