



MEETING AGENDA – JANUARY 26, 2016

BOARD ROOM  
4000 EAST RIVER ROAD NE  
ROCHESTER, MN 55906

4:00 PM

**Call to Order**

**1. Election of Officers**

- A. Election of Board President**
- B. Appointment of Board Secretary**

**2. Approval of Agenda**

**3. Approval of Minutes**

Public Utility Board - Regular Meeting - Dec 15, 2015 4:00 PM

**4. Approval of Accounts Payable**

a/p board listing

**5. Recognition: Laura Andrews**

**NEW BUSINESS**

**Open Comment Period**

*(This agenda section is for the purpose of allowing citizens to address the Utility Board. Comments are limited to 4 minutes, total comment period limited to 15 minutes. Any speakers not having the opportunity to be heard will be the first to present at the next Board meeting.)*

**6. Consideration Of Bids**

- 1. Digger Derrick, Utility Body and Installation  
Resolution: Digger Derrick Attachment
- 2. System Operations Remodeling  
Resolution: System Operations Remodeling
- 3. Lump Sum and Hourly Power Line Clearance Tree Trimming  
Resolution: Lump Sum and Hourly Tree Trimming

**7. Regular Agenda**

1. Annual SAP Enterprise Support  
Resolution: Annual SAP Enterprise Support
2. SAP Application Support Statement of Work  
Resolution: SAP Application Support Statement of Work
3. Amendment 6 to Schedule A of the Power Sales Contract between SMMPA and the City of Rochester  
Resolution: Amendment 6 to Schedule A of the Power Sales Contract between SMMPA and the City of Rochester
4. Foreign Exchange Risk Management  
Resolution: Foreign Exchange Risk Management
- 8. General Managers Report**
- 9. Division Reports & Metrics**
- 10. Other Business**
- 11. Adjourn**

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



MEETING MINUTES – DECEMBER 15, 2015

BOARD ROOM  
4000 EAST RIVER ROAD NE  
ROCHESTER, MN 55906

4:00 PM

**Call to Order at 4:00 PM**

**1. Approval of Agenda**

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

|                  |   |
|------------------|---|
| <b>RESULT:</b>   | <b>ADOPTED [UNANIMOUS]</b>                  |
| <b>MOVER:</b>    | Roger Stahl, Board Member                   |
| <b>SECONDER:</b> | Dave Reichert, Board Member                 |
| <b>AYES:</b>     | Wojcik, Williams, Reichert, Stahl, Browning |

**2. Approval of Minutes**

Public Utility Board - Regular Meeting - Nov 24, 2015 4:00 PM

|                  |   |
|------------------|---|
| <b>RESULT:</b>   | <b>ACCEPTED [UNANIMOUS]</b>                 |
| <b>MOVER:</b>    | Roger Stahl, Board Member                   |
| <b>SECONDER:</b> | Michael Wojcik, Board Member                |
| <b>AYES:</b>     | Wojcik, Williams, Reichert, Stahl, Browning |

**3. Approval of Accounts Payable**

AP Board listing

|                  |   |
|------------------|---|
| <b>RESULT:</b>   | <b>APPROVED [UNANIMOUS]</b>                 |
| <b>MOVER:</b>    | Michael Wojcik, Board Member                |
| <b>SECONDER:</b> | Mark Browning, Board Member                 |
| <b>AYES:</b>     | Wojcik, Williams, Reichert, Stahl, Browning |

**4. Proclamation: Roger Stahl & Jerry Williams**

Proclamation: Roger Stahl

*President Williams read the proclamation and thanked Mr. Stahl for his service to the RPU Board.*

|                  |  |
|------------------|--|
| <b>RESULT:</b>   | <b>ADOPTED [4 TO 0]</b>                                      |
| <b>MOVER:</b>    | Michael Wojcik, Board Member                                 |
| <b>SECONDER:</b> | Mark Browning, Board Member                                  |
| <b>AYES:</b>     | Michael Wojcik, Jerry Williams, Dave Reichert, Mark Browning |
| <b>ABSTAIN:</b>  | Roger Stahl  |

Proclamation: Jerry Williams

*Dave Reichert, RPU Board member, read the proclamation and thanked President Williams for his service on the RPU Board.*

Minutes Acceptance: Minutes of Dec 15, 2015 4:00 PM (Approval of Minutes)

|                  |   |
|------------------|---|
| <b>RESULT:</b>   | <b>ADOPTED [4 TO 0]</b>                                   |
| <b>MOVER:</b>    | Michael Wojcik, Board Member                              |
| <b>SECONDER:</b> | Roger Stahl, Board Member                                 |
| <b>AYES:</b>     | Michael Wojcik, Dave Reichert, Roger Stahl, Mark Browning |
| <b>ABSTAIN:</b>  | Jerry Williams  |

## NEW BUSINESS

### Open Comment Period

*(This agenda section is for the purpose of allowing citizens to address the Utility Board. Comments are limited to 4 minutes, total comment period limited to 15 minutes. Any speakers not having the opportunity to be heard will be the first to present at the next Board meeting.)*

Tom Williamson, 1511 Ridge Cliff Ln NE, Rochester, MN:

1. Wanted to follow up his request for the West Side Energy Station project to coordinate efforts.
2. Brought up the fact that the SMMPA contract allows us self generation and solar generation on site.
3. Requested us to coordinate with the DMC plan on District Energy, specifically the cooling clause. RPU should give strong consideration to change the home rule charter to be able to comply with DMC future plans.
4. Provided some cost of a KWH information he picked up at Cascade Meadows.

### 5. Consideration Of Bids

1. Steel Transmission Poles

*President Williams commented on the great customer feedback he received from an RPU customer in which Steven Cook handled an issue with stray voltage for this customer. Mr. Williams also received some great comments regarding Steven Cook's presentation at the PUC meeting in St. Cloud.*

*Steven Cook, Senior Electrical Engineer, presented the bids for replacement of transmission poles for 2 different projects.*

Resolution: Steel Transmission Poles

*The Board approved the resolution reading as follows:*

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to reject the Valmont Newmark bid and approve a purchase order with Trinity Meyer Utility Structures, LLC for:*

#### *Steel Transmission Poles*

*The amount of the contract agreement to be ONE HUNDRED SEVENTY SIX THOUSAND SEVEN HUNDRED TWENTY SIX AND 00/100 DOLLARS (\$176,726.00) plus applicable tax.*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 15th day of December, 2015.*

|                  |   |
|------------------|---|
| <b>RESULT:</b>   | <b>ADOPTED [UNANIMOUS]</b>                  |
| <b>MOVER:</b>    | Michael Wojcik, Board Member                |
| <b>SECONDER:</b> | Mark Browning, Board Member                 |
| <b>AYES:</b>     | Wojcik, Williams, Reichert, Stahl, Browning |

2. Insurance Quotations for 2016

*Deb Donahue, Business Services Supervisor and Mark Hayford, President, CO Brown presented the insurance quotations for 2016 which included an overall 8.6% reduction. RPU also received a \$54,733 dividend from the league of MN Cities.*

*excess general liability insurance went up about 4%, all risk property insurance saw a 12.8% overall reduction. An AEGIS audit is provided to RPU every 3 years, and it is the recommendation from CO Brown to decline the Terrorism coverage which is considered Foreign acts.*

Resolution: Commercial Automobile & General Liability Insurance

*The Board approved the resolution reading as follows:*

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

**COMMERCIAL AUTOMOBILE AND GENERAL LIABILITY INSURANCE**

*The insurance agreement to be for a twelve month policy period commencing December 31, 2015, and expiring December 31, 2016.*

*The amount of the contract agreement to be ONE HUNDRED TWENTY-FIVE THOUSAND ONE HUNDRED THIRTY-THREE AND 00/100 DOLLARS (\$125,133.00).*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 15th day of December, 2015.*

|                  |   |
|------------------|---|
| <b>RESULT:</b>   | <b>ADOPTED [UNANIMOUS]</b>                  |
| <b>MOVER:</b>    | Michael Wojcik, Board Member                |
| <b>SECONDER:</b> | Mark Browning, Board Member                 |
| <b>AYES:</b>     | Wojcik, Williams, Reichert, Stahl, Browning |

Resolution: All Risk Property Insurance

*The Board approved the resolution reading as follows:*

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

**ALL RISK PROPERTY INSURANCE**

*The insurance agreement to be for a twelve month policy period commencing December 31, 2015, and expiring December 31, 2016.*

*The amount of the contract agreement not to exceed THREE HUNDRED NINETY-FOUR THOUSAND ONE HUNDRED FORTY AND 00/100 DOLLARS (\$394,140.00).*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 15th day of December, 2015.*

|                  |   |
|------------------|---|
| <b>RESULT:</b>   | <b>ADOPTED [UNANIMOUS]</b>                  |
| <b>MOVER:</b>    | Michael Wojcik, Board Member                |
| <b>SECONDER:</b> | Roger Stahl, Board Member                   |
| <b>AYES:</b>     | Wojcik, Williams, Reichert, Stahl, Browning |

Resolution: Excess General Liability Insurance

*The Board approved the resolution reading as follows:*

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a contract agreement with Associated Electric and Gas Insurance Services, Ltd. (AEGIS) and that the Common Council authorize the Mayor and the City Clerk to execute the agreement for*

**EXCESS GENERAL LIABILITY INSURANCE**

*The insurance agreement to be for a twelve month policy period commencing December 31, 2015, and expiring December 31, 2016.*

*The amount of the contract agreement not to exceed TWO HUNDRED EIGHTY-SIX THOUSAND AND 00/100 DOLLARS (\$286,000.00).*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 15th day of December, 2015.*

|                  |   |
|------------------|---|
| <b>RESULT:</b>   | <b>ADOPTED [UNANIMOUS]</b>                  |
| <b>MOVER:</b>    | Michael Wojcik, Board Member                |
| <b>SECONDER:</b> | Dave Reichert, Board Member                 |
| <b>AYES:</b>     | Wojcik, Williams, Reichert, Stahl, Browning |

## 6. Regular Agenda

1. Memorandum of Understanding between the City of Rochester and the International Brotherhood of Electrical Workers Local 949 Inside Group.(Office and Clerical) Limited Appointment Position

*Mark Kotchevar, RPU General Manager introduced the Memorandum of Understanding (MOU) for a temporary limited appointment Customer Service position.*

Resolution: Memorandum of Understanding between the City of Rochester and the International Brotherhood of Electrical Workers Local 949 Inside Group.(Office and Clerical) Limited Appointment Position

*The Board approved the resolution reading as follows:*

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve and execute the Memorandum of Understanding between the City of Rochester Minnesota and the International Brotherhood of Electrical Workers, Local 949 inside group for:*

*A Limited Appointment Customer Service Representative Position*

*and that the Common Council authorize the Mayor and the City Clerk to execute the agreement.*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 15<sup>th</sup> day of December, 2015.*

|                  |   |
|------------------|---|
| <b>RESULT:</b>   | <b>ADOPTED [UNANIMOUS]</b>                  |
| <b>MOVER:</b>    | Michael Wojcik, Board Member                |
| <b>SECONDER:</b> | Dave Reichert, Board Member                 |
| <b>AYES:</b>     | Wojcik, Williams, Reichert, Stahl, Browning |

2. Professional Services: Bluespire Marketing

*Tony Benson, Communications Coordinator, explained that the contract renewal is straightforward, the only change this year is a change in the paper stock.*

Resolution: Professional Services Bluespire Marketing

*The Board approved the resolution reading as follows:*

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a forty-eight month Professional Services Agreement with Bluespire Inc. and authorize the Mayor and the City Clerk to execute the Agreement for:*

*RPU Plugged In Monthly Publication*

*RPU staff requests the Board approve a purchase order for 2016 in the amount of Two Hundred, Forty-Four Thousand One Hundred Eighty-Eight 00/100 dollars (\$244,188) with future purchase orders subject to the annual approval of the budget.*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 15th day of December, 2015.*

|                  |   |
|------------------|---|
| <b>RESULT:</b>   | <b>ADOPTED [UNANIMOUS]</b>                  |
| <b>MOVER:</b>    | Roger Stahl, Board Member                   |
| <b>SECONDER:</b> | Dave Reichert, Board Member                 |
| <b>AYES:</b>     | Wojcik, Williams, Reichert, Stahl, Browning |

3. Agreement for Funding Lake Zumbro Restoration Services

*Bill Cook, Director of Field Services, explained the funding contract for the Lake Zumbro Dredging project. Once the grant is signed engineering can begin and construction is scheduled to start in Fall 2016-17. The County is doing the administration work and authorization is being asked to be delegated to the General Manager and City Attorney to approve the final contract documents. A 17.8% limit in the contract protects RPU's interest.*

Resolution: Agreement for Funding Lake Zumbro Restoration Services

*The Board approved the amended resolution with the addition of "not to exceed \$1.167 million, reading as follows:*

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve the expenditure, not to exceed, \$1,167,000.00, subject to the terms of the Agreement for:*

*Funding Lake Zumbro Restoration Services*

*with final approval by the City Attorney and RPU General Manager, and authorize the Mayor and the City Clerk to execute the agreement.*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 15th*

day of December, 2015.

|                  |   |
|------------------|---|
| <b>RESULT:</b>   | <b>ADOPTED [UNANIMOUS]</b>                  |
| <b>MOVER:</b>    | Dave Reichert, Board Member                 |
| <b>SECONDER:</b> | Michael Wojcik, Board Member                |
| <b>AYES:</b>     | Wojcik, Williams, Reichert, Stahl, Browning |

4. 2016 Authorized Depositories

Resolution: 2016 Authorized Depositories

*The Board approved the resolution reading as follows:*

*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, 2016 through the 31<sup>st</sup> day of December, 2016.*

*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 15th day of December, 2015.*

|                  |   |
|------------------|---|
| <b>RESULT:</b>   | <b>ADOPTED [UNANIMOUS]</b>                  |
| <b>MOVER:</b>    | Roger Stahl, Board Member                   |
| <b>SECONDER:</b> | Michael Wojcik, Board Member                |
| <b>AYES:</b>     | Wojcik, Williams, Reichert, Stahl, Browning |

5. Approving and Consenting to the Issuance of Electric Utility Revenue Bonds, of the City of Rochester, Minnesota within stated Parameters.

*Peter Hogan introduced the resolution to approve and consent to the issuance of electric utility revenue bonds and the authorization of a pricing committee which will include the Dale Martinson, City Finance Director, Mark Kotschevar RPU General Manager, Peter Hogan, Director of Corporate Services, Bryan Blom, Manager of Accounting and Springstead.*

Minutes Acceptance: Minutes of Dec 15, 2015 4:00 PM (Approval of Minutes)

Resolution Approving and Consenting to the Issuance of Electric Utility Revenue Bonds, of the City of Rochester, Minnesota within stated Parameters.

