

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 January 21st, 2025. Meeting held at Hibbing City Hall, 401 E. 21st St., Hibbing MN. Chair Hart called the meeting to order at 5:00 p.m. In attendance were Chair Hart, Commissioner Bayliss, Commissioner Babich, Commissioner Stokes, Commissioner Sandstede, Legal Counsel, Andy Borland; General Manager Luke Peterson, Manager of Power Supply, Paul Plombon; Utility Resources Manager, Stefanie Dickinson; Finance & Customer Service Supervisor Jill Zallar; Interim Financial Controller, Tammy Mattonen; and Customer Programs & Communication Specialist, Eliot Dixon. Also in attendance were, Baker Tilly Rep. Russ Hissom, HPAT Reps. Ron Wirkula and Caleb Hill; HPU Employee Rich Kampsula, Warren Kampen, and George Pogachnik; and Mark Reger.

Item 2. ADDS/DELETES

Commissioner Sandstede requested an update regarding the stretch of extreme cold weather.

HPU General Manager Luke Peterson requested to ADD Item 6.D. – Approve update to December Invoices, Bills, & ACH Transfers Report

HPU General Manager Luke Peterson requested to DELETE Item 5.F. - Approve listed Request for Contributions

Item 3. APPROVAL OF MINUTES

Motion by Commissioner Bayliss, supported by Commissioner Babich, to approve the regular meeting minutes of December 17th, 2024.

Motion carried unanimously.

Item 4. CITIZENS FORUM –

Item 5. CONSENT AGENDA

Item 5.A. Approving invoices >\$1,000 & approve the bills & ACH transfers >\$10,000 dated December 13th, 2024 – January 15th, 2025

Item 5.B. Approve the payroll paid & overtime report for the December 26th, 2024 & January 9th, 2025 pay dates.

Item 5.C. Approve HPU Staff Travel Expense Matrix: Q4 2024

Item 5.D. Approve Resolution 25-01: Deferral of 2024 Vegetation Program

Item 5.E. Approve Resolution 25-02: Authorizing Hibbing Public Utilities to Make Application and Accept Funds from Iron Range Resources and Rehabilitation Board Public Works Program

MINUTES OF THE PROCEEDINGS

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Commissioner Bayliss requested to pull Item 5.C. from the Consent Agenda.

Motion by Commissioner Bayliss, Supported by Commissioner Babich, to approve Consent Agenda items 5.A., 5.B., 5.D., & 5.E. as presented.

Motion carried unanimously.

Item 5.C. - Approve HPU Staff Travel Expense Matrix: Q4 2024

Commissioner Bayliss requested a clarification on the travel expenses following a change in Utility Policy at the January 7th, 2025 Commission Meeting. HPU General Manager Luke Peterson, clarified that all expenses recorded on the Expense Matrix were incurred prior to the policy update.

Motion by Commissioner Bayliss, Supported by Commissioner Babich, to approve HPU Staff Travel Expense Matrix: Q4 2024.

Item 6. FINANCIALS & RISK MANAGEMENT

Item 6.A. Approve December 2024 Financials

Commission reviewed the year-end financial standing, highlighting a positive operating income. HPU General Manager Luke Peterson presented a rate comparison demonstrating the competitiveness of HPU' electrical and water service rates compared to other regional providers.

Motion by Chair Hart, Supported by Commissioner Babich, to Approve December 2024 Financials

Motion carried unanimously.

Item 6.B. Ansley & 1st Ave. Substation Projects - Quotes

Item 6.B.i Approve Lake States Construction, LLC to perform feeder exit excavation and cable work for 1st Ave. project site not to exceed \$150,000

Motion by Commissioner Stokes, Supported by Commissioner Bayliss, to Approve Lake States Construction for 1st Ave work not to exceed \$150,000.

Motion carried unanimously.

MINUTES OF THE PROCEEDINGS

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

Item 6.B.ii Approve Lake States Construction, LLC to perform feeder exit excavation and cable work for Ansley project site in the amount of \$74,533.02

Motion by Commissioner Stokes, Supported by Commissioner Bayliss, to Approve Lake States Construction for Ansley project site work in the amount of \$74,533.02.

Motion carried unanimously.

Item 6.C. Approve Hiring of Gardner Builders Duluth, LLC for Admin Building Window Replacement Project in the amount of \$179,877

Commission discussed role of HVAC system in the regular heating and cooling issues of the admin building. Commissioner Stokes stated opposition to the project in light of the Commission's discussion of rate increases.

Motion by Chair Hart, Supported by Commissioner Bayliss, to approve hiring of Gardner Builders Duluth, LLC for Admin Building Window Replacement in the amount of \$179,877.

Motion carried 3-2.
"Nay" – Sandstede & Stokes

Item 6.D. Approve update to December Invoices, Bills, & ACH Transfers Report

HPU General Manager Luke Peterson provided updated register of December Invoices >\$1,000 and Bills & ACH Transfers >\$10,000. The Commission chose to not act.

Item 7. POLICY & GOVERNANCE-

Item 7.A. Approve Recommendation to hire of Charlie Karish for Lineman Apprentice Position

Motion by Commissioner Bayliss, Supported by Commissioner Babich, to approve hiring of Charlie Karish for Lineman Apprentice Position

Motion carried unanimously.

MINUTES OF THE PROCEEDINGS

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Item 7.B. Authorize LOU with AFSME, AFL-CIO, Local 94 Regarding Implementing Combined Electrical and Instrumentation Department

Commission discussed process by which the LOU's were developed and if proposed LOU's addressed employee concerns. AFSME Local 94 President, Rich Kampsula confirmed that the concerns of the effected employees were satisfied by the LOU's. Commissioner Stokes requested the Commission take votes on each LOU separately.

Motion by Commissioner Bayliss, Supported by Commissioner Stokes, to approve LOU 2025-01.

Motion carried 3-2.
"Nay" – Stakes & Babich

Motion by Commissioner Bayliss, Supported by Commissioner Stokes, to approve LOU 2025-2.

Motion carried unanimously.

Item 7.C. Approve Updates to Steam Customer Policies

Commission discussed that these updated would have create no financial obligation for customers. The updates are merely to bring policies in line with modern standards.

Motion by Commissioner Stokes, Supported by Commissioner Sandstede, to approve updates to Customer Policy No.: CUST056 Steam Installations.

Motion carried unanimously.

Motion by Commissioner Stokes, Supported by Commissioner Sandstede, to approve updates to Customer Policy No.: CUST096 Steam Service Materials.

Motion carried unanimously.

Commissioner Stokes requested updates to steam policies regarding commercial condensate return.

MINUTES OF THE PROCEEDINGS

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Item 8. OLD BUSINESS–

Item 9. NEW BUSINESS –

Commission discussed service breaks and other effects of extreme cold weather on utility infrastructure.

Item 10. ADJOURNMENT

Motion by Commissioner Bayliss, supported by Commissioner Stokes, to adjourn the meeting at 5:42 p.m.

Motion carried unanimously

Attest:



Jesse Babich, Commission Secretary

Jeff Hart, Chair

Meeting materials are available at
The next meeting is a working meeting scheduled for Tuesday, February 11th, 2025
at 5:00 p.m. at the Hibbing City Hall, 401 E. 21st St., Hibbing MN 55746.

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