

MINUTES OF THE PROCEEDINGS

of the Public Utilities Commission, City of Hibbing, St. Louis County, Minnesota

Minutes of the regular meeting of the Public Utilities Commission, Hibbing, Minnesota, 1902 E. 6th Ave., Hibbing, MN 55746, held on March 19th, 2024. Meeting held at Hibbing City Hall, 401 E. 21st St., Hibbing MN. Chairperson Hart called the meeting to order at 5:00 p.m. In attendance were Chair Hart; Commissioner Babich, Commissioner Stokes, Commissioner Sandstede, Legal Counsel, Andy Borland; General Manager Luke Peterson, Utility Resource Manager Stefanie Dickinson, Utility Engineer Mike West, Finance & Customer Service Supervisor Jill Zallar, and Customer Programs & Communication Specialist Eliot Dixon. Also in attendance were, Bolton & Menk rep. Josh Stier, Baker Tilly rep. Russ Hissom, HPAT Rep. Ron Wirkkula and Caleb Hill; & Local 94 reps. Rich Kampsula & Mark Reger.

Item 2. ADDS/DELETES –

Item 3. APPROVAL OF MINUTES

Motion by Commissioner Sandstede, supported by Commissioner Stokes, to approve the regular meeting minutes of March 19th, 2024.

Motion carried unanimously.

Item 4. CITIZENS FORUM –

Item 5. CONSENT AGENDA

Item 5.A. Approving invoices >\$1,000 & approve the bills & ACH transfers dated March 16th – April 19th, 2024

Item 5.B. Approve the payroll paid & overtime report for the March 21st, April 4th, & April 18th, 2024 pay dates.

Item 5.C. Ratify Purchase of Feeder Cable from Border states in the amount of \$91,350

Item 5.D. Approve Resolution 24-03: Authorizing Hibbing Public Utilities to Make Application to and Accept Funds from Local Government Energy Program: Communities Sparking Investment in Transformative Energy

Item 5.E. Approve Resolution 24-04: Authorizing Hibbing Public Utilities to Make Application to and Accept Funds from Source Water Protection Grant Program

Item 5.F. Approve Request for Contribution: Hibbing Chamber of Commerce in the amount of \$500

Item 5.G. Approve Commissioners to attend Utility Events:

- a. April 25th at 10:00 a.m. visit with Congressman Pete Stauber at HPU Water Treatment Plant, 11871 Townline Rd., Hibbing, MN

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b. April 30th at 5:00 p.m. Water Projects Open House at HPU Admin Building 1902 E. 6th Ave., Hibbing, MN

Item 5.H. Reschedule May 7th Working Session to May 22nd for a joint working session with the City Council at 5:00 pm

Item 5.I. Acknowledge Letter of Support for HF 5198 and SF 5435 sent 04/15/2024

Motion by Commissioner Stokes, Supported by Commissioner Bayliss, to approve Consent Agenda items 5.A., 5.B., 5.C., 5.D., 5.E., 5.F., 5.G., 5.H., & 5.I. as presented.

Motion carried unanimously.

Item 6. FINANCIALS & RISK MANAGEMENT

Item 6.A. Review and Approve 2024 Budget

Motion by Commissioner Bayliss, Supported by Chair Hart, to Approve 2024 Budget.

Motion carried unanimously.

Item 6.B. Review and Approve 2024 Rate Recommendations

Rate recommendations were presented by HPU General Manager Luke Peterson & Baker Tilly Russ Hissom. Recommendations of a \$0.005 per kWh (½ cent) rate increase for the electrical and steam services. Commissioner Stokes requested that each recommendation be voted on separately.

Motion by Commissioner Bayliss, Supported by Commissioner Stokes, to Approve 2024 Electrical Service Rate increase of \$0.005 per kWh (½ cent).

Motion carried unanimously.

Motion by Commissioner Hart, Supported by Commissioner Bayliss, to Approve 2024 Steam Service rate increase of 3.3% per unit.