*The Board approved the resolution reading as follows:*

*Resolution Approving and Consenting to the Issuance of Temporary Subordinate Electric Utility Revenue Bond, Series 2016A*

*by the City of Rochester, Minnesota*

*BE IT RESOLVED By the Public Utility Board (the "Board") of Rochester Public Utilities ("RPU") as follows:*

*1. Recitals.*

- (a) The Board has determined that it is in the best interests of RPU and the City of Rochester, Minnesota (the "City") to provide for the issuance of the City's Temporary Subordinate Electric Utility Revenue Bond, Series 2016A in an aggregate principal amount not to exceed \$25,000,000 (the "Bond") to provide funds to finance the acquisition construction and equipping certain capital improvements to the City's municipal electric utility (the "Electric Utility") including without limitation, the proposed West Side Energy Station and a portion of RPU's percentage interest in the CapX 2020 Hampton to Rochester to La Crosse transmission line project (collectively, the "Improvements"); and*
- (b) On July 28, 2015, in accordance with Treasury Regulations, Section 1.150-2 promulgated under the Internal Revenue Code of 1986, as amended, the Board adopted a declaration of its intent to reimburse itself for expenditures incurred in connection with the Improvements.*

*2. Request, Consent and Approval.*

- (a) The Board hereby requests that on December 21, 2015, or as soon thereafter as possible, the Rochester Common Council (the "Council") consider a Resolution Authorizing the Sale of the City's Temporary Subordinate Electric Utility Revenue Bond, Series 2016A and Providing for Their Issuance (the "Resolution") to provide funds to finance the Electric Utility;*
- (b) The Resolution would, upon its adoption, (I) authorize the issuance of the Bond in an aggregate principal amount not to exceed \$25,000,000, and delegate to a pricing committee the authority to select the purchaser of the Bond (the "Purchaser") and negotiate with the Purchaser as to: (i) the maturity schedule for the Bond with a final maturity no later than March 1, 2018, (ii) the rate of interest on the Bond and whether such rate will be variable or fixed, provided that such rate shall not exceed 4.50% per annum, (iii) any redemption provisions, and (iv) other details of the Bond, (II) pledge the Net Revenues of the Electric Utility for the payment of the Bond on a basis subordinate to the City's outstanding electric utility revenue bonds, and (III) set forth other covenants and obligations of the City relating to the Electric Utility; and*
- (c) The Resolution, in the form actually adopted, is hereby incorporated into this Resolution to the same extent as though set forth in full herein, and each capitalized term which is used in this Resolution but not otherwise defined herein shall have the meaning given to that term in the Resolution.*
- (d) The Board hereby consents to and approves the issuance of the Bond, and determines that the issuance of the Bond by the City is necessary and*

*desirable and that the issuance of the Bond is appropriate for the purposes for which the Bond is issued and hereby authorizes and requests that City issue the Bond.*

- (e) *The Board hereby concurs in the award, issuance and sale of the Bond and joins in and concurs in the adoption of the Resolution, and adopts all of the covenants and agreements contained therein with the same force and effect as if said Resolution had been adopted by the Board.*
- (f) *The approval hereby given to the Resolution includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by the Pricing Committee described therein.*
- (g) *The Board hereby covenants and pledges to cooperate with the Council (and to take such actions, or refrain from acting, as the case may be, as may be necessary) in order to fully effectuate the intent, purposes and obligations of the City under the Resolution.*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 15<sup>th</sup> day of December, 2015.*

STATE OF MINNESOTA  
CITY OF ROCHESTER  
PUBLIC UTILITY BOARD

*I, the undersigned, being the duly qualified and acting Secretary of the Public Utility Board of the City of Rochester, Minnesota, DO HEREBY CERTIFY that I have carefully compared the attached and foregoing extract of minutes with the original minutes of a meeting of the Board duly called and held on the date therein indicated, which are on file and of record in my office, and the same is a full, true and complete transcript therefrom approving the issuance and sale by the City of Rochester of its Temporary Subordinate Electric Utility Revenue Bond, Series 2016A.*

*WITNESS my hand as such Secretary this 15<sup>th</sup> day of December, 2015.*

|                  |   |
|------------------|---|
| <b>RESULT:</b>   | <b>ADOPTED [UNANIMOUS]</b>                  |
| <b>MOVER:</b>    | Roger Stahl, Board Member                   |
| <b>SECONDER:</b> | Michael Wojcik, Board Member                |
| <b>AYES:</b>     | Wojcik, Williams, Reichert, Stahl, Browning |

6. MISO Definitive Planning Study

*Mark Kotschevar, General Manager, presented the MISO definitive planning process. The reason this needed delegation of approval is because of the timing deadline for approval by Jan 5th.*

Resolution: MISO Definitive Planning Study

*The Board approved the resolution reading as follows:*

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve the budget expenditure of \$150,000 to MISO for*

*Definitive Planning Study*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 15th*

Minutes Acceptance: Minutes of Dec 15, 2015 4:00 PM (Approval of Minutes)

day of December, 2015.

|                  |   |
|------------------|---|
| <b>RESULT:</b>   | <b>ADOPTED [UNANIMOUS]</b>                  |
| <b>MOVER:</b>    | Dave Reichert, Board Member                 |
| <b>SECONDER:</b> | Michael Wojcik, Board Member                |
| <b>AYES:</b>     | Wojcik, Williams, Reichert, Stahl, Browning |

**7. General Managers Report**

Mark Kotschevar gave his General Manager's report:

- Attended the SMMPA Board meeting in Lake City on December 9th.
  - SMMPA is making changes to the agency agreement (will be a member until 2050 or we can withdraw)
  - Our power sales contract will end in 2030.
- Terry Adkins, Sidney Jackson and Mark Kotschevar attended a FERC settlement hearing in Washington DC on December 7-8, 2015.

**8. Division Reports & Metrics**

**9. Other Business**

**10. Adjourn**

1. **Motion to:** adjourn the meeting at 5:20 PM.

|                  |   |
|------------------|---|
| <b>RESULT:</b>   | <b>ADOPTED [UNANIMOUS]</b>                  |
| <b>MOVER:</b>    | Mark Browning, Board Member                 |
| <b>SECONDER:</b> | Jerry Williams, Board President             |
| <b>AYES:</b>     | Wojcik, Williams, Reichert, Stahl, Browning |

*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>*

Submitted by:

\_\_\_\_\_  
Secretary

Approved by the Board

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

\_\_\_\_\_  
Date

Minutes Acceptance: Minutes of Dec 15, 2015 4:00 PM (Approval of Minutes)

# ACCOUNTS PAYABLE

Meeting Date: 1/26/2016

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**SUBJECT: a/p board listing**

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**PREPARED BY: Terri Engle**

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Please approve

## ROCHESTER PUBLIC UTILITIES

### A/P Board Listing By Dollar Range

For 12/07/2015 To 01/14/2016

Consolidated & Summarized Below 1,000

1 **Greater than 50,000 :**

|    |                               |  |                      |
|----|-------------------------------|--|----------------------|
| 2  |                               |  |                      |
| 3  | SOUTHERN MN MUNICIPAL POWER A | December monthly billing                 | 6,893,656.31         |
| 4  | SOUTHERN MN MUNICIPAL POWER A | November monthly billing                 | 6,441,072.68         |
| 5  | WARTSILA NORTH AMERICA        | Reciprocating Engines                    | 1,688,748.53         |
| 6  | XCEL ENERGY CORP              | CapX - LaCrosse Project CMA              | 644,194.99           |
| 7  | MN DEPT OF REVENUE            | Nov Sales and Use Tax                    | 413,550.17           |
| 8  | CB & I INC.                   | St. Bridget's Water Tower                | 409,344.64           |
| 9  | WRIGHT TREE SERVICE INC       | 402C Line Clearance                      | 321,186.75           |
| 10 | OPOWER INC                    | 2015-2016 Home Energy Reports            | 280,000.00           |
| 11 | JF BRENNAN CO INC             | Silver Lake Dam Repairs                  | 266,021.74           |
| 12 | MIDCONTINENT ISO INC          | Feasibility Study-Milestone 1 payment    | 190,507.00           |
| 13 | CONSTELLATION NEWENERGY-GAS D | November SLP Pilot and Boiler Gas        | 159,660.35           |
| 14 | MIDCONTINENT ISO INC          | Feasibility Study-Deposit                | 150,000.00           |
| 15 | ALVIN E BENIKE INC (P)        | Construction of Well house #41           | 138,352.52           |
| 16 | CITY OF ROCHESTER             | Pre-fin,Wat main, 91/2 St SE,Cty#2010-22 | 106,260.59           |
| 17 | CITY OF ROCHESTER             | Pre-fin,Wat main, 6St SE Brid,Cty#6206-2 | 80,927.39            |
| 18 | BILLTRUST dba                 | Billing Services for Nov & Dec 2015      | 80,636.42            |
| 19 | CONSTELLATION NEWENERGY-GAS D | Gas at Cascade Creek-November            | 80,611.47            |
| 20 | WRIGHT TREE SERVICE INC       | 912C Line Clearance~                     | 69,822.38            |
| 21 | OLM COUNTY PUBLIC WORKS DEPT  | CSAH 4 Water Main Relocation             | 68,908.00            |
| 22 | CITY OF ROCHESTER             | Pre-fin,Wat main, Pendant Ln NW,Cty#M15- | 68,505.52            |
| 23 | ROCH PLUMBING & HEATING CO IN | Meter & RPZ install - job 156639         | 65,502.08            |
| 24 | SPARTA CONSULTING INC         | 2015 SAP Application Support             | 58,240.00            |
| 25 | CITY OF ROCHESTER             | Final,Water main,Badger Hills DR, City P | 57,810.18            |
| 26 |                               |  |                      |
| 27 |                               | <b>Price Range Total:</b>                | <b>18,733,519.71</b> |

28

29 **5,000 to 50,000 :**

|    |                               |  |           |
|----|-------------------------------|--|-----------|
| 30 |                               |  |           |
| 31 | MAYO CLINIC                   | CIP Conserve & Save Rebates              | 49,644.00 |
| 32 | THE WATERS, LLC               | CIP Conserve & Save Rebates              | 45,047.33 |
| 33 | CITY OF ROCHESTER             | Final,Water main,2 St SW, City Proj# J72 | 44,985.99 |
| 34 | CITY OF ROCHESTER             | Pre-fin, Water main,E Riv RD, Cty Proj#J | 44,547.54 |
| 35 | WENCK ASSOCIATES, INC         | Westside Permitting Activities           | 43,336.45 |
| 36 | CITY OF ROCHESTER             | Various Street Opening Repairs           | 41,217.84 |
| 37 | LEXMARK ENTERPRISE SOFTWARE U | 2016 ImageNow Software Maintenance       | 38,760.73 |
| 38 | ALPHA REALTY OF ROCHESTER LLC | Oversize water line-Alpha Parkway NW     | 38,746.90 |
| 39 | ROCH PLUMBING & HEATING CO IN | Meter Install                            | 38,443.42 |
| 40 | CORPORATE RISK SOLUTIONS INC  | NERC CIP 5 Compliance Mgmt Prgm -Phase 2 | 38,149.21 |
| 41 | BURNS & MCDONNELL INC         | Reciprocating Tech Engine Spec and Eval  | 36,396.57 |
| 42 | PEOPLES ENERGY COOPERATIVE (P | Services compensable to PCPA 12/1-12/31/ | 35,378.44 |
| 43 | BERGERSON CASWELL INC         | Pump Replacement Well #19                | 32,800.00 |

Attachment: AP Board CRMO (5031 : a/p board listing)

## ROCHESTER PUBLIC UTILITIES

### A/P Board Listing By Dollar Range

For 12/07/2015 To 01/14/2016

Consolidated & Summarized Below 1,000

|    |                                |   |           |
|----|--------------------------------|---|-----------|
| 44 | RIVER BEND ASSISTED LIVING     | CIP Conserve & Save Rebates                     | 32,756.00 |
| 45 | JENNINGS, STROUSS & SALMON PL  | 2015 Legal Fees                                 | 32,115.65 |
| 46 | WERNER ELECTRIC SUPPLY         | Luminaire, Dec Resid LED, PC 120-277            | 31,662.60 |
| 47 | SOVRAN INC                     | Nimble Storage Expansion Shelf                  | 31,528.13 |
| 48 | MAVO SYSTEMS INC (P)           | Contract Retension release PO#11208             | 31,473.85 |
| 49 | ENLOW COMPANIES INC            | Mitsubishi UPS, cabinet & accessories           | 29,119.43 |
| 50 | BERGERSON CASWELL INC          | Pump Replacement Well #28                       | 28,005.00 |
| 51 | ULTEIG ENGINEERS INC           | Douglas Trail Substation Design EPIC            | 27,615.00 |
| 52 | PEOPLES ENERGY COOPERATIVE (P) | Services Compensable to PCPA 11/1/15 - 11/30/15 | 25,736.38 |
| 53 | MASTEC NORTH AMERICA INC       | Manhole Repair E.Center & 7 Ave SE              | 24,987.18 |
| 54 | BORDER STATES ELECTRIC SUPPLY  | Meter, FM12S CL200 120V NET AMR                 | 24,367.50 |
| 55 | STEVE BENNING ELECTRIC         | Well house #41 electrical services              | 24,358.50 |
| 56 | WRIGHT TREE SERVICE INC        | 2015 Hourly Tree Contract                       | 23,756.78 |
| 57 | 501 ON 1ST LLC                 | WATER MAIN - 5 ST SW                            | 21,577.86 |
| 58 | THE ENERGY AUTHORITY INC       | Monthly Recourse Fee, Nov                       | 21,150.00 |
| 59 | THE ENERGY AUTHORITY INC       | Monthly Resource Fee, Dec                       | 21,150.00 |
| 60 | BORDER STATES ELECTRIC SUPPLY  | Current Limiting Fuse, 150A ELSG, 15kV          | 20,340.00 |
| 61 | BLUESPIRE STRATEGIC MARKETING  | 2016 RPU Plugged In Contract                    | 20,070.10 |
| 62 | BLUESPIRE STRATEGIC MARKETING  | 2015 RPU Plugged In Contract                    | 20,046.54 |
| 63 | ALVIN E BENIKE INC (P)         | Misc. Building Remodeling                       | 19,700.00 |
| 64 | MN DEPT OF COMMERCE            | CIPfacility energy/R&D grants/Tech assis        | 19,055.48 |
| 65 | WORKS COMPUTING INC            | VMware Horizon Advanced Edition                 | 18,913.60 |
| 66 | BOULDERS OF ROCHESTER LLC      | Oversize water main reimbursement M019-3        | 18,429.95 |
| 67 | XYLO TECHNOLOGIES INC          | David McCollister - Field Svcs/GIS              | 17,906.00 |
| 68 | BADGER METER INC (P)           | HRE Badger M-25 100W Itron ERT Integral         | 17,400.00 |
| 69 | XYLO TECHNOLOGIES INC          | 2015 Dominic Avila - Corp Svcs/IS               | 17,138.00 |
| 70 | ROCHESTER LODGING PARTNERS LL  | *Customer Rebate - CCS 300000566878             | 17,068.00 |
| 71 | SPARTA CONSULTING INC          | Flex G/L Consulting                             | 17,052.00 |
| 72 | U S ALLIANCE GROUP             | Credit Card Processing Fees, Nov 2015           | 16,489.99 |
| 73 | WORKS COMPUTING INC            | Production Support VMware 3 years               | 16,057.80 |
| 74 | CITY OF ROCHESTER              | Final,Water main,16 ST SE,Cty prog#6216-        | 15,858.31 |
| 75 | U S ALLIANCE GROUP             | Credit card processing fees, Dec 2015           | 14,822.46 |
| 76 | WELLS FARGO BANK ACCT ANALYSI  | 2015 Banking Services                           | 14,617.74 |
| 77 | BAKER TILLY VIRCHOW KRAUSE LL  | 2015 Audit Fees                                 | 13,809.00 |
| 78 | VISION COMPANIES LLC (P)       | Organizational Strategy for December 2015       | 13,125.00 |
| 79 | CONSOLIDATED COMM ENTERPRISE   | Catalyst 3850 48 Port Data IP Base              | 12,995.00 |
| 80 | MAYO FOUNDATION                | CIP Conserve & Save Rebates                     | 12,977.71 |
| 81 | McGRANN SHEA CARNIVAL STRAUGH  | Legislative 4th Quarter 2015                    | 12,500.00 |
| 82 | CHS ROCHESTER                  | November Monthly Fuel                           | 12,450.47 |
| 83 | SURE POWER CONSULTING LLC      | Consulting Services Jerry Moe                   | 12,286.77 |
| 84 | WESCO DISTRIBUTION INC         | P/C, 120V-305V, 20 yr                           | 12,183.75 |
| 85 | CRW ARCHITECTURE + DESIGN GRO  | A/E Services- Zumbro Hydro Roof Repairs         | 11,764.50 |
| 86 | USIC LOCATING SERVICES INC     | 2014-2015 Locating Services                     | 11,705.53 |
| 87 | MINNESOTA ENERGY RESOURCES CO  | SLP Pilot and Boiler Gas-November               | 11,548.79 |

Attachment: AP Board CRMO (5031 : a/p board listing)

