



# **Rochester Public Utilities**

## **Board Meeting Packet**

**January 14, 2014**



ROCHESTER PUBLIC UTILITIES BOARD

SPECIAL BOARD MEETING AGENDA –January 14, 2014

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

4:00 PM

1. Approval of Minutes of December 17, 2013 Meeting
2. Discussion of the process to be used to select the next general manager
3. Adjourn

Note: Since this is a special meeting, only the items listed on the agenda will be discussed. The next regular meeting of the Board will be held on January 28 at 4:00 p.m.

*The agenda and board packet for Utility Board meetings are available on-line at [www.rpu.org](http://www.rpu.org) and <http://rochestercitymn.iqm2.com/citizens/default.aspx>*

ROCHESTER PUBLIC UTILITIES  
BOARD MEETING MINUTES  
December 17, 2013

Members Present: Mr. Williams, Mr. Stahl, Mr. Reichert, Mr. Wojcik and Mr. Browning  
Absent: None

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

1. On behalf of the Utility Board, Mr. Williams recognized and thanked Bob Ledabuhr, Materials Manager, for his 16 years of service to Rochester Public Utilities.
2. Mr. Wojcik moved to approve the minutes of the November 26, 2013 meeting, seconded by Mr. Stahl.

All voting "AYE"

3. Mr. Browning moved to approve the accounts payable, seconded by Mr. Reichert.

All voting "AYE"

4. Mr. Williams opened the meeting for comments from the public.  
No one from the public came forward to speak.

5. Mr. Wojcik moved to approve the resolution for Commercial Automobile and General Liability insurance for 2014, seconded by Mr. Browning.

All voting "AYE"

**BE IT RESOLVED** by the Public Utility Board of the City of Rochester, Minnesota, to approve an insurance agreement with the League of Minnesota Cities Insurance Trust for

**COMMERCIAL AUTOMOBILE AND GENERAL LIABILITY INSURANCE**

The insurance agreement to be for a twelve month policy period commencing December 31, 2013, and expiring December 31, 2014.

The amount of the contract agreement to be ONE HUNDRED SEVENTEEN THOUSAND THREE HUNDRED FIFTY-THREE AND 00/100 DOLLARS (\$117,353).

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 17<sup>th</sup> day of December, 2013.

Mr. Reichert moved to approve the resolution for Excess General Liability insurance for 2014, seconded by Mr. Wojcik.

All voting "AYE"

**BE IT RESOLVED** by the Public Utility Board of the City of Rochester, Minnesota, to approve an insurance agreement with the Associated Electric and Gas Insurance Services, Ltd. (AEGIS) for

**EXCESS GENERAL LIABILITY INSURANCE**

The insurance agreement to be for a twelve month policy period commencing December 31, 2013, and expiring December 31, 2014.

The amount of the contract agreement to be TWO HUNDRED FIFTY-THREE THOUSAND EIGHTY-SEVEN AND 17/100 DOLLARS (\$253,087.17).

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 17<sup>th</sup> day of December, 2013.

Mr. Wojcik moved to approve the resolution for All Risk Property Insurance for 2014, seconded by Mr. Stahl.

All voting "AYE"

**BE IT RESOLVED** by the Public Utility Board of the City of Rochester, Minnesota, to approve an insurance agreement with the AIG / AEGIS / Lloyds of London Syndicates for

**ALL RISK PROPERTY INSURANCE**

The insurance agreement to be for a twelve month policy period commencing December 31, 2013, and expiring December 31, 2014.

The amount of the contract agreement to be FOUR HUNDRED FIFTY-EIGHT THOUSAND ONE HUNDRED FORTY-FIVE AND 05/100 DOLLARS (\$458,145.05).

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 17<sup>th</sup> day of December, 2013.

6. Consideration of Bids/Proposals

a. Mr. Wojcik moved to approve the following resolution amending the Master Services Agreement with Sparta consulting, seconded by Mr. Browning.

All voting "AYE"

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to authorize the General Manager to approve the final two year agreement with Sparta Consulting, Inc. including cost of services not to exceed \$350,000 annually, following City Attorney review and approval.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 17th day of December, 2013.

- b. Mr. Wojcik moved to approve the following resolution approving the 45 Zonal Resource Credit (MW) purchase and authorize the Mayor and City Clerk to execute the agreement, seconded by Mr. Reichert.

All voting "AYE"

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a 45 Zonal Resource Credit purchase of capacity for the period of June 2017 to May 2022 to Central Minnesota Municipal Power Agency, and request the Mayor and the City Clerk to execute the agreement.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 17<sup>th</sup> day of Dec, 2013.

- 7. Mr. Wojcik moved to approve the following Resolution approving a purchase order with SAP Public Services Inc. for annual maintenance and support of the enterprise business software for 2014, seconded by Mr. Stahl.

All voting "AYE"

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a purchase order agreement with SAP Public Services Inc. for

Annual Maintenance and Support of Enterprise Business Software for 2014

The amount of the purchase order agreement to be ONE HUNDRED SEVENTEEN THOUSAND ONE HUNDRED THIRTEEN AND 36% DOLLARS (\$117,113.36).

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 17th day of December, 2013.

- 8. Mr. Reichert moved to approve the following resolution approving Addendum #6 to the Participation Sales Agreement between the City of Rochester and the Minnesota Municipal Power Agency and request the Mayo and the City Clerk to execute the agreement, seconded by Mr. Stahl.

All voting "AYE"

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve Addendum No. 6, to the Participation Sales Agreement between the City of

Rochester and the Minnesota Municipal Power Agency, and request the Mayor and the City Clerk to execute the agreement.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 17<sup>th</sup> day of Dec, 2013.

9. Mr. Browning moved to approve the following resolution approving the proposed revisions to the Water Service Rules and Regulations, seconded by Mr. Stahl.

All voting "AYE"

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve certain revisions to the Water Service Rules and Regulations to become effective January 1, 2014.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 17<sup>th</sup> day of December, 2013.

10. Mr. Wojcik moved to approve the following resolution authorizing the depositories for Utility monies, seconded by Mr. Reichert.

All voting "AYE"

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, that the following banks, authorized to do business in Minnesota, are the designated depositories for the demand deposit accounts and temporary investment of funds of Rochester Public Utilities, City of Rochester, Minnesota, within the limits established by the City of Rochester, for the term commencing January 1, 2014 through the 31<sup>st</sup> day of December, 2014.

US Bank  
Wells Fargo

The above depositories, and any added during the term by the City Finance Director, shall pay interest at such rates or rates, per annum, as may be mutually agreed upon the Rochester Public Utilities and the respective depository at the time such deposits and investments are made.

The depository shall pay on demand all deposits subject to payment on demand, with accrued interest, and pay on demand all time deposits with accrued interest, at or after maturity.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 17<sup>th</sup> day of December, 2013.

11. Wally Schlink, Director of Power Resources presented an update on the Silver Lake Plant.

12. General Managers Report:

- The St Mary’s reservoir is in service
- Positive Financials for Year-end
- Larry announced his upcoming retirement for April of 2014.

13. Other Business

- President Williams updated the board on the upcoming process of appointing a new General Manager
- There will be a special meeting held in early January to discuss the process
- Mr. Wojcik appreciated the staff that attend the board meetings and thanked all staff for their work and dedication.

14. Mr. Browning moved to adjourn the meeting at 5:30 PM, seconded by Mr. Stahl.

All voting “AYE”

Submitted by:

\_\_\_\_\_  
Secretary

Approved by the Board:

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Board President

\_\_\_\_\_  
Date