Motion failed 2-3

“Yea” – Hart, Bayliss

“Nay” – Babich, Sandstede, Stokes

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Item 6.C. Approve Hecimovich Mechanical to Furnish & Install structure for main plant blowdown in the amount of \$68,843

Motion by Chair Hart, Supported by Commissioner Sandstede, to approve Hecimovich Mechanical in the amount of \$68,843.

Motion carried unanimously.

Item 6.D. Approve Arkema for the Removal, Decommissioning and Disposal of Odorant Plant Equipment in the amount of \$34,376

Motion by Commissioner Stokes, Supported by Chair Hart to Approve Arkema in the amount of \$34,376.

Motion carried unanimously.

Item 6.E. Approve Hecimovich Mechanical for Supplying 4 expansion joints in the amount of \$61,416.68

Motion by Commissioner Sandstede, Supported by Commissioner Stokes, to Approve Hecimovich Mechanical in the amount of \$61,416.68

Motion carried unanimously.

Item 6.F. Accept Engineering Recommendations and Award Bids for 2024 Watermain Capital Improvement Projects

i. 24-001: 1st Ave, Lake Dr. to 5th St. Watermain Project

Motion by Commissioner Stokes, Supported by Commissioner Babich to Accept bid from Bougalis, Inc. in the amount of \$2,325,091.

Motion carried unanimously.

ii. 24-002: 41st Ave 12th Ave E, to 19th Ave E Watermain Project

Motion by Commissioner Sandstede, Supported by Commissioner Bayliss to Accept bid from Bougalis, Inc. in the amount of \$2,009,267.

Motion carried unanimously.

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Item 6.G. Approve Bolton & Menk Inc. for 2024 Watermain Replacement Project Construction Engineering Services in the amount not to exceed \$488,000

Motion by Commissioner Stokes, Supported by Commissioner Sandstede, to Approve Bolton & Menk not to exceed \$488,000

Motion carried unanimously.

Item 7. POLICY & GOVERNANCE-

Item 7.A. Approve Hiring of Samantha Adams for Assistant Utility Engineer

Commission discussed the Assistant Utility Engineer position.

Motion by Chair Hart, Supported by Commissioner Bayliss, to Approve Hiring of Samantha Adams for Assistant Utility Engineer

Motion failed 2-3
"Yea" – Hart, Bayliss
"Nay" – Stokes, Sandstede, Babich

Item 7.B. Approve hiring of Travis Marsh for Accounting Coordinator Position

Motion by Commissioner Stokes, Supported by Commissioner Babich, Approve hiring of Travis Marsh for Accounting Coordinator Position

Motion carried unanimously

Item 7.C. Approve Hiring of Ryan Horn & Cody Inthihar for open Biomass Technician positions

Motion by Commissioner Bayliss, Supported by Commissioner Sandstede, approve Ryan Horn & Cody Inthihar

Motion carried unanimously

Item 7.D. Approve Change to 2024 Summer Student Program to include Apprentice Lineman Internship

Motion by Commissioner Stokes, Supported by Commissioner Babich, to Approve Change to 2024 Summer Student Program

Motion carried unanimously

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Item 8. OLD BUSINESS—

Item 9. NEW BUSINESS –

Commissioner Stokes inquired about policy on work-from-home/ telecommuting. General Manager Peterson stated that the Standard Compensation Package addresses telecommuting, however, no formal policy has been adopted. Mr. Peterson continued stating that telecommuting is one of the items addressed in the Employee Policies revamp Staff is working on and will present to the Commission for discussion and approval later this year.

Item 10. ADJOURNMENT


Motion by Commissioner Stokes, supported by Commissioner Bayliss, to adjourn the meeting at 6:44 p.m.

Motion carried unanimously

Attest:



Jesse Babich, Commission Secretary



Jeff Hart, Chair
James Bayliss

Meeting materials are available at
The next meeting is a working meeting scheduled for Tuesday, May 21st, 2024
at 5:00 p.m. at the Hibbing City Hall, 401 E. 21st St., Hibbing MN 55746.

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