## ROCHESTER PUBLIC UTILITIES

### A/P Board Listing By Dollar Range

For 12/07/2015 To 01/14/2016

Consolidated & Summarized Below 1,000

|     |                               |  |           |
|-----|-------------------------------|--|-----------|
| 88  | CENTURYLINK                   | 2015 Monthly Telecommunications          | 11,398.41 |
| 89  | STUART C IRBY CO INC          | Trans, PM, 1ph, 50kVA, 13.8/8, 240/120   | 11,152.00 |
| 90  | ST MARYS UNIV MN CASCADE MEAD | 2016 Annual Lease at Cascade Meadows     | 11,000.00 |
| 91  | POWER ENGINEERS INC           | GIS Performance Tuning Support           | 10,432.91 |
| 92  | KWIK TRIP                     | CIP Conserve & Save Rebates              | 10,008.00 |
| 93  | BARR ENGINEERING COMPANY (P)  | Water Sustainability Study Phase 3A      | 9,987.96  |
| 94  | MASTEC NORTH AMERICA INC      | OH to UG Conversion Directional boring   | 9,967.50  |
| 95  | DAKOTA SUPPLY GROUP           | Meter, FM12S CL200 120V NET AMR          | 9,883.27  |
| 96  | UNIDESK CORPORATION           | Unidesk Perpetual Software (60)          | 9,618.75  |
| 97  | ULTEIG ENGINEERS INC          | Q6 Relocation for 55 St Ext @ Broadway   | 9,505.00  |
| 98  | CONSOLIDATED COMM ENTERPRISE  | Wireless Access Points                   | 9,280.20  |
| 99  | ROCH PLUMBING & HEATING CO IN | Olm Cnty Campus Water System Purchase    | 9,121.11  |
| 100 | MASTEC NORTH AMERICA INC      | Jackhammer into manhole & dig pit -723 2 | 8,865.00  |
| 101 | STUART C IRBY CO INC          | IR camera, FLIR, T440                    | 8,775.00  |
| 102 | ROCHESTER PUBLIC SCHOOLS      | CIP Conserve & Save Rebates              | 8,700.00  |
| 103 | WELLS FARGO                   | CIP Conserve & Save Rebates              | 8,467.50  |
| 104 | WORKS COMPUTING INC           | HP DL160 Gen9 Server                     | 8,156.25  |
| 105 | SPECTRUM REACH                | Service Assured TV spot                  | 7,961.00  |
| 106 | BARR ENGINEERING COMPANY (P)  | 2015 Turbine Inspections                 | 7,847.50  |
| 107 | MINNESOTA ENERGY RESOURCES CO | Gas at Cascade Creek- October            | 7,766.19  |
| 108 | MASTEC NORTH AMERICA INC      | New subdivision-Cassidy Ridge            | 7,678.21  |
| 109 | IRET PROPERTIES               | WATER MAIN - 46 AVE NW                   | 7,651.60  |
| 110 | ALL SYSTEMS INSTALLATION INC  | Closet 5 Category 6 Conversaion          | 7,517.00  |
| 111 | AIR CLEANING SPECIALISTS INC  | Motorized hose reel, 5"x 30'             | 7,418.00  |
| 112 | D P C INDUSTRIES INC          | 2015 Hydrofluorosilicic Acid - Delivered | 7,131.37  |
| 113 | MASTEC NORTH AMERICA INC      | 3 0 reconductor - 2204 Valleyhigh Dr NW  | 6,902.00  |
| 114 | ALL SYSTEMS INSTALLATION INC  | Low Voltage - Intercom work System Ops   | 6,896.64  |
| 115 | MN DEPT OF REVENUE            | Nov Sales and Use Tax                    | 6,891.95  |
| 116 | CORPORATE WEB SERVICES INC    | Everbridge Integration                   | 6,750.00  |
| 117 | MASTEC NORTH AMERICA INC      | 2015 Directional Boring/Misc Excavation  | 6,635.15  |
| 118 | SOVRAN INC                    | Support 3 years - Nimble                 | 6,519.38  |
| 119 | BOBCAT OF ROCHESTER           | stump grinder                            | 6,426.39  |
| 120 | BADGER METER INC (P)          | Meter, Bare 6" Badger T-2000 Round Flg   | 6,252.19  |
| 121 | CITY OF ROCHESTER             | Oct-Dec, City Atty Services              | 6,250.00  |
| 122 | MASTEC NORTH AMERICA INC      | New subdivision-Pine Ridge Heights       | 6,130.55  |
| 123 | MINNESOTA ENERGY RESOURCES CO | Gas at Cascade Creek-November            | 6,091.01  |
| 124 | XYLO TECHNOLOGIES INC         | IT Helpdesk Support                      | 6,066.00  |
| 125 | CITY OF ROCHESTER             | Pre-fin,Water main,Bike trl,Cty Pro#2010 | 6,049.87  |
| 126 | ULTEIG ENGINEERS INC          | Relay Coordination Chester to N. Roches  | 5,897.00  |
| 127 | ARNOLDS SUPPLY & KLEENIT CO ( | 2014-2015 SC Monthly Cleaning Services   | 5,887.74  |
| 128 | CITY CENTER ONE LLC           | CIP Conserve & Save Rebates              | 5,875.00  |
| 129 | CHS ROCHESTER                 | Monthly Fuel                             | 5,841.07  |
| 130 | SOLDO CONSULTING PC           | RPU Compaint Investigation 6/25-9/25/15  | 5,615.96  |
| 131 | ASSOCIATED MILK PRODUCERS     | CIP Conserve & Save Rebates              | 5,600.00  |

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## ROCHESTER PUBLIC UTILITIES

### A/P Board Listing By Dollar Range

For 12/07/2015 To 01/14/2016

Consolidated & Summarized Below 1,000

|     |                                |  |                     |
|-----|--------------------------------|--|---------------------|
| 132 | GRAYBAR ELECTRIC COMPANY INC   | AMP ATS w/breakers and controls          | 5,280.00            |
| 133 | GRAYBAR ELECTRIC COMPANY INC   | Vault, Street Lighting, W/Cover 24x24x24 | 5,256.12            |
| 134 | FIRST CLASS PLUMBING & HEATIN  | Water softner replacment @ SC Mech Room  | 5,185.00            |
| 135 | WESCO DISTRIBUTION INC         | Bulb, 100W, HPS                          | 5,167.19            |
| 136 | SOVRAN INC                     | Non return of disk drives                | 5,076.56            |
| 137 | BARR ENGINEERING COMPANY (P)   | Lake Zumbro Dam 2015 Annual Inspection   | 5,048.90            |
| 138 | PITNEY BOWES PURCHASE POWER    | postage                                  | 5,045.00            |
| 139 |                                |  |                     |
| 140 |                                |  |                     |
| 141 |                                |  |                     |
|     |                                | <b>Price Range Total:</b>                | <b>1,777,053.17</b> |
| 142 | <b><u>1,000 to 5,000 :</u></b> |  |                     |
| 143 |                                |  |                     |
| 144 | ROCH PLUMBING & HEATING CO IN  | Olm Cnty Campus Water System Purchase, H | 4,975.59            |
| 145 | UNIDESH CORPORATION            | Unidesk Maintenance 3 yr (60)            | 4,809.38            |
| 146 | LEAGUE OF MN CITIES INS TRUST  | Claim, John and Deborah Harper           | 4,800.00            |
| 147 | WORKS COMPUTING INC            | Hardware Support and Warranty            | 4,624.89            |
| 148 | BORDER STATES ELECTRIC SUPPLY  | Wire, AL, 600V, 4/0-2/0 NEU YS Tri Urd   | 4,599.00            |
| 149 | MASTEC NORTH AMERICA INC       | Streetlight install - 8 1/2 ave nw       | 4,560.00            |
| 150 | BADGER METER INC (P)           | Meter, Bare 5/8x3/4" Badger Disc         | 4,560.00            |
| 151 | CONSOLIDATED COMM ENTERPRISE   | Catalyst 3850 4 x 10GE Network Module    | 4,520.00            |
| 152 | SHOPKO STORES INC #36          | CIP Conserve & Save Rebates              | 4,515.00            |
| 153 | VERIZON WIRELESS               | 2015 Cell & iPad Monthly Service         | 4,488.33            |
| 154 | OPTIV SECURITY INC             | 2015-2016 Blue Coat Web Gateway Renewal  | 4,381.88            |
| 155 | CORPORATE WEB SERVICES INC     | Website redesging Second stage           | 4,250.00            |
| 156 | CORPORATE WEB SERVICES INC     | Website redesign - Phase 1               | 4,250.00            |
| 157 | VIKING ELECTRIC SUPPLY INC     | Fluke Scopemeter w/software and case     | 4,249.99            |
| 158 | D P C INDUSTRIES INC           | 2015 Carus 8500 Aqua Mag Kjell F35       | 4,175.60            |
| 159 | POWER SYSTEMS ENGINEERING INC  | 2015 Core Downtown Electric Study Scope  | 4,140.00            |
| 160 | VIKING ELECTRIC SUPPLY INC     | Cable Pulling Lube                       | 4,140.00            |
| 161 | BASLER ELECTRIC COMPANY        | Relay, Basler BE1-GPS100                 | 4,091.00            |
| 162 | NALCO COMPANY                  | DI Vessels, Anion, CC                    | 4,039.88            |
| 163 | CITY OF ROCHESTER              | WC                                       | 4,025.52            |
| 164 | ALTAEAST, LLC                  | Abondonment deposit refund               | 4,000.00            |
| 165 | CONGREGATIONAL CHURCH          | CIP Conserve & Save Rebates              | 3,950.00            |
| 166 | SHORT ELLIOTT HENDRICKSON INC  | Baihly Reconditioning Telecom Coordinate | 3,939.13            |
| 167 | NETWORKFLEET INC               | 2015 Monthly Charge - GPS Fleet Tracking | 3,936.62            |
| 168 | BADGER METER INC (P)           | Meter, Bare 4" Badger T-1000 Round Flg   | 3,847.50            |
| 169 | T-Mobile Central LLC           | T-Mobile Baihly/Viola Deposit Refund     | 3,801.89            |
| 170 | TSP INC                        | TSP Design System Operations             | 3,748.78            |
| 171 | ALL SYSTEMS INSTALLATION INC   | Replace Camera Hydro Dam                 | 3,738.49            |
| 172 | Sprint Property Services       | Country Manaor WT site deposit refund    | 3,598.02            |
| 173 | ARNOLDS SUPPLY & KLEENIT CO (  | 2015 Mowing Services Well Houses         | 3,555.00            |
| 174 | TRANSMISSION ACCESS POLICY ST  | 2016 Membership Dues                     | 3,500.00            |

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## ROCHESTER PUBLIC UTILITIES

### A/P Board Listing By Dollar Range

For 12/07/2015 To 01/14/2016

Consolidated & Summarized Below 1,000

|     |                               |   |          |
|-----|-------------------------------|---|----------|
| 175 | BAIER GERALD                  | 2015-16 Snow Removal (Oct-Nov)                    | 3,483.33 |
| 176 | SHI INTERNATIONAL CORP (P)    | Safeword Mobilepass Licenses                      | 3,411.45 |
| 177 | REINDERS INC                  | GX honda Bedmaster rotor                          | 3,377.25 |
| 178 | D P C INDUSTRIES INC          | 2015 Chlorine, 150 lb Cyl                         | 3,356.50 |
| 179 | BARR ENGINEERING COMPANY (P)  | Construction Management-Silver Lake Dam           | 3,336.15 |
| 180 | QUANTITATIVE MARKET INTELLIGE | 2015 Qtly Customer Satisfaction Survey            | 3,206.25 |
| 181 | WIEST KEVIN                   | CIP Conserve & Save Rebates                       | 3,080.00 |
| 182 | VISION COMPANIES LLC (P)      | Consulting Services                               | 3,075.00 |
| 183 | WRIGHT TREE SERVICE INC       | Hourly Tree Removal                               | 3,041.83 |
| 184 | MACYS INC                     | CIP Conserve & Save Rebates                       | 3,002.94 |
| 185 | NORTH AMERICAN ENERGY MARKETS | 2016 NAEMA Membershio dues / Jeremy Sutton        | 3,000.00 |
| 186 | BANKS JOSHUA C                | Photos & video Neighborhood Energy & Hydro Pillar | 2,992.50 |
| 187 | BORDER STATES ELECTRIC SUPPLY | Fiber Optic, Splice, Large                        | 2,958.54 |
| 188 | WERNER ELECTRIC SUPPLY        | Panelboard lot (3)                                | 2,929.38 |
| 189 | BLS REPAIR LLC                | CIP Conserve & Save Rebates                       | 2,920.00 |
| 190 | SPARTA CONSULTING INC         | 2015 SAP Application Support Travel Exp           | 2,916.21 |
| 191 | ULTEIG ENGINEERS INC          | RTAC Configuration Chester Sub                    | 2,875.00 |
| 192 | MADSEN BRIAN                  | 2014-2015 Printer Maintenance contract            | 2,838.60 |
| 193 | PROSTAPLER LLC                | Stock-Ade 315i Impulse                            | 2,798.00 |
| 194 | PITNEY BOWES GLOBAL FINANCIAL | Insertor and Mailing System Lease                 | 2,759.65 |
| 195 | DLT SOLUTIONS, LLC            | AutoCad Civil 3D network license upgrade          | 2,683.37 |
| 196 | GIFT OF LIFE TRANSPLANT HOUSE | CIP Conserve & Save Rebates                       | 2,600.00 |
| 197 | PITNEY BOWES GLOBAL FINANCIAL | Postage   | 2,582.13 |
| 198 | STUART C IRBY CO INC          | Arrester, 10kV, Dist, Elbow MOV                   | 2,558.00 |
| 199 | WESCO DISTRIBUTION INC        | Arrester, 10kV, Dist, Parking Stand               | 2,547.00 |
| 200 | HOPPE CHRIS                   | CIP Conserve & Save Rebates                       | 2,500.00 |
| 201 | ENVIRONMENTAL SYSTEMS RESEARC | 2016 GeoEvent Tracking Server Maint               | 2,500.00 |
| 202 | WESCO DISTRIBUTION INC        | CT, Bar Type, 600/5 600V High Accuracy            | 2,474.25 |
| 203 | BAIER GERALD                  | 2015-2016 Sweeping Services Jan-December          | 2,458.13 |
| 204 | IBM                           | CIP Conserve & Save Rebates                       | 2,400.00 |
| 205 | CITY OF ROCHESTER             | Final,Water main, 1 ST SW,Cty proj#J7215          | 2,388.12 |
| 206 | ARNOLDS SUPPLY & KLEENIT CO ( | 2014-2015 SC Alternates                           | 2,345.91 |
| 207 | CANADIAN HONKER RESTAURANT &  | Employee Compliance training luncheon             | 2,307.59 |
| 208 | BORDER STATES ELECTRIC SUPPLY | Bracket, Equip Mtg, 3ph, 48", 6 Mtgs              | 2,268.20 |
| 209 | MITCHELL1                     | 2015 Shopkey Pro Web & Med Truck                  | 2,264.40 |
| 210 | DELL COMPUTER CORPORATION (P) | OptiPlex 9020, 8GB memory                         | 2,233.59 |
| 211 | SALEM ROAD COVENANT CHURCH    | CIP Conserve & Save Rebates                       | 2,209.50 |
| 212 | FAIRWAY OUTDOOR FUNDING LLC   | 2015 Digital Billboard Contract                   | 2,200.00 |
| 213 | NIETZ ELECTRIC INC            | Work @ new Walgreens                              | 2,170.00 |
| 214 | MASTEC NORTH AMERICA INC      | Conduit & cable install - VH dr // 50 Av          | 2,144.00 |
| 215 | STEVE GENTRY CONSTRUCTION LLC | Doors & Trim                                      | 2,140.00 |
| 216 | CONSOLIDATED COMM ENTERPRISE  | Fix Crashd Phone system                           | 2,127.50 |
| 217 | PAYMENT REMITTANCE CENTER     | Pro Plus 36                                       | 2,100.00 |
| 218 | PAYMENT REMITTANCE CENTER     | Tony Benson, camera                               | 2,072.95 |

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## ROCHESTER PUBLIC UTILITIES

### A/P Board Listing By Dollar Range

For 12/07/2015 To 01/14/2016

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|     |                               |   |          |
|-----|-------------------------------|---|----------|
| 219 | ADVANCED DISPOSAL SVC SOLID W | 2015 Waste Removal Services - SC                  | 2,051.39 |
| 220 | UTILITY SOLUTIONS INC         | Break safe tool                                   | 2,040.00 |
| 221 | SIEMENS DEMAG DELAVAL TURBOMA | Orifice, Recirc, #2 BFP                           | 2,037.04 |
| 222 | ALL SYSTEMS INSTALLATION INC  | connect knox box tamper switches to aler          | 2,003.91 |
| 223 | NAPA AUTO PARTS (P)           | Encore master                                     | 1,999.00 |
| 224 | BADGER METER INC (P)          | HRE Badger M-70 100W Itron ERT Integral           | 1,920.00 |
| 225 | KIDZIBITS LLC                 | Activity Refurbishment                            | 1,900.00 |
| 226 | JOHNSON PRINTING CO INC       | Print NEC Audit Forms for 2016                    | 1,890.62 |
| 227 | DAKOTA SUPPLY GROUP           | Luminaire, 108W LED, PC 120-277V, Black           | 1,833.98 |
| 228 | IHEART MEDIA dba              | Service Assured Ad                                | 1,820.00 |
| 229 | MIDCONTINENT ISO INC          | November Billing                                  | 1,817.01 |
| 230 | GRAYBAR ELECTRIC COMPANY INC  | Staples, 1.50x .375, Serrated Copper              | 1,765.57 |
| 231 | K A A L TV LLC                | Service Assured TV Ad                             | 1,750.00 |
| 232 | BORDER STATES ELECTRIC SUPPLY | Deadend Recept, 15kV, 600A, NLB                   | 1,732.20 |
| 233 | GRAYBAR ELECTRIC COMPANY INC  | Conn, CRP SL, #4-2/0 CU only                      | 1,725.00 |
| 234 | HIMEC INC (P)                 | labor   | 1,720.00 |
| 235 | DELL COMPUTER CORPORATION (P) | Flat Panel Monitor, 22"                           | 1,715.90 |
| 236 | BADGER METER INC (P)          | Meter, Bare 1" Badger Disk                        | 1,692.90 |
| 237 | TYROL SKI & SPORT             | Snowshoes   | 1,690.00 |
| 238 | SMIDT SHEET METAL CO INC      | Cut & Trim Fan & Louver Opeinings at Sub          | 1,670.00 |
| 239 | WHKS & CO                     | Consulting Services SLP Stack Painting            | 1,626.68 |
| 240 | ARNOLDS SUPPLY & KLEENIT CO ( | 2015 Mowing Services Substations                  | 1,625.57 |
| 241 | STUART C IRBY CO INC          | Vault, 48" x 72" x 36"                            | 1,625.00 |
| 242 | PAYMENT REMITTANCE CENTER     | Pro Plus 48                                       | 1,600.00 |
| 243 | JF BRENNAN CO INC             | AP Contract Retention                             | 1,581.91 |
| 244 | MINNESOTA ENERGY RESOURCES CO | Monthly billing - Natural Gas SC 11/1615-12/15/15 | 1,563.57 |
| 245 | CHURCH OF ST PIUS X           | CIP Conserve & Save Rebates                       | 1,550.37 |
| 246 | HEINRICH ENVELOPE CORPORATION | Envelope, # 9 Remittance                          | 1,550.22 |
| 247 | MASTEC NORTH AMERICA INC      | Manhole Repair 10 Ave & 4 St SW                   | 1,530.75 |
| 248 | CDW GOVERNMENT INC            | Environment monitoring device                     | 1,509.61 |
| 249 | BORDER STATES ELECTRIC SUPPLY | Trans Pad, Black Plastic                          | 1,500.00 |
| 250 | KATS COMPANY LLC              | SA Water service repair - 810 6 Ave NW            | 1,500.00 |
| 251 | 360 TRAINING.COM INC (P)      | NERC CEH Training - Jeremy Sutton                 | 1,485.00 |
| 252 | STUART C IRBY CO INC          | Conn, Trans, 1/0-1000, 6-Tap, Bare                | 1,485.00 |
| 253 | TRIPWIRE INC                  | Travel for Consulting Services                    | 1,464.54 |
| 254 | UNITED RENTALS INC            | Telescopic boom // NS                             | 1,463.29 |
| 255 | MASTEC NORTH AMERICA INC      | House service 331 Lowry Ct SW                     | 1,462.50 |
| 256 | HALEY COMFORT SYSTEMS         | CIP Conserve & Save Rebates                       | 1,453.75 |
| 257 | BORDER STATES ELECTRIC SUPPLY | Elbow, 15kV, 200A, LB,1/0 Sol,175-220Mil          | 1,443.00 |
| 258 | HALF BARREL                   | CIP Conserve & Save Rebates                       | 1,402.50 |
| 259 | JCPENNEY CORPORATION INC      | CIP Conserve & Save Rebates                       | 1,400.00 |
| 260 | POMPS TIRE SERVICE INC        | Hankook tires                                     | 1,394.72 |
| 261 | CORPORATE WEB SERVICES INC    | SSL purchase/setup/corms secured                  | 1,350.00 |
| 262 | PAYMENT REMITTANCE CENTER     | Travel, S Cook, Regis-APPA conf                   | 1,345.00 |

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## ROCHESTER PUBLIC UTILITIES

### A/P Board Listing By Dollar Range

For 12/07/2015 To 01/14/2016

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|     |                               |   |          |
|-----|-------------------------------|---|----------|
| 263 | CDW GOVERNMENT INC            | DVI console extender                              | 1,339.89 |
| 264 | CLIFTONLARSONALLEN LLP        | IT Security Compliance Training                   | 1,337.00 |
| 265 | U S POSTMASTER                | Call Service Fee Due - 12 months                  | 1,332.00 |
| 266 | SCHAD TRACY SIGNS INC         | create and install new location signs@ substation | 1,329.80 |
| 267 | CDW GOVERNMENT INC            | Graphics card, 2GB                                | 1,322.66 |
| 268 | WESCO DISTRIBUTION INC        | Load Ranger Tool w/Case                           | 1,295.20 |
| 269 | DAKOTA SUPPLY GROUP           | Insulated Protective Cap w/Grd, 200A              | 1,286.40 |
| 270 | CITY OF ROCHESTER             | W/C, Berkley Admnin Fees, Oct                     | 1,282.00 |
| 271 | CITY OF ROCHESTER             | WC admin fees Nov 15                              | 1,282.00 |
| 272 | LOCK AWAY STORAGE WEST        | CIP Conserve & Save Rebates                       | 1,269.00 |
| 273 | WIESER PRECAST STEPS INC (P)  | Grd Sleeve, Switch Basement, PME                  | 1,250.00 |
| 274 | STUART C IRBY CO INC          | Lens, 30mm  | 1,250.00 |
| 275 | DILLON RADIATOR               | CIP Conserve & Save Rebates                       | 1,248.00 |
| 276 | CONSOLIDATED COMM ENTERPRISE  | SNTC 8X5XNBD Catalyst 3850 48 Port Base           | 1,239.75 |
| 277 | RESCO                         | Arrester, 10kV, Dist, Riser MOV                   | 1,234.00 |
| 278 | CONSOLIDATED COMMUNICATIONS d | 2014-2017 Monthly Data Services                   | 1,222.75 |
| 279 | AFFILIATED CREDIT SERVICES IN | 2015 Third Party Collections                      | 1,207.31 |
| 280 | JOHNSON PRINTING CO INC       | Postage   | 1,197.01 |
| 281 | GREAT RIVER ENERGY            | CapX Vision Team - O&M                            | 1,196.44 |
| 282 | INCOM DIRECT                  | 2016 Credit Card Processing Services              | 1,188.00 |
| 283 | G A ERNST & ASSOCIATES INC    | NEC Audits  | 1,184.00 |
| 284 | PARK TOWERS                   | CIP Conserve & Save Rebates                       | 1,184.00 |
| 285 | WHITEWATER WIRELESS INC       | Base station equipment, Cross Town                | 1,182.59 |
| 286 | Sprint Property Services      | John Adams WT deposit refund                      | 1,181.34 |
| 287 | CONSOLIDATED COMMUNICATIONS d | 2014-2017 Collocation Agreement                   | 1,169.07 |
| 288 | WEISS, KIMBERLY               | * Customer Refund - CCS 300000623267              | 1,166.99 |
| 289 | VIKING ELECTRIC SUPPLY INC    | box for fiber                                     | 1,155.66 |
| 290 | CONSOLIDATED COMM ENTERPRISE  | 2014-2017 Total Care Support                      | 1,135.00 |
| 291 | OPTIV SECURITY INC            | 2015-2016 Juniper Care NextDay Renewal            | 1,119.20 |
| 292 | NAPA AUTO PARTS (P)           | Leaktamer system                                  | 1,115.99 |
| 293 | CITY AUTO GLASS               | CIP Conserve & Save Rebates                       | 1,114.00 |
| 294 | BUCKEYE LIQUOR                | CIP Conserve & Save Rebates                       | 1,110.00 |
| 295 | GRAYBAR ELECTRIC COMPANY INC  | Keyed breaker/drawer interlocks                   | 1,102.30 |
| 296 | PAYMENT REMITTANCE CENTER     | Travel, S Cook, Regis-DistribTECH                 | 1,095.00 |
| 297 | DOBLE ENGINEERING COMPANY     | T9920 Cable, OCB, TDR900/TDR9000                  | 1,090.00 |
| 298 | ADVANTAGE DIST LLC (P)        | Duragard  | 1,086.87 |
| 299 | NORTH STAR INTL TRUCKS INC    | Labor - Install toolbox, brakes and gaskets       | 1,082.50 |
| 300 | VIKING ELECTRIC SUPPLY INC    | Conduit, PVC Sch 40, 3.00                         | 1,068.23 |
| 301 | OULDAL ENTERPRISES INC        | CIP Conserve & Save Rebates                       | 1,050.00 |
| 302 | BADGER METER INC (P)          | HRE Badger M-170 100W Itron ERT Integral          | 1,050.00 |
| 303 | ROCHESTER ARMORED CAR CO INC  | 2015/16 Pick Up Services May-April                | 1,041.89 |
| 304 | TWO SOCKETS - TWO METERS INC  | Wire Harness, 6' Custom                           | 1,038.83 |
| 305 | BORDER STATES ELECTRIC SUPPLY | Conn, CRP Lug, 4/0-500 Str AL/CU, 1 Hole          | 1,024.80 |
| 306 | PAYMENT REMITTANCE CENTER     | Travel, N Stiller, Regis-APPA conf                | 1,020.00 |

Attachment: AP Board CRMO (5031 : a/p board listing)

## ROCHESTER PUBLIC UTILITIES

### A/P Board Listing By Dollar Range

For 12/07/2015 To 01/14/2016

Consolidated & Summarized Below 1,000

|     |                               |   |            |
|-----|-------------------------------|---|------------|
| 307 | ROCHESTER GOLF AND COUNTRY CL | CIP Conserve & Save Rebates             | 1,009.95   |
| 308 | GRAYBAR ELECTRIC COMPANY INC  | Conn, Trans, 750, 6-Tap, Deadfront, Clr | 1,003.59   |
| 309 | TOKAY SOFTWARE                | Backflow Prevention Software            | 1,000.00   |
| 310 |                               |   |            |
| 311 |                               | <b>Price Range Total:</b>               | 375,023.22 |
| 312 |                               |   |            |
| 313 | <b><u>0 to 1,000 :</u></b>    |   |            |
| 314 |                               |   |            |
| 315 | REBATES                       | Summarized transactions: 83             | 16,436.92  |
| 316 | PAYMENT REMITTANCE CENTER     | Summarized transactions: 57             | 12,260.73  |
| 317 | EXPRESS SERVICES INC          | Summarized transactions: 18             | 11,295.56  |
| 318 | BORDER STATES ELECTRIC SUPPLY | Summarized transactions: 44             | 9,987.09   |
| 319 | STUART C IRBY CO INC          | Summarized transactions: 31             | 7,876.58   |
| 320 | Customer Refunds (CIS)        | Summarized transactions: 74             | 7,661.41   |
| 321 | CINTAS CORP                   | Summarized transactions: 154            | 7,245.34   |
| 322 | VIKING ELECTRIC SUPPLY INC    | Summarized transactions: 56             | 5,575.73   |
| 323 | WESCO DISTRIBUTION INC        | Summarized transactions: 31             | 5,352.81   |
| 324 | BADGER METER INC (P)          | Summarized transactions: 23             | 4,886.98   |
| 325 | CITY OF ROCHESTER             | Summarized transactions: 36             | 4,248.39   |
| 326 | NAPA AUTO PARTS (P)           | Summarized transactions: 80             | 3,538.04   |
| 327 | ALDEN POOL & MUNICIPAL SUPPLY | Summarized transactions: 14             | 3,266.51   |
| 328 | GRAYBAR ELECTRIC COMPANY INC  | Summarized transactions: 28             | 3,088.57   |
| 329 | CDW GOVERNMENT INC            | Summarized transactions: 21             | 3,008.38   |
| 330 | MN PIPE & EQUIPMENT           | Summarized transactions: 14             | 2,984.61   |
| 331 | ROCH SAND & GRAVEL INC        | Summarized transactions: 5              | 2,780.00   |
| 332 | GRAINGER INC                  | Summarized transactions: 29             | 2,661.74   |
| 333 | WHITEWATER WIRELESS INC       | Summarized transactions: 9              | 2,637.28   |
| 334 | SUPERIOR COMPANIES OF MINNESO | Summarized transactions: 6              | 2,375.79   |
| 335 | CENTURYLINK                   | Summarized transactions: 8              | 2,301.50   |
| 336 | GARCIA GRAPHICS INC           | Summarized transactions: 15             | 2,257.50   |
| 337 | ALL SYSTEMS INSTALLATION INC  | Summarized transactions: 4              | 2,205.88   |
| 338 | THERMO FISHER SCIENTIFIC INC. | Summarized transactions: 7              | 2,155.95   |
| 339 | ARNOLDS SUPPLY & KLEENIT CO ( | Summarized transactions: 10             | 1,988.10   |
| 340 | CONSOLIDATED COMM ENTERPRISE  | Summarized transactions: 4              | 1,844.31   |
| 341 | BEST BUY BUSINESS ADVANTAGE d | Summarized transactions: 22             | 1,781.96   |
| 342 | MILESTONE MATERIALS           | Summarized transactions: 3              | 1,770.15   |
| 343 | OPEN ACCESS TECHNOLOGY        | Summarized transactions: 2              | 1,763.40   |
| 344 | HUDSON WORKWEAR CO INC        | Summarized transactions: 22             | 1,736.42   |
| 345 | MCMASTER CARR SUPPLY COMPANY  | Summarized transactions: 36             | 1,722.32   |
| 346 | SHORT ELLIOTT HENDRICKSON INC | Summarized transactions: 4              | 1,707.71   |
| 347 | DELL COMPUTER CORPORATION (P) | Summarized transactions: 7              | 1,676.63   |
| 348 | AIR CLEANING SPECIALISTS INC  | Summarized transactions: 10             | 1,656.10   |
| 349 | JOHNSON PRINTING CO INC       | Summarized transactions: 6              | 1,623.44   |

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## ROCHESTER PUBLIC UTILITIES

### A/P Board Listing By Dollar Range

For 12/07/2015 To 01/14/2016

Consolidated & Summarized Below 1,000

|     |                               |                             |          |
|-----|-------------------------------|-----------------------------|----------|
| 350 | HEWLETT PACKARD ENTERPRISE CO | Summarized transactions: 2  | 1,621.26 |
| 351 | MASTEC NORTH AMERICA INC      | Summarized transactions: 7  | 1,613.50 |
| 352 | ONLINE INFORMATION SERVICES I | Summarized transactions: 2  | 1,543.47 |
| 353 | CANNON ELECTRIC MOTOR dba     | Summarized transactions: 2  | 1,376.74 |
| 354 | AUTHORIZE.NET                 | Summarized transactions: 2  | 1,366.80 |
| 355 | ADVANTAGE DIST LLC (P)        | Summarized transactions: 4  | 1,338.30 |
| 356 | CRESCENT ELECTRIC SUPPLY CO   | Summarized transactions: 9  | 1,305.44 |
| 357 | TOWNSQUARE MEDIA - ROCHESTER  | Summarized transactions: 2  | 1,224.00 |
| 358 | PEOPLES ENERGY COOPERATIVE    | Summarized transactions: 4  | 1,212.42 |
| 359 | LAWSON PRODUCTS INC (P)       | Summarized transactions: 4  | 1,199.87 |
| 360 | FIRST CLASS PLUMBING & HEATIN | Summarized transactions: 7  | 1,184.02 |
| 361 | SCHLINK WALTER                | Summarized transactions: 5  | 1,182.45 |
| 362 | INNOVATIVE OFFICE SOLUTIONS L | Summarized transactions: 19 | 1,157.53 |
| 363 | VERIZON WIRELESS              | Summarized transactions: 2  | 1,150.61 |
| 364 | CINTAS CORP                   | Summarized transactions: 7  | 1,135.43 |
| 365 | ALTEC INDUSTRIES INC          | Summarized transactions: 4  | 1,132.72 |
| 366 | CENTER FOR ENERGY AND ENVIRON | Summarized transactions: 4  | 1,125.45 |
| 367 | MAILE ENTERPRISES INC         | Summarized transactions: 2  | 1,114.79 |
| 368 | NORTH STAR INTL TRUCKS INC    | Summarized transactions: 5  | 1,089.14 |
| 369 | UNITED RENTALS INC            | Summarized transactions: 5  | 1,088.47 |
| 370 | POMPS TIRE SERVICE INC        | Summarized transactions: 5  | 1,080.31 |
| 371 | ZEE MEDICAL SERVICE INC (P)   | Summarized transactions: 3  | 1,063.97 |
| 372 | U S A SAFETY SUPPLY           | Summarized transactions: 7  | 1,043.72 |
| 373 | LEKATZ CARTER                 | Summarized transactions: 3  | 1,040.76 |
| 374 | AFFILIATED CREDIT SERVICES IN | Summarized transactions: 2  | 1,014.57 |
| 375 | METRO SALES INC               | Summarized transactions: 3  | 1,009.32 |
| 376 | CLEMENTS CHEVROLET CADILLAC S | Summarized transactions: 4  | 1,007.52 |
| 377 | CHS ROCHESTER                 | Summarized transactions: 4  | 1,006.87 |
| 378 | STEVE BENNING ELECTRIC        | Summarized transactions: 4  | 972.00   |
| 379 | SOMA CONSTRUCTION INC         | Summarized transactions: 1  | 964.96   |
| 380 | INCOM DIRECT                  | Summarized transactions: 2  | 962.46   |
| 381 | GEOTECH ENVIRONMENTAL EQUIP I | Summarized transactions: 3  | 956.33   |
| 382 | SCHMIDT GOODMAN OFFICE PRODUC | Summarized transactions: 1  | 954.89   |
| 383 | GOPHER STATE ONE CALL         | Summarized transactions: 2  | 907.86   |
| 384 | GOPHER STATE ONE CALL         | Summarized transactions: 2  | 907.84   |
| 385 | CONSOLIDATED COMMUNICATIONS ( | Summarized transactions: 3  | 893.41   |
| 386 | ROCH PLUMBING & HEATING CO IN | Summarized transactions: 1  | 879.55   |
| 387 | R D O - POWERPLAN OIB         | Summarized transactions: 4  | 873.64   |
| 388 | BOWMANS SAFE & LOCK SHOP LTD  | Summarized transactions: 5  | 861.31   |
| 389 | MERCHANT & GOULD INC          | Summarized transactions: 1  | 851.25   |
| 390 | HIMEC INC (P)                 | Summarized transactions: 2  | 840.01   |
| 391 | MIDCONTINENT ISO INC          | Summarized transactions: 1  | 837.56   |
| 392 | CORPORATE WEB SERVICES INC    | Summarized transactions: 3  | 834.85   |
| 393 | LOCATORS AND SUPPLIES         | Summarized transactions: 12 | 822.30   |

Attachment: AP Board CRMO (5031 : a/p board listing)

## ROCHESTER PUBLIC UTILITIES

### A/P Board Listing By Dollar Range

For 12/07/2015 To 01/14/2016

Consolidated & Summarized Below 1,000

|     |                               |                             |        |
|-----|-------------------------------|-----------------------------|--------|
| 394 | SMS SYSTEMS MAINTENANCE SERVI | Summarized transactions: 1  | 806.86 |
| 395 | HACH COMPANY                  | Summarized transactions: 5  | 805.47 |
| 396 | FRONTIER                      | Summarized transactions: 2  | 776.16 |
| 397 | DAKOTA SUPPLY GROUP           | Summarized transactions: 4  | 766.36 |
| 398 | VERTICAL LIMIT CONSTRUCTION L | Summarized transactions: 1  | 765.00 |
| 399 | ERC WIPING PRODUCTS INC       | Summarized transactions: 3  | 747.91 |
| 400 | MN DEPT OF REVENUE            | Summarized transactions: 3  | 745.40 |
| 401 | SIGNAL CRAFTERS TECH          | Summarized transactions: 14 | 718.90 |
| 402 | ADVANCED DISPOSAL SVC SOLID W | Summarized transactions: 1  | 702.70 |
| 403 | CUSTOM COMMUNICATIONS INC     | Summarized transactions: 1  | 690.00 |
| 404 | MCMASTER CARR SUPPLY COMPANY  | Summarized transactions: 8  | 689.17 |
| 405 | MINNESOTA ENERGY RESOURCES CO | Summarized transactions: 3  | 681.11 |
| 406 | ON SITE SANITATION INC        | Summarized transactions: 7  | 680.06 |
| 407 | PROSTAPLER LLC                | Summarized transactions: 5  | 673.30 |
| 408 | WERNER ELECTRIC SUPPLY        | Summarized transactions: 3  | 671.10 |
| 409 | NALCO COMPANY                 | Summarized transactions: 11 | 665.26 |
| 410 | WRIGHT TREE SERVICE INC       | Summarized transactions: 1  | 659.79 |
| 411 | CENTURYLINK                   | Summarized transactions: 2  | 651.90 |
| 412 | ROCH REGIONAL SCIENCE FAIR    | Summarized transactions: 3  | 600.00 |
| 413 | GRAINGER INC                  | Summarized transactions: 3  | 596.07 |
| 414 | FASTENAL COMPANY              | Summarized transactions: 25 | 587.28 |
| 415 | Verizon Wireless (VAW)LLC     | Summarized transactions: 2  | 581.13 |
| 416 | PRUDENT PUBLISHING            | Summarized transactions: 2  | 572.00 |
| 417 | WORKS COMPUTING INC           | Summarized transactions: 1  | 560.74 |
| 418 | PEOPLES ENERGY COOPERATIVE (P | Summarized transactions: 1  | 560.00 |
| 419 | ENLOW COMPANIES INC           | Summarized transactions: 2  | 556.29 |
| 420 | AUTOMATIONDIRECT.COM          | Summarized transactions: 1  | 553.08 |
| 421 | FEDEX FREIGHT INC             | Summarized transactions: 2  | 549.56 |
| 422 | PEOPLES ENERGY COOPERATIVE    | Summarized transactions: 3  | 521.39 |
| 423 | SOLARWINDS INC                | Summarized transactions: 2  | 518.03 |
| 424 | MISSISSIPPI WELDERS SUPPLY CO | Summarized transactions: 9  | 512.41 |
| 425 | K A A L TV LLC                | Summarized transactions: 1  | 500.00 |
| 426 | ARCMAN CORP                   | Summarized transactions: 2  | 496.38 |
| 427 | DLT SOLUTIONS, LLC            | Summarized transactions: 1  | 488.66 |
| 428 | T E C INDUSTRIAL INC          | Summarized transactions: 4  | 483.83 |
| 429 | SCHEEL LAWRENCE               | Summarized transactions: 1  | 481.28 |
| 430 | ARROW ACE HARDWARE-ST PETER   | Summarized transactions: 10 | 479.78 |
| 431 | DONOVAN DAN J                 | Summarized transactions: 1  | 475.00 |
| 432 | ADKINS TERRY L                | Summarized transactions: 1  | 467.46 |
| 433 | BOBCAT OF ROCHESTER           | Summarized transactions: 4  | 462.92 |
| 434 | GOODIN COMPANY                | Summarized transactions: 6  | 462.66 |
| 435 | STEVE BENNING ELECTRIC        | Summarized transactions: 2  | 452.49 |
| 436 | FEDEX                         | Summarized transactions: 8  | 452.29 |
| 437 | COMPRESSOR ENGINEERING CORP   | Summarized transactions: 3  | 451.23 |

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## ROCHESTER PUBLIC UTILITIES

### A/P Board Listing By Dollar Range

For 12/07/2015 To 01/14/2016

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|     |                               |                            |        |
|-----|-------------------------------|----------------------------|--------|
| 438 | BOB GANDER PLUMBING & HEATING | Summarized transactions: 1 | 445.20 |
| 439 | SCHAEFFER MANUFACTURING CO    | Summarized transactions: 2 | 429.64 |
| 440 | KOTSCHAVAR MARK               | Summarized transactions: 4 | 427.76 |
| 441 | SOVRAN INC                    | Summarized transactions: 1 | 422.16 |
| 442 | RESCO                         | Summarized transactions: 2 | 414.89 |
| 443 | AMERICAN PAYMENT CENTER       | Summarized transactions: 1 | 413.00 |
| 444 | MCGT Rochester-Regional Scien | Summarized transactions: 1 | 400.00 |
| 445 | WARNING LITES OF MN INC       | Summarized transactions: 1 | 396.84 |
| 446 | WILLIAMS JERRY                | Summarized transactions: 3 | 395.31 |
| 447 | LEAGUE OF MN CITIES INS TRUST | Summarized transactions: 1 | 393.00 |
| 448 | SMYTH COMPANIES LLC           | Summarized transactions: 1 | 378.34 |
| 449 | TABLEAU SOFTWARE INC          | Summarized transactions: 2 | 377.12 |
| 450 | JACKSON SIDNEY                | Summarized transactions: 3 | 375.94 |
| 451 | TSP INC                       | Summarized transactions: 1 | 351.80 |
| 452 | REBATES                       | Summarized transactions: 6 | 350.00 |
| 453 | COLLINS FEED & SEED CENTER    | Summarized transactions: 2 | 347.34 |
| 454 | A T & T                       | Summarized transactions: 1 | 347.22 |
| 455 | TELEDYNE MONITOR LABS INC     | Summarized transactions: 2 | 345.74 |
| 456 | CLAREY'S SAFETY EQUIPMENT dba | Summarized transactions: 5 | 332.38 |
| 457 | QUALITY OVERHEAD DOOR INC     | Summarized transactions: 1 | 320.00 |
| 458 | PAULS LOCK & KEY SHOP INC     | Summarized transactions: 5 | 316.50 |
| 459 | SNAP ON INDUSTRIAL            | Summarized transactions: 2 | 315.85 |
| 460 | TARCO INDUSTRIES INC          | Summarized transactions: 2 | 312.02 |
| 461 | TRUCKIN' AMERICA              | Summarized transactions: 2 | 309.94 |
| 462 | MN PIPE & EQUIPMENT           | Summarized transactions: 1 | 304.56 |
| 463 | SCHONSTEDT INSTRUMENT COMPANY | Summarized transactions: 2 | 302.37 |
| 464 | REGIONAL CONCRETE CUTTING INC | Summarized transactions: 1 | 300.00 |
| 465 | BASLER ELECTRIC COMPANY       | Summarized transactions: 2 | 294.57 |
| 466 | CRYTEEL TRUCK EQUIPMENT INC   | Summarized transactions: 2 | 294.32 |
| 467 | TAILGATER INC                 | Summarized transactions: 2 | 286.94 |
| 468 | VIKING ELECTRIC SUPPLY INC    | Summarized transactions: 6 | 284.42 |
| 469 | IRON MOUNTAIN DBA             | Summarized transactions: 1 | 283.68 |
| 470 | UTILITY SOLUTIONS INC         | Summarized transactions: 5 | 283.45 |
| 471 | HUSKIE TOOLS INC              | Summarized transactions: 3 | 280.94 |
| 472 | CARQUEST AUTO PARTS           | Summarized transactions: 4 | 280.06 |
| 473 | TOKAY SOFTWARE                | Summarized transactions: 2 | 275.19 |
| 474 | GUNS AND HOSES CONST AND CLEA | Summarized transactions: 1 | 275.00 |
| 475 | HACH COMPANY                  | Summarized transactions: 2 | 271.34 |
| 476 | ALS LABORATORY GROUP TRIBOLOG | Summarized transactions: 1 | 267.50 |
| 477 | PROGRESSIVE TRUCK BODY REPAIR | Summarized transactions: 2 | 265.16 |
| 478 | KOSHIRE LARRY J               | Summarized transactions: 1 | 258.92 |
| 479 | INTERSTATE MOTOR TRUCKS INC   | Summarized transactions: 2 | 257.49 |
| 480 | THOMPSON GARAGE DOOR CO INC   | Summarized transactions: 2 | 252.84 |
| 481 | BARRY SCREEN PRINT CO dba     | Summarized transactions: 3 | 250.09 |

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## ROCHESTER PUBLIC UTILITIES

### A/P Board Listing By Dollar Range

For 12/07/2015 To 01/14/2016

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|     |                               |                             |        |
|-----|-------------------------------|-----------------------------|--------|
| 482 | DAKOTA SUPPLY GROUP           | Summarized transactions: 10 | 247.76 |
| 483 | NORTHERN / BLUETARP FINANCIAL | Summarized transactions: 6  | 245.92 |
| 484 | MEGGER (P)                    | Summarized transactions: 2  | 242.08 |
| 485 | HY VEE                        | Summarized transactions: 5  | 238.23 |
| 486 | NEWARK                        | Summarized transactions: 2  | 235.71 |
| 487 | DOBLE ENGINEERING COMPANY     | Summarized transactions: 6  | 231.06 |
| 488 | WERNER ELECTRIC SUPPLY        | Summarized transactions: 2  | 227.92 |
| 489 | MN CHAPTER OF NIGP            | Summarized transactions: 1  | 225.00 |
| 490 | ALLIED INSURANCE              | Summarized transactions: 1  | 225.00 |
| 491 | State of MN                   | Summarized transactions: 1  | 223.08 |
| 492 | IDEXX DISTRIBUTION CORP       | Summarized transactions: 2  | 215.74 |
| 493 | BILLTRUST dba                 | Summarized transactions: 1  | 214.85 |
| 494 | GILLUND ENTERPRISES           | Summarized transactions: 2  | 210.83 |
| 495 | OLLENDIECK PHIL               | Summarized transactions: 1  | 210.45 |
| 496 | NU-TELECOM dba                | Summarized transactions: 1  | 208.66 |
| 497 | WARNING LITES OF MN INC       | Summarized transactions: 1  | 200.00 |
| 498 | DZUBAY TONY                   | Summarized transactions: 2  | 198.89 |
| 499 | R E CARLSON INC               | Summarized transactions: 1  | 193.93 |
| 500 | MSC INDUSTRIAL SUPPLY CO INC  | Summarized transactions: 9  | 190.93 |
| 501 | ZIEGLER INC                   | Summarized transactions: 2  | 181.08 |
| 502 | PRATT & WHITNEY POWER SYSTEMS | Summarized transactions: 2  | 180.51 |
| 503 | DONAHUE DEBRA                 | Summarized transactions: 2  | 180.00 |
| 504 | STURM DANNY K                 | Summarized transactions: 1  | 177.68 |
| 505 | KRONEBUSCH JESSICA            | Summarized transactions: 2  | 177.68 |
| 506 | PRESTON JAMES                 | Summarized transactions: 2  | 177.68 |
| 507 | RONCO ENGINEERING SALES INC   | Summarized transactions: 2  | 176.40 |
| 508 | OLSEN CHAIN & CABLE CO INC    | Summarized transactions: 3  | 176.31 |
| 509 | SHERWIN WILLIAMS CO           | Summarized transactions: 2  | 173.57 |
| 510 | FLOETER CHARLES               | Summarized transactions: 1  | 172.19 |
| 511 | COOK STEVEN J                 | Summarized transactions: 2  | 169.40 |
| 512 | TENG PHIL                     | Summarized transactions: 1  | 169.00 |
| 513 | GARCIA GRAPHICS INC           | Summarized transactions: 2  | 168.75 |
| 514 | CITY OF ROCHESTER             | Summarized transactions: 2  | 160.00 |
| 515 | INGERSOLL RAND COMPANY        | Summarized transactions: 7  | 158.71 |
| 516 | MENARDS ROCHESTER NORTH       | Summarized transactions: 4  | 155.33 |
| 517 | DELL MARKETING LP             | Summarized transactions: 1  | 152.29 |
| 518 | MN SUPPLY COMPANY INC         | Summarized transactions: 2  | 151.67 |
| 519 | CULLIGAN OF ROCHESTER INC     | Summarized transactions: 2  | 151.20 |
| 520 | HANSON PATRICIA S             | Summarized transactions: 2  | 148.88 |
| 521 | SECURITY IMAGING CORP         | Summarized transactions: 2  | 148.71 |
| 522 | BLOM BRYAN                    | Summarized transactions: 2  | 148.24 |
| 523 | KULLOT TRAILER PARTS & SERVIC | Summarized transactions: 3  | 145.71 |
| 524 | MENARDS ROCHESTER SOUTH       | Summarized transactions: 2  | 144.31 |
| 525 | TEREX UTILITIES INC           | Summarized transactions: 3  | 143.27 |

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## ROCHESTER PUBLIC UTILITIES

### A/P Board Listing By Dollar Range

For 12/07/2015 To 01/14/2016

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|     |                               |                            |        |
|-----|-------------------------------|----------------------------|--------|
| 526 | POST BULLETIN CO              | Summarized transactions: 2 | 138.24 |
| 527 | RONCO ENGINEERING SALES INC   | Summarized transactions: 1 | 135.45 |
| 528 | AFFILIATED GROUP INC          | Summarized transactions: 1 | 135.00 |
| 529 | BLUESPIRE STRATEGIC MARKETING | Summarized transactions: 1 | 133.75 |
| 530 | FASTENAL COMPANY              | Summarized transactions: 4 | 131.18 |
| 531 | NIGHTHAWK dba                 | Summarized transactions: 1 | 130.12 |
| 532 | COLDIRON DONALD               | Summarized transactions: 1 | 130.00 |
| 533 | NAPA AUTO PARTS (P)           | Summarized transactions: 2 | 121.00 |
| 534 | HATHAWAY TREE SERVICE INC     | Summarized transactions: 1 | 120.00 |
| 535 | TYROL SKI & SPORT             | Summarized transactions: 1 | 116.19 |
| 536 | OLM COUNTY                    | Summarized transactions: 1 | 112.00 |
| 537 | SUTTON JEREMY                 | Summarized transactions: 2 | 109.00 |
| 538 | ANDERSON JUDITH               | Summarized transactions: 1 | 102.00 |
| 539 | OLM COUNTY PROPERTY RECORDS   | Summarized transactions: 2 | 97.00  |
| 540 | ENVIRONMENTAL SYSTEMS RESEARC | Summarized transactions: 1 | 88.80  |
| 541 | CANADIAN HONKER RESTAURANT &  | Summarized transactions: 1 | 86.48  |
| 542 | SLEEPY EYE TELEPHONE CO       | Summarized transactions: 1 | 84.76  |
| 543 | FRANZ REPROGRAPHICS INC       | Summarized transactions: 2 | 78.56  |
| 544 | VANCO SERVICES LLC            | Summarized transactions: 1 | 77.00  |
| 545 | STAMP STEVE                   | Summarized transactions: 1 | 75.00  |
| 546 | ROCH AREA BUILDERS INC        | Summarized transactions: 3 | 73.00  |
| 547 | GRAYBAR ELECTRIC COMPANY INC  | Summarized transactions: 1 | 67.87  |
| 548 | ALTERNATIVE TECHNOLOGIES INC  | Summarized transactions: 1 | 65.00  |
| 549 | AGRICULTURAL WEATHER INFO SER | Summarized transactions: 1 | 65.00  |
| 550 | ARROW ACE HARDWARE-ST PETER   | Summarized transactions: 2 | 64.13  |
| 551 | HEINRICH ENVELOPE CORPORATION | Summarized transactions: 1 | 61.19  |
| 552 | OLM COUNTY CENTRAL FINANCE    | Summarized transactions: 2 | 57.60  |
| 553 | INGRAM PRODUCTS INC           | Summarized transactions: 2 | 54.05  |
| 554 | IHEART MEDIA dba              | Summarized transactions: 1 | 52.00  |
| 555 | ANDERTON RANDY                | Summarized transactions: 1 | 50.67  |
| 556 | P F C EQUIPMENT INC (P)       | Summarized transactions: 3 | 47.31  |
| 557 | G A ERNST & ASSOCIATES INC    | Summarized transactions: 1 | 43.00  |
| 558 | PRAXAIR DISTRIBUTION INC      | Summarized transactions: 2 | 42.68  |
| 559 | THOMAS TOOL & SUPPLY INC      | Summarized transactions: 4 | 41.34  |
| 560 | O'REILLY AUTO PARTS           | Summarized transactions: 1 | 41.18  |
| 561 | KRUGER RONALD                 | Summarized transactions: 2 | 38.00  |
| 562 | MENARDS ROCHESTER NORTH       | Summarized transactions: 1 | 35.98  |
| 563 | DIEP ALAN                     | Summarized transactions: 1 | 35.00  |
| 564 | LANGUAGE LINE SERVICES INC    | Summarized transactions: 2 | 33.81  |
| 565 | TAUZELL JOHN                  | Summarized transactions: 1 | 30.00  |
| 566 | STILLER NEIL                  | Summarized transactions: 1 | 30.00  |
| 567 | FEDEX                         | Summarized transactions: 2 | 28.18  |
| 568 | WPS ANTENNAS.COM DBA          | Summarized transactions: 1 | 26.93  |
| 569 | ROCH AREA CHAMBER OF COMMERCE | Summarized transactions: 1 | 25.00  |

Attachment: AP Board CRMO (5031 : a/p board listing)

# ROCHESTER PUBLIC UTILITIES

## A/P Board Listing By Dollar Range

For 12/07/2015 To 01/14/2016

Consolidated & Summarized Below 1,000

|     |                               |                            |               |
|-----|-------------------------------|----------------------------|---------------|
| 570 | MINNESOTA ENERGY RESOURCES CO | Summarized transactions: 1 | 23.85         |
| 571 | TWO SOCKETS - TWO METERS INC  | Summarized transactions: 1 | 20.57         |
| 572 | DOUBLETREE HOTEL - BGDS HOTEL | Summarized transactions: 2 | 20.00         |
| 573 | LAUGEN STEVE                  | Summarized transactions: 1 | 19.00         |
| 574 | ST MARIE THOMAS               | Summarized transactions: 1 | 19.00         |
| 575 | HORSMAN ROGER                 | Summarized transactions: 1 | 19.00         |
| 576 | PUTZIER KRISTOPHER            | Summarized transactions: 1 | 19.00         |
| 577 | ALL SEASONS POWER & SPORT INC | Summarized transactions: 1 | 18.61         |
| 578 | D P C INDUSTRIES INC          | Summarized transactions: 1 | 18.45         |
| 579 | BLEVINS JAN                   | Summarized transactions: 1 | 15.00         |
| 580 | MN MUNICIPAL POWER AGENCY     | Summarized transactions: 1 | 8.01          |
| 581 | BATTERIES PLUS                | Summarized transactions: 1 | 6.29          |
| 582 |                               |                            |               |
| 583 |                               |                            | 247,706.58    |
| 584 |                               |                            |               |
| 585 |                               |                            | 21,133,302.68 |

Attachment: AP Board CRMO (5031 : a/p board listing)

## FOR BOARD ACTION

Agenda Item # (ID # 5017)

Meeting Date: 1/26/2016

**SUBJECT: Digger Derrick, Utility Body and Installation**

**PREPARED BY: Steve Monson**

**ITEM DESCRIPTION:**

Fleet Services vehicle replacement plan for 2016 included a new digger derrick truck for Electric Maintenance and Construction crews. The 2016 capital improvement budget includes \$155,000 for the digger derrick, utility body and installation. Sealed bids were opened on December 9, 2015.

Bids were received from two vendors to supply the digger derrick, body, and installation on an RPU provided cab and chassis. Based on our evaluation of the bids which included price, delivery, previous experience with manufacturer, availability of service and repair facilities, compliance with specifications, and operating & maintenance costs,

A breakdown of the bids is as follows:

| Vendor | Base Bid  | Trade In | Options  | Net Price |
|--------|-----------|----------|----------|-----------|
| Altec  | \$148,900 | \$8,000  | \$6,939  | \$147,839 |
| Terex  | \$189,544 | \$15,000 | \$5,758* | \$180,302 |

Altec Industries was determined to be the lowest responsive bid with a price of \$147,839.00, which including all options and the trade-in.

**UTILITY BOARD ACTION REQUESTED:**

Approve a resolution to enter into a purchase order with Altec Industries, Inc. in the amount of \$147,839 plus applicable tax.



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to issue a purchase order to Altec Industries, Inc. for

One 2016 Digger Derrick Attachment

The amount of the purchase order to be ONE HUNDRED FORTY SEVEN THOUSAND, EIGHT HUNDRED THIRTY-NINE AND 00/100 DOLLARS (\$147,839.00).

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 26th day of January, 2016.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 5006)

Meeting Date: 1/26/2016

**SUBJECT: System Operations Remodeling**

**PREPARED BY: Steve Monson**

**ITEM DESCRIPTION:**

Sealed bids were opened on January 19<sup>th</sup>, 2016 for the System Operations Remodeling at the RPU Service Center. This project includes an interior office re-design which modernizes the space and provides more efficient operation prior to the installation of the new SCADA system that is required to comply with NERC CIP requirements. The results of the bids are as follows:

| Contractor                 | Bid Amount |
|----------------------------|------------|
| Alvin E. Benike Inc.       | \$141,775  |
| Construction Collaborative | \$141,150  |
| Kraus Anderson             | \$149,499  |

Construction Collaborative offered the lowest cost bid and staff finds their proposal acceptable. Change orders for this project will be managed by internal authorization procedures.

The 2016 budget included \$200,000 for this work which is expected to be complete by April 15, 2016.

**UTILITY BOARD ACTION REQUESTED:**

Approve a resolution to enter into a purchase order with Construction Collaborative in the amount of \$141,150.



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to issue a purchase order to Construction Collaborative for

System Operations Remodeling

The amount of the contract agreement to be ONE HUNDRED FORTY ONE THOUSAND, ONE HUNDRED FIFTY AND 00/100 DOLLARS (\$141,150.00).

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 26th day of January, 2016.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 5000)

Meeting Date: 1/26/2016

**SUBJECT: Lump Sum and Hourly Power Line Clearance Tree Trimming**

**PREPARED BY: Mona Hoeft**

ITEM DESCRIPTION:

On January 15, 2016, sealed bids were received for both hourly and lump sum tree trimming services. The bids were evaluated using firm fixed pricing for individual lines and hourly pricing of specific equipment and labor classes based on an estimated number of hours worked over the three year contract period with invoices reimbursed based on actuals. Evaluated results are as follows:

|                          | <b>Asplundh Tree<br/>Expert Co.</b> | <b>Wright Tree<br/>Service, Inc.</b> |
|--------------------------|-------------------------------------|--------------------------------------|
| <b>Hourly</b>            |                                     |                                      |
| Three Year Costs         | <b>\$1,105,220.00</b>               | \$1,171,908.00                       |
| <b>Lump Sum Circuits</b> |                                     |                                      |
| 301B                     | <b>\$ 69,341.00</b>                 | \$ 70,445.70                         |
| 305B                     | \$ 104,046.00                       | <b>\$ 95,725.62</b>                  |
| 401B                     | <b>\$ 37,901.00</b>                 | \$ 45,792.87                         |
| 605C                     | No bid                              | <b>\$ 78,327.28</b>                  |
| 801A                     | \$ 233,416.00                       | <b>\$ 149,844.54</b>                 |
| 801D                     | \$ 184,897.00                       | <b>\$ 105,395.62</b>                 |
| 803A                     | \$ 19,485.00                        | <b>\$ 18,178.31</b>                  |
| 803D                     | <b>\$ 11,899.00</b>                 | \$ 19,755.37                         |
| 904C                     | <b>\$ 67,494.00</b>                 | \$ 198,542.48                        |
| Hydro                    | <b>\$ 98,977.00</b>                 | \$ 225,051.75                        |
| Evaluated Totals         | <b>\$1,390,832.00</b>               | <b>\$447,471.37</b>                  |

## FOR BOARD ACTION

Agenda Item # (ID # 5000)

Meeting Date: 1/26/2016

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RPU is exercising our right under the specifications to issue multiple awards resulting in a savings of \$94,373. Asplundh's contract will include the hourly portion along with the four lines highlighted while Wright's contract will include the remaining six lines. In addition to the fixed pricing there was an hourly rate bid for the additional work of removing a tree rather than trimming. It is important to have the flexibility to remove a tree which results in a long term savings. We have included an estimate of those future removal costs in the final contract price the Board is being asked to approve.

Both bidders submitted responsive bids and met the proposal requirements. The issuance of the contract with Asplundh is contingent upon verification of qualifications and safety requirements.

Each contract will be for a 23 month term, effective February 1<sup>st</sup>, with the option to extend an additional 12 months. The 2016 operating budget includes \$1,029,000 for tree trimming services and staff will assign the work up to that amount in 2016. It's anticipated that the budget for the following two years will remain stable and staff will assign work based on those future budgets. The second and third year of the contract will be contingent upon Utility Board and Council approval of those annual budgets.

### UTILITY BOARD ACTION REQUESTED:

Approve a resolution to enter into two contracts; one with Asplundh Tree Expert Co. in an amount not to exceed \$2,503,800, contingent upon verification of qualifications, safety requirements and one with Wright Tree Service in an amount not to exceed \$583,200 and authorize the Mayor and City Clerk to execute the Contract. Both contracts are subject to future annual budget approval.



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to execute two contracts, one to Asplundh Tree Expert Co in an amount not to exceed \$2,503,800 (TWO MILLION, FIVE HUNDRED THREE THOUSAND, EIGHT HUNDRED AND 00/100 DOLLARS) and one for Wrights Tree Service Inc. In an amount not to exceed \$583,200 (FIVE HUNDRED EIGHTY THREE THOUSAND, TWO HUNDRED AND 00/100 DOLLARS) for:

Lump Sum and Hourly Tree Trimming

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 26th day of January, 2016.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 5020)

Meeting Date: 1/26/2016

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**SUBJECT: Annual SAP Enterprise Support**

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**PREPARED BY: Phil Teng**

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ITEM DESCRIPTION:

RPU uses enterprise business software from SAP Public Services. The software is used for financial and management reporting, front-office customer support services and back-office business processes. SAP Public Services provides regular maintenance updates and global access to support experts to resolve system problems. The total annual cost for these maintenance and support services for 2016 is \$125,635.05, including sales tax. This is 22% of the current retail price for the enterprise business software of \$563,045. The maintenance agreement support increased 2.804% over 2015.

This is within RPU's approved 2016 budget.

UTILITY BOARD ACTION REQUESTED:

Management recommends that the Utility Board approve a purchase order agreement with SAP Public Services Inc. in the amount of \$125,635.05, including tax, for annual maintenance and support of the enterprise business software for 2016.



## RESOLUTION

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 2016

The amount of the purchase order agreement to be ONE HUNDRED TWENTY FIVE THOUSAND SIX HUNDRED THIRTY FIVE AND 05/100 DOLLARS (\$125,635.05).

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 26<sup>th</sup> day of January, 2016.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 4865)

Meeting Date: 1/26/2016

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**SUBJECT: SAP Application Support**

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**PREPARED BY: Phil Teng**

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ITEM DESCRIPTION:

Sparta Consulting, Inc. Has provided support for SAP applications over the last 2 years and the current agreement expires on January 31, 2016. Staff is recommending that Sparta Consulting, Inc. Continue to provide support in 2016 due to its experience with RPU's SAP system and business practices.

The arrangement will continue to include an on-site employee of Sparta to serve the role of the overall SAP architect as well as offshore support. However, the monthly hours will be reduced in the new agreement from 343 hours/month to 304 hours/month. This will reduce the annual spend on SAP support from \$350,000/year to \$303,360/year.

The statement of work is attached.

FOR CAPITAL PURCHASES/BIDS/MAJOR PROJECTS:

This is within RPU's approved 2016 budget.

UTILITY BOARD ACTION REQUESTED:

Staff recommends that the Utility Board approve a contract agreement with Sparta Consulting, Inc. in the amount of \$303,360 for SAP application support.



KPIT



KPIT Statement of Work  
SAP Application Support for  
Rochester Public Utilities  
(#14-03-E)

## Table of Contents

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Attachment: RPU - Sparta AMS SOW\_Renewal\_V4\_ForReview - clean (4865 : SAP Application Support)

## 1. Statement of Work (SOW)

This Statement Of Work ("SOW"), by and between The City of Rochester through its Public Utility Board, Rochester Public Utilities ("RPU") and Sparta Consulting, Inc. d/b/a KPIT, a California corporation having its principal offices at 111 Woodmere Road, Suite 200, Folsom, CA 95630 ("KPIT"), is governed by the terms and conditions as set forth in the Master Services Agreement #13-17-E between RPU and KPIT dated February 6, 2013 ("MSA").

This SOW shall be effective as of the date it is executed by both parties ("Effective Date") and shall remain effective until January 31, 2017 unless otherwise terminated in accordance with the MSA or extended via a Change Order (collectively the "SOW Term").

This SOW describes the SAP Support Services that will be performed for RPU as part of this engagement. The following information is pertinent to this project work.

|                                  |                                 |
|----------------------------------|---------------------------------|
| <b>Project Name:</b>             | SAP Application Support         |
| <b>Expected Start Date:</b>      | February 1 <sup>st</sup> , 2016 |
| <b>Expected Completion Date:</b> | January 31 <sup>st</sup> , 2017 |

Attachment: RPU - Sparta AMS SOW\_Renewal\_V4\_ForReview - clean (4865 : SAP Application Support)

## 2. Project Scope

As a part of this engagement, the following activities are considered in scope for KPIT’s support of RPU’s SAP system:

- Support Coordinator / Onsite-Offsite FICO Support
- Offshore SAP functional level 3 Break Fix Support of FICO, PS, PM modules
  - Break-Fix Incidents
- Offshore ABAP support

Any change in the scope of work mentioned in this document would have an impact on schedules and cost. Any changes in business requirements/scope during the project execution will be handled through the Change Control Process set forth in Attachment A.

### Support Levels

KPIT will adhere to the following support levels:

| Level          | Description of Support Service  |
|----------------|---|
| <b>Level 2</b> | Problem resolution support provided to end-users, which may include prioritization, navigation, “How to”, or other support including performing root cause analysis. When RPU determines they require further assistance from KPIT a ticket will be submitted to the KPIT ticketing system requesting Level 3 support. Level 2 support will be provided by RPU. |
| <b>Level 3</b> | Break-fix resolution and root cause analysis support to address Application problems assigned to KPIT, which may require liaising with the (SAP) vendor to resolve. May also include the application of patches.  |
| <b>Level 4</b> | Enhancements and project work. Level 4 support is not included in this SOW but can be addressed via the Change Order process should RPU wish KPIT work on Level 4 items.  |

## Support Window and Language

The support window for this engagement would be:

- KPIT will use its onsite and offshore shared delivery model to provide SAP support to RPU.
- Onsite-Offsite coordinator will provide support coverage during RPU working hours
- Offshore shared pool of resources will provide 2 hours of overlap support during RPU business hours starting 8 AM CST

The support language for the engagement will be **English**.

## Out of Scope

- Helpdesk support / Level 1 support
- Minor enhancements, major enhancements and project work / Level 4 support
- WANs, Telecommunications, Network and Infrastructure
- Desktops, Helpdesk and Level 1, Level 2 support is out of scope as RPU would be using their own helpdesk for first level calls.
- Functional execution of user transactions and maintaining data
- Systems networking support
- Implementation of upgrades and major release updates (considered project work); these could be provided as additional services on a time and materials basis
- Major process reengineering
- Migration of historical data
- All OS and Application Hosting support
- Anything not specifically mentioned as in scope is out of scope for this SOW.

### 3. Process, Schedules & Cost

KPIT will utilize the Flex Delivery model for this SOW. The Flex Delivery model will use a shared pool of offshore resources.

#### Support Process Steps:

1. RPU will ask KPIT's assigned onsite Coordinator to help with any specific support issue
2. KPIT will determine if it is covered within the scope of this support statement
3. If within the scope of this agreement, KPIT will identify offshore resource who will remotely work on this issue
4. KPIT will try to address support issues using its resources on timely fashion. .
5. Once assigned, the resource will analyze the issue and come up with an estimate for resolving the issue
6. If further discussion is needed with business and IT team of RPU, KPIT will inform accordingly

RPU agrees to reasonably respond to change order requests made by KPIT in the event of changes to the scope of Services, schedule, or any other material change to the project. A total of 144 onsite coordinator / FICO functional hours plus 160 offshore shared Bundle of Hours ("BOH") will be allocated on a monthly basis.

| <b>KPIT Support Team</b>                                  | <b>Support Role</b>  | <b>Hours/Month</b> | <b>Bill Rate*</b> | <b>Total Cost</b> |
|---|--|--------------------|-------------------|-------------------|
| Onsite-offsite Support Coordinator / FICO Functional Lead | Ticket prioritization, Resource coordination, Progress monitoring and assign, Status reporting | 144                | \$140             | \$20,160          |
| Offshore shared Bundle of Hours ("BOH")                   | Offshore Shared resource pool<br>Break Fix support   | 160                | \$32              | \$5,120           |
| <b>Total monthly support fee</b>                          |  |                    |                   | <b>\$25,280</b>   |

- KPIT onsite-offsite coordinator / FICO functional will work with RPU in prioritizing and assigning tickets to the offshore shared resource pool. In addition, the onsite-offsite FICO lead will resolve Level 3 issues on the FICO module.
- The Onsite-Offsite coordinator will be at onsite for 1 to 2 weeks and work from offsite for remaining weeks in any given month
- Only Break Fix will be covered by this SOW. Any minor, major enhancements and projects work would need a separate SOW
- If total hours spent by onsite-offsite support coordinator exceeds 144 hours in any given month, additional hours will be billed on a T&M (time and materials basis) using the bill rate in the rate card provided under section 4 below through an approved change order.
- Up to 40 unused hours from the BOH in a given month, can be rolled over to next month within an individual quarter. The hours will be reset at the beginning of the next quarter. For the purposes of this Agreement quarters are defined as January through March, April through June, July through September, and October through December
- Services by RPU are accepted as delivered and no separate deliverable sign-off is required. Services will be considered accepted when RPU accepts and pays its monthly invoices for the services outlined in this SOW. Any issues with the service provided by KPIT should be immediately escalated by RPU to KPIT management for a mutually agreed resolution.
- Payment will be net 30 days after receipt of invoice. 30 days is the payment term in standard service agreement.
- With the exception of up to two monthly onsite trips by the onsite-offsite coordinator, any onsite travel request needs to be approved by RPU and all travel & expenses will be paid at actual cost by RPU.

**\*Rates are exclusive of taxes, travel and expenses.**

Attachment: RPU - Sparta AMS SOW\_Renewal\_V4\_ForReview - clean (4865 : SAP Application Support)

## 4. Rate Card

If RPU requires additional services/resources beyond those described above, KPIT will provide services on a time and materials (T&M) basis per the following T&M rate card.

| <b>T &amp; M Rate Card for AMS Work (Excluding Travel &amp; Expenses cost)</b> |               |                |                 |
|--|---------------|----------------|-----------------|
| <b>SAP ECC</b>   | <b>Onsite</b> | <b>Offsite</b> | <b>Offshore</b> |
| Program Manager  | \$225         |                |                 |
| FICO   | \$160         | \$140          | \$40            |
| SD/MM/IM   | \$160         | \$140          | \$40            |
| Project Systems  | \$160         | \$140          | \$40            |
| Asset Accounting & Plant Maintenance   | \$160         | \$140          | \$40            |
| Quality Management   | \$160         | \$140          | \$35            |
| Workflow   | \$160         | \$140          | \$40            |
| HR/HCM   | \$160         | \$140          | \$40            |
| <b>SAP CR&amp;B</b>  |               |                |                 |
| Senior Consultant  | \$160         | \$140          | \$45            |
| Principal Consultant   | \$180         | \$160          | \$45            |
| Platinum Consultant  | \$225         | \$200          | \$45            |
| Senior Manager   | \$225         | \$200          | \$45            |
| <b>Basis &amp; Technical</b>   |               |                |                 |
| Security   | \$155         | \$110          | \$35            |
| Basis  | \$155         | \$110          | \$40            |
| ABAP   | \$135         | \$110          | \$35            |

Attachment: RPU - Sparta AMS SOW\_Renewal\_V4\_ForReview - clean (4865 : SAP Application Support)

| <b>SAP BW</b>        |       |       |      |
|----------------------|-------|-------|------|
| BW Consultant        | \$150 | \$135 | \$40 |
| BW Senior Consultant | \$185 | \$160 | \$45 |
| BW Architect         | \$200 | \$180 | \$55 |
| Enterprise Portal    | \$165 | \$140 | \$40 |

Attachment: RPU - Sparta AMS SOW\_Renewal\_V4\_ForReview - clean (4865 : SAP Application Support)

## 5. Incident & Escalation Process

### Incident reporting

KPIT will use either Excel, OTRS, or the RPU Issue Tracker tool if any to create, track and update all support issues. The tracker will contain the following:

- Unique ID number
- Incident category
- Date and time of incident submission and any subsequent activities
- Name and identity of the person recording and updating the incident record
- Name, organization, and contact details of affected user(s)
- Description of the incident symptoms
- Details of any actions taken to try to diagnose, resolve or re-create the incident
- Incident category, status and priority
- Summary

KPIT will provide weekly and monthly reports to provide an overall snapshot on open incidents, incidents closed, etc.

### Escalation Process

At KPIT, we use a well-defined escalation process to resolve the conflicts in a timely and professional manner to maintain the quality of support without disruption of services. Depending on the severity of the conflict, a timeline will be defined for escalation to the next level/upper management. KPIT will ensure the availability of the KPIT steering committee members such as Practice Director and Account Executive to help proactively address the issue prior to the need of escalation.

Following are the steps we take to reduce the possibility of conflicts:

- Periodic status call with the KPIT and RPU leads
- Periodic Steering Committee meeting with key members from KPIT and RPU
- Tracking escalation through issues and SLAs, as required.
- Frequent communication with RPU management

---

## Communication Management Process

### Best Practices for Communication from similar engagements

KPIT's experience in support engagements has provided an array of best practice solutions related to communication for support engagements. Among the attributes for successful support communication includes:

- Proactive to prevent delivery slippage
- Complete, accurate, and timely
- Continuously monitor and relay progress to key stakeholders
- Identify and attack risks early and ensure all stakeholders are informed
- Adherence to the agreed upon processes to accurately reflect status and resource usage

### Status Reporting

Requests received by KPIT will be tracked, resolved and reported upon. KPIT standard reporting (weekly and monthly) of issues includes:

- Summary and detail level report of new tickets opened, tickets completed.
- Closed tickets, resolution and number of hours needed to resolve the tickets
- All tickets greater than one week old. For each ticket as status will be provided. This includes categories such as: a) in user testing, b) awaiting development or configuration, c) Requiring SAP marketplace Support (Customer request), etc.

## 6. Payment Terms

### Project Pricing

KPIT shall provide all Services and Deliverables referenced in this Statement of Work for the fixed price of **Twenty five Thousand and Two Hundred and Eighty Dollars (\$25,280) per month** excluding taxes, travel and expenses, which shall be referred to as the "Project Fixed Price" or "Fixed Price". RPU shall not be required to pay any amount in excess of the Project Fixed Price plus taxes/expenses for the scope of work described in this SOW except as mutually agreed upon in a Change Order.

KPIT will invoice RPU monthly based upon the services performed as described in this SOW. Payment terms are NET 30 from the invoice date. Travel and living expenses incurred in association with this effort are NOT included in price. Travel and expenses would be billed on an "actual" basis and would be billed monthly. RPU will reimburse for reasonable, actual expense including coach airfare, hotel, rental car and transportation, meal and incidents. Receipts will be provided prior to reimbursement. All rates are provided in US dollars. Invoices and supporting documentation can be in any file format.

**Taxes:** This engagement is for an optional maintenance contract without upgrades. KPIT will not be providing the canned software. The performance of the services will be made for RPU's Rochester, Minnesota location. The services are not subject to sales tax. As such, KPIT shall not invoice RPU for such taxes. In the event that RPU's state taxing authority concludes otherwise the agreement is subject to change. RPU agrees to remain solely responsible for the payment of such taxes.

### Invoicing Instructions:

Invoices will be submitted by KPIT to RPU at:

Client address (e-mail acceptable): \_\_\_\_\_

Attention: \_\_\_\_\_

Payments can be remitted to KPIT via ACH/EFT or at the following address:

SPARTA CONSULTING, INC. d/b/a KPIT

P.O. BOX 398227

SAN FRANCISCO, CA 94139-8227

Attachment: RPU - Sparta AMS SOW\_Renewal\_V4\_ForReview - clean (4865 : SAP Application Support)

## 7. Approval of Statement of Work

RPU acknowledges and agrees that KPIT's performance hereunder is dependent upon RPU performing its obligations under this SOW; RPU's failure to fulfill such obligations may result in a delay in performance hereunder and KPIT shall not be responsible for such delay or any associated cost increase or other consequences of such failure.

This SOW, together with its exhibits if any and the MSA, state all of the rights and responsibilities for each party, and supersedes all prior oral and written communications between RPU and KPIT regarding the subject matter hereof.

Each party represents and warrants that the foregoing is agreed to and accepted and that this Statement of Work has been executed by a duly authorized representative of each party on behalf of such party.

IN WITNESS WHEREOF, the parties hereto have executed this Statement of Work as of the date upon which the last party executes below.

**Sparta Consulting, Inc. d/b/a KPIT:**

**By (Printed Name)**

\_\_\_\_\_

**Title:**

\_\_\_\_\_

**Date:**

\_\_\_\_\_

**Signature:**

\_\_\_\_\_

**Rochester Public Utilities:**

**By (Printed Name)**

\_\_\_\_\_

**Title:**

\_\_\_\_\_

**Date:**

\_\_\_\_\_

**Signature:**

\_\_\_\_\_

Attachment: RPU - Sparta AMS SOW\_Renewal\_V4\_ForReview - clean (4865 : SAP Application Support)

## 8. Change Order Procedures and Change Order Form Appendix

### Attachment A: Change Order Procedures

The following procedures will be observed for all Change Orders:

1. Either party may request a Change Order but all Scope Change Orders must be in writing in the form attached hereto as Attachment A-1 or as otherwise mutually agreed by the parties.
2. Change Order requests will be processed as soon as reasonably possible but requests outstanding more than 10 days shall expire.
3. Change Orders will include the following:
  - a. A description of any additional work to be performed and/or any changes to the performance required of either party.
  - b. A statement of the impact of the work or changes on the scope of services or other requirements of the MSA.
  - c. The estimated timetable to complete the work specified in the Scope Change Order and the impact, if any, on the delivery schedule, pricing and payments.
  - d. Specific individuals with management or coordination responsibilities for KPIT and RPU.
  - e. The documentation to be modified or supplied as part of the work.
  - f. Estimated cost of additional work to Purchaser and/or hourly rates to be charged.
  - g. Approval/ Rejection

### Attachment A-1: CHANGE ORDER FORM

## Project Change Request

Change Number: **X**

### Part 1 – Change Information

|                     |  |                   |  |
|---------------------|--|-------------------|--|
| Client Name:        |  | Project Name:     |  |
| Client Project Mgr: |  | KPIT Project Mgr: |  |
| Relevant SOW:       |  | SOW Date:         |  |

**Describe the requested change:**  
*(Describe exactly what requires change. Do so in as much detail as needed for clarity and impact assessment)*

**Business case for change:**  
*(Why should this change be done, what is the benefit to the project and the business?)*

**Impact of not making this change, alternatives:**  
*(What would happen if this change was rejected or deferred? What alternatives to the change exist?)*

### Part 2 – Change Evaluation

|   |  |   |
|---|--|---|
| <b>Evaluated By:</b>                                  |  | <b>Change Impact Summary</b><br>(Check all that apply)<br><input checked="" type="checkbox"/> Scope / Functionality<br><input type="checkbox"/> Project Schedule<br><input type="checkbox"/> Project Cost<br><input type="checkbox"/> Project Processes<br><input type="checkbox"/> Project Documentation<br><input type="checkbox"/> Training<br><input type="checkbox"/> Change Management<br><input type="checkbox"/> Other: |
| <b>Describe the Proposed Solution and its Impact:</b> |  |   |
| <b>Schedule Impact:</b>                               | Describe how the schedule will change  |   |
| <b>Other Impacts:</b>                                 | Describe impacts to any other project areas, e.g. documentation, training, testing, etc. |   |

Attachment: RPU - Sparta AMS SOW\_Renewal\_V4\_ForReview - clean (4865 : SAP Application Support)

### Part 3 – Change Financials

|   |   |
|---|---|
| <input type="checkbox"/> No cost change<br><input type="checkbox"/> Fixed price change<br><input checked="" type="checkbox"/> Time and Materials change | Change Request Cost:<br><i>(for T&amp;M changes this represents an estimate only)</i> |
|   | <b>\$XXXX</b>   |

For Time and Materials based changes, staffing for this change is estimated as follows:

| Resource Name           | Role         | Onshore/<br>Offshore | Estimated<br>Hours | Cost           |
|-------------------------|--------------|----------------------|--------------------|----------------|
| Resources name if known | Role / title | Onshore              | XXX                | \$X,XXX        |
|                         |              | <b>Total</b>         | <b>XXX</b>         | <b>\$X,XXX</b> |

### Part 4 – Notes

|   |
|---|
| <b>Additional notes and commentary about this change</b> (if applicable): |
|   |

### Part 5 – Approval

|   |                           |
|---|---------------------------|
| <input checked="" type="checkbox"/> Change Approved<br><input type="checkbox"/> Change Rejected<br><input type="checkbox"/> Change Deferred, will not be implemented now<br>(must be resubmitted for reconsideration in the future) | Effective Date of Change: |
|   | <b>MM/DD/YYYY</b>         |

*This Project Change Request is subject to the terms and conditions of the MSA between the client and KPIT, and except as change herein, the governing Statement of Work.*

**Approved by:**

**Rochester Public Utilities**

**Sparta Consulting, Inc. d/b/a KPIT**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a contract agreement with Sparta Consulting, Inc for

SAP Application Support

The amount of the contract agreement to be THREE HUNDRED THREE THOUSAND THREE HUNDRED SIXTY AND 00/100 DOLLARS (\$303,360.00).

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 26th day of January, 2016.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 4988)

Meeting Date: 1/26/2016

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**SUBJECT: Amendment 6 to Schedule A of the Power Sales Contract between SMMPA and the City of Rochester**

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**PREPARED BY: Randy Anderton**

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ITEM DESCRIPTION:

Schedule A to the Power Sales Contract between SMMPA and the City of Rochester has been updated to reflect the current points of measurement for power and energy delivered under the contract.

The updates reflect the metering additions associated with the Chester Substation due to the addition of the new 161kV CapX transmission line terminating at this substation. No other provisions of the Power Sales Contract have been changed.

UTILITY BOARD ACTION REQUESTED:

Management recommends that the Utility Board request the Common Council approve Amendment 6 to Schedule A of the Power Sales Contract between Southern Minnesota Municipal Power Agency and the City of Rochester, dated January 15, 2016.

AMENDMENT 6 TO SCHEDULE A  
TO THE  
POWER SALES CONTRACT  
BETWEEN  
SOUTHERN MINNESOTA MUNICIPAL POWER AGENCY  
AND  
THE CITY OF ROCHESTER, MINNESOTA

AMENDMENT 6 TO SCHEDULE A, dated as of January 15, 2016, to Power Sales Contract dated as of April 1, 1981, as amended to the date hereof (the "Power Sales Contract"), between SOUTHERN MINNESOTA MUNICIPAL POWER AGENCY (the "Agency") and the CITY OF ROCHESTER, MINNESOTA (the "Member").

The Agency and the Member have agreed to amend Schedule A to the Power Sales Contract to update the identity and locations of the Points of Delivery and Points of Measurement, at which electric power and energy are delivered and metered under the Power Sales Contract and to provide for a specific loss factor for certain new points of delivery.

1. New Schedule A. Schedule A to the Power Sales Contract is hereby amended in its entirety to be identical to the Schedule A dated January 15, 2016, attached hereto.
2. Effective Date. This Amendment 6 shall be effective (a) from and after the date hereof and (b) retroactively, with respect to the new points of delivery and points of measurement, from and after the date or dates when such points of delivery and measurement became active.
3. Effect on Power Sales Contract. Except as amended hereby the Power Sales Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the Agency and the Member have caused this Amendment 6 to Schedule A to be executed by duly authorized officers, all as of the date first set forth above.

SOUTHERN MINNESOTA MUNICIPAL POWER AGENCY

By: \_\_\_\_\_  
David P. Geschwind, Executive Director and CEO

ROCHESTER PUBLIC UTILITIES

CITY OF ROCHESTER, MINNESOTA

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

\_\_\_\_\_  
Mayor

Attest: \_\_\_\_\_  
City Clerk

Reviewed By:

\_\_\_\_\_  
City Attorney

Attachment: Rochester 6th Amendment to Schedule A (Jan 2016)-v2 (4988 : Amendment 6 to Schedule A of the Power Sales Contract between

SCHEDULE A  
(January 15, 2016)

SOUTHERN MINNESOTA MUNICIPAL POWER AGENCY  
SERVICE SPECIFICATIONS

MEMBER: City of Rochester, Minnesota

1. **Applicability.** These service specifications are applicable to the Power Sales Contract dated as of April 1, 1981 (as heretofore amended), covering the supply and delivery of electric power and energy by the Agency to the City of Rochester, Minnesota, Member.
2. **Points of Delivery.** The Agency is obligated to deliver electric power and energy contracted for by the Member at the following points and voltages as shown in the diagram under paragraph 6 hereof:

| Delivery Point Identity and Location   | Delivery Voltage |
|--|------------------|
| (1) The Member's Chester Substation, located in the City of Rochester, MN, at the termination of each (2) of Dairyland's 161,000 volt transmission lines.                            | 161,000 V        |
| (2) The Member's Cascade Creek Substation, located in the City of Rochester, MN, at the termination of the Agency's 161,000 volt transmission line.                                  | 161,000 V        |
| (3) The Member's Westside Substation, located in the City of Rochester, MN, at the termination of the Agency's 161,000 volt transmission line.                                       | 161,000 V        |
| (4) The Member's IBM Substation, located in the City of Rochester, MN at the output of each (2) of the Diesel Electric Generating Units #1, #2, located in such Substation.          | 480 V            |
| (5) The Member's Northern Hills Substation, located in the City of Rochester, MN, at the termination of the CapX 161,000 volt transmission line from the North Rochester Substation. | 161,000 V        |
| (6) The Member's Chester Substation, located in the City of Rochester, MN, at the termination of the CapX 161,000 volt transmission line from the North Rochester Substation.        | 161,000 V        |

3. **Points of Measurement.** The Agency shall meter electric power and energy delivered to the Member as follows and as shown in the diagram under paragraph 6 hereof:

| Metering Point Identity and Location  | Metering Voltage |
|---|------------------|
| (1) The Member's Chester Substation, located in the City of Rochester, MN, at the termination of each (2) of Dairyland's 161,000 volt transmission lines. | 161,000 V        |

|  |           |
|--|-----------|
| (2) The Member's Cascade Creek Substation, located in the City of Rochester, MN, at the termination of the Agency's 161,000 volt transmission line.                                  | 161,000 V |
| (3) Net Output of each (2) of the Combustion Turbine Generating Units #1, #2, located in the Member's Cascade Creek Substation.  | 13,800 V  |
| (4) Net Output of each (3) of the Coal Fired Steam Generating Units #1, #2, #3, located in the Member's Silver Lake Power Plant.   | 13,800 V  |
| (5) Net Output of the Coal Fired Steam Generating Unit #4, located in the Member's Silver Lake Power Plant.  | 13,800 V  |
| (6) Net Output of each (3) of the Waste to Energy Units #1, #2 and #3, located in the City of Rochester, MN.   | 13,800 V  |
| (7) Net Output of each (2) of the Diesel Electric Generating Units #1, #2, located in the Member's IBM Substation.   | 480 V     |
| (8) The Member's Westside Substation, located in the City of Rochester, MN, at the termination of the Agency's 161,000 volt transmission line.                                       | 161,000 V |
| (9) The Member's Northern Hills Substation, located in the City of Rochester, MN, at the termination of the CapX 161,000 volt transmission line from the North Rochester Substation. | 161,000 V |
| (10) The Member's Chester Substation, located in the City of Rochester, MN, at the termination of the CapX 161,000 volt transmission line from the North Rochester Substation.       | 161,000 V |

4. **Power Factor.** In any billing period beginning on or after November 1, 1982 and before November 1, 1984, the Member shall maintain its system power factor between 95% lagging and 95% leading as measured at its Point or Points of Delivery. In any billing period beginning on or after November 1, 1984, the Member shall maintain its system power factor between 98% lagging and 98% leading as measured at its Point or Points of Delivery.
5. **Adjustments.** (a) If electric power and energy are metered on the low side of the transformer at any Point of Delivery, meter readings for all electric power and energy supplied by the Agency at such metering point will be increased by 1% to compensate for transformer losses between the delivery voltage level and the metering voltage.

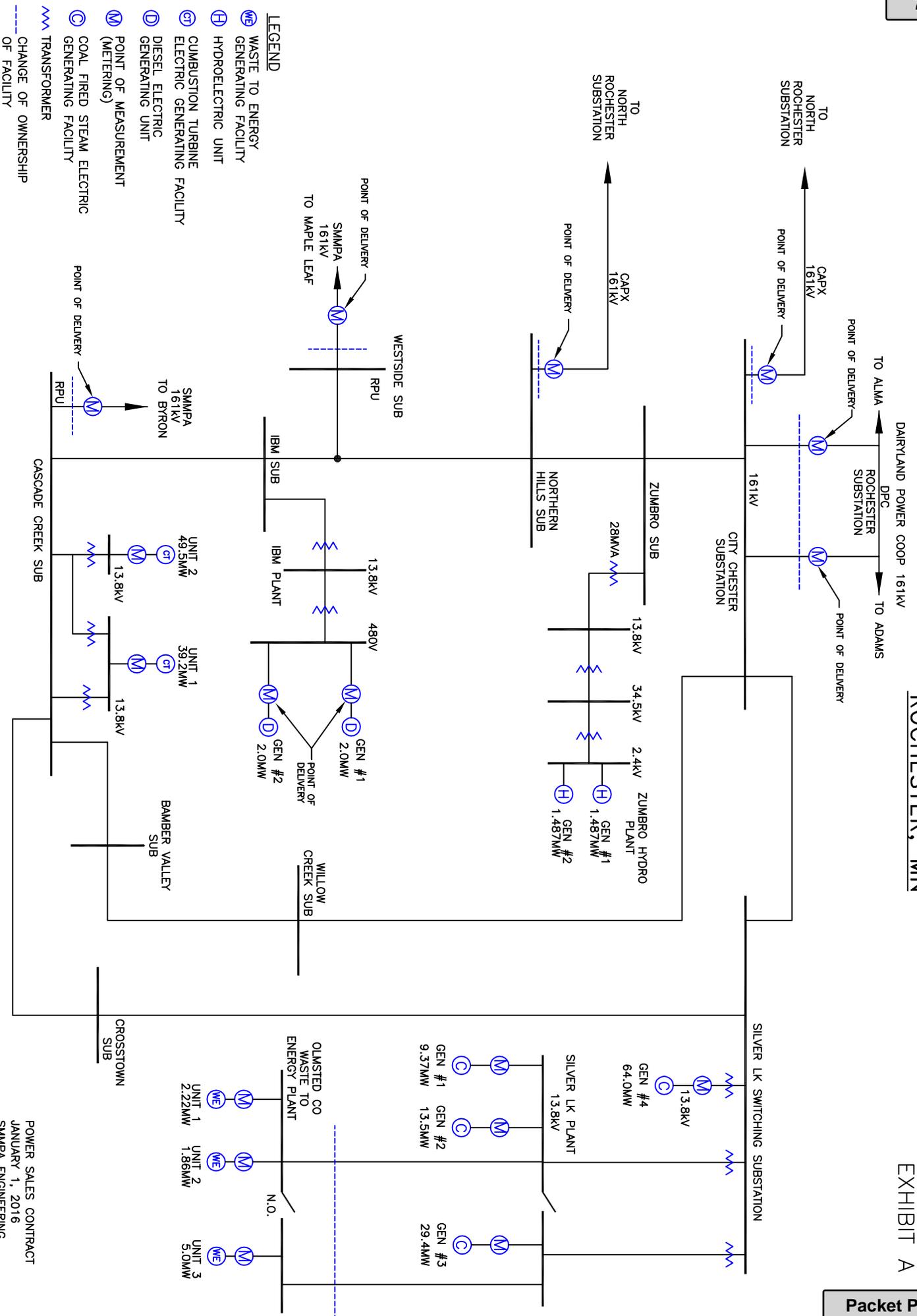
If there are other losses between any Point of Measurement and any Point of Delivery, an appropriate loss factor will be used to compensate for losses.

(b) If the Agency delivers electric power and energy to the Member at a Point of Delivery at a voltage less than 69,000 volts, the charges for such service shall be a surcharge added to the Billing Rates shown in Schedule B hereof to compensate the Agency for owning, maintaining and operating transformation facilities necessary to provide service below 69,000 volts.

6. **Diagrams.** The following Exhibit A is a one-line diagram of the facilities at each Point of Delivery and Point of Measurement.

ROCHESTER, MN

EXHIBIT A





## RESOLUTION

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

Amendment 6 to Schedule A of the Power Sales Contract

between Southern Minnesota Municipal Power Agency and the City of Rochester, dated January 15, 2016 and that the Common Council authorize the Mayor and the City Clerk to execute the contract.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 26th day of January, 2016.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 5036)

Meeting Date: 1/26/2016

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**SUBJECT: Foreign Exchange Risk Management**

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**PREPARED BY: Peter Hogan**

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ITEM DESCRIPTION:

At the October 27, 2015 the Board approved the purchase of Wartsila engines related to the Westside Energy Station project not to exceed \$22,500,000. RPU has entered into a contract to purchase the engines for \$22,353,000USD which is based on a Euro/Dollar exchange rate of 1.1266.

About 83% of this purchase price (\$18,567,538) is based on 16,481,039 Euro's and is subject to the change in exchange rate between US Dollars and the Euro until we give notice to proceed with construction of the engines. We plan not to give notice to proceed until after we receive the MISO generator interconnection agreement and the MPCA operating permit. This could be in 9 - 12 months and potentially longer.

We have a number of options to limit this risk, buy euro's now, purchase a forward contract to fix the future euro exchange rate now, purchase a call option to limit the maximum exposure to an unfavorable exchange shift while keeping a favorable shift benefit or do nothing and return to the board in the event that we have an unfavorable shift in the exchange rate. The exchange rate shift from the date of the engine quote until January 13, 2016 has ranged from zero to \$1,180,000 favorable. This can just as easily be unfavorable by the same amount or more. Our goal is not to attempt to guess where the market may go but to limit our exposure to an unfavorable outcome.

We have contacted both our Bond Council and the City Attorney to ensure that we are legally authorized to enter into risk management contracts by our Bond covenants, State Statues and City policies. As this is related to the purchase transaction, no concerns were raised regarding authorization provided we follow our normal contract authorization policy. As we are a public entity we are required to retain a Qualified Investment Representative (QIR) related to this transaction. We have retained The PFM Group to act as our QIR for this transaction.

During contract negotiation with the engine manufacturer they offered to fix the purchase price through September 1, 2016 for an additional \$500,000. As of Thursday, January 21<sup>st</sup> the Euro

## FOR BOARD ACTION

Agenda Item # (ID # 5036)

Meeting Date: 1/26/2016

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exchange rate has a favorable variance of \$620,000USD from the purchase price approved in October. Assuming an effective short term borrowing rate of 1.50% it would cost us between \$165,000 for 8 months up to \$289,000 for 14 months to purchase Euro's now and hold them. We can also buy a forward contract to fix the purchase price of the Euro's now and take delivery on March 1, 2017. This option will have a similar cost profile and would enable us to sell this contract if the project is ready to proceed prior to March 1, 2017.

Management is requesting that the Board authorized an expenditure of up to \$500,000 to limit our foreign exchange rate risk of the engine purchase contract. This resolution would also delegate authority to execute this transaction to a pricing committee consisting of PFM Swap Advisors LLC, RPU's Director of Corporate Services, General Manager and the Cities Director of Finance.

### UTILITY BOARD ACTION REQUESTED:

Staff requests Board approval of the resolution to authorize the pricing committee to enter into a transaction to limit the currency risk related to the purchase of Watsila engine approved on October 27, 2015.



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a entering into a contract to limit the foreign exchange risk related to the Wartsila engine purchase contract approved by the Board on October 27, 2015, and

BE IT RESOLVED that the contract will not exceed \$500,000, and

BE IT RESOLVED that the contract will be approve by a pricing committee consisting of PFM Swap Advisors LLC, the Director of Corporate Services and General Manager of Rochester Public Utilities and the Director of Finance for the City of Rochester.

The amount of the agreement not to exceed, FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00).

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 26<sup>TH</sup> day of January, 2016.

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President

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Secretary