



Work Session

APRIL 8TH, 2025

Commission Work Session Agenda

April 8th, 2025

Chair J. Hart	—	Commissioner J. Bayliss	—
Commissioner J. Stokes	—	Commissioner J. Babich	—
Commissioner J. Sandstede	—	Legal Counsel A. Borland	—
General Manager L. Peterson	—	Auditors Abdo, LLP	—
Utility Operations S. Dickinson	—	Energy & Pricing P. Plombon	—
Customer Ser. & Finance J. Zallar	—	Admin & Comm E. Dixon	—
Electrical Operations S. Adams	—	Local 94 President Rich Kampsula	—

- 1. Alternative Water Source Investigations
- 2. Maximo Implementation & Review
- 3. Watermain Distribution Project Update
- 4. Electrical Project Permitting Process
- 5. Additional Topics



Item 1

Item 1 – Alternative Water Source Investigations

April 8th, 2025

Jeff Hart, Chairman
Hibbing Public Utilities Commission
1902 E. 6th Avenue
Hibbing, MN 55746

RE: Item 1 – Alternative Water Source Investigations

Dear Commissioners;

As per discussion at the February Working Session, test wells drilled around HPU Well 18 did not locate an adequate water source for meet Hibbing water supply deficit. Throughout this investigative process, HPU has been working with Bolton & Menk, Barr, as well as Traut Wells to identify a viable new well locations.

HPU staff is eager to announce and discuss an exciting partnership that may support these efforts. Traut Wells has partnered with a company utilizing a new ground scanning technology designed to identify underground water sources. As oart if their pilot program, the company is offering to conduct test scans – free of charge – to evaluate the accuracy of this technology in Hibbing’s iron-rich soil conditions.

This is a unique opportunity to explore emerging technologies that align with HPU’s ongoing water supply initiatives. Dave Traut of Traut Wells will be overseeing and providing his expertise to the testing operations. He will also be attending the Commission meeting to provide an update on HPU’s well drilling efforts as well as the results of this testing.

Sincerely;



Luke J. Peterson



Item 2

Item 2 – Maximo Implementation & Review

April 8th, 2025

Jeff Hart, Chairman
Hibbing Public Utilities Commission
1902 E. 6th Avenue
Hibbing, MN 55746

RE: Item 2 – Maximo Implementation & Review

Dear Commissioners;

At the August 22nd, 2023 Meeting of the Hibbing Public Utilities Commission the Commission approved HPU Staff to implement the IBM Maximo software program to assist in HPU's asset management and workflow systems. As stated at that meeting HPU staff included a 1-year implementation and review period in the contract, prior to committing to the regular 3-year standard software licensing. As this implementation period is coming to an end, HPU has invited ABS to this Commission meeting to review results and discuss system use.

Additionally, HPU staff would like to discuss next steps, including operational links with HPU's GIS (digital mapping), DeltaV (operational), and Cassell (financial) programs.

Sincerely;



Luke J. Peterson



Item 3

Item 3 – Watermain Distribution Project Update

April 8th, 2025

Jeff Hart, Chairman
Hibbing Public Utilities Commission
1902 E. 6th Avenue
Hibbing, MN 55746

RE: Item 3 – Watermain Distribution Project Update

Dear Commissioners;

As you may be aware, HPU began rehabilitation work on the section of 30-inch watermain from 41st St. to Wegener Rd. in early March. During this project, a critical valve between the new line and the water source of the 30" off Townline Rd. failed. This has broken in the closed position and has been deemed inoperable. The valve must be fully replaced before the new line can be energized. This failure has also directly impacted one household that is directly serviced by the 30-inch line. This household has been without water service since the issue occurred.

This necessary work is outside of the original scope of work. Given the impact of this valve's failure, Staff is requesting approval to move forward with the attached change order that would allow HPU to extend the scope of the 30-inch main project approximately one additional mile south to Town Line Toad. The proposed change order would not only resolve the immediate service issue but also create an additional feed to optimize system operations in the area.

Sincerely;



Luke J. Peterson



April 4, 2025

Luke Peterson
Hibbing Public Utilities Commission
1902 6th Ave E
Hibbing, MN 55746

RE: Change Order No. 2 – 30-inch Watermain Slip-lining Project
Town Line Road to Wegener Road
Hibbing Public Utilities Commission

Dear Mr. Peterson:

As part of the 30-inch watermain slip-lining project currently under contract and in progress between 41st Street and Wegener Road, a water shut-down was necessary to complete the required work. During the shut-down, the existing 30-inch butterfly valve located on the south side of Wegener Road became inoperable and is stuck in a closed position. The operation of this valve and the south 30-inch watermain between Wegener Road and Town Line Road are critical to HPU's water supply system and creates an emergency need to restore to full water supply operation immediately following the slip line project between 41st Street and Wegener Road.

Based on the existing valve configuration for the existing 30-inch watermain from the treatment plant and to Wegener Road, the 30-inch line cannot be isolated to repair the 30-inch gate valve without creating a long duration water outage for the approximately 80 properties along Town Line Road, O'Rourke Road and the River Creek Drive neighborhood. To restore the operation of the 30-inch mainline while maintaining supply, the installation of the new 10-inch watermain along Wegener Road should be completed first as an emergency project. This will allow HPU to maintain water service to these neighborhoods and properties from the north during the rehabilitation of the 30-inch watermain south of Wegener Road and will provide for a "looped" water supply system for these neighborhoods and properties. This project is identified on the current capital improvement plan as a necessary future looping project and is warranted beyond the emergency repair need.

The installation of this new watermain along Wegener Road will be routed past several residential properties along Wegener Road. It is not proposed to extend individual water services to these residential properties as part of this project. Property owners will have the ability to extend individual water services from this new watermain at their cost in the future.

Once the 10-inch loop is completed along Wegener Road, repair should begin on the 30-inch system south of Wegener Road. The capital improvement plan identifies slip lining the 30-inch watermain between Town Line Road and Wegener Road in 2026. Given the effort, cost and risk to the water system associated with a shutdown on the 30-inch in this area, it is recommended that the slip lining be completed on the remaining 30-inch watermain during the valve replacement. It is estimated that the additional shut down time to complete the slip lining during the valve repair will be an additional 1 week of work.

Name: 30" Watermain Rehabilitation Slip-lining Project

Date: April 4, 2025

Page: 2

Based on the need to complete the repairs to facilitate and an emergency restoration to the public water system, the attached Change Order No. 2 has been negotiated with Geislinger and Sons, Inc. to complete the work under the current contract and includes the addition of the following items to the contract:

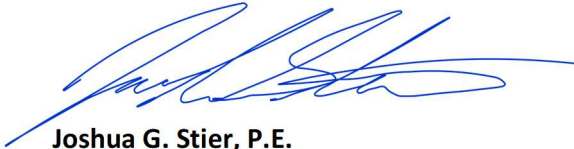
- Rehabilitate the existing 30-inch watermain with 18-inch watermain between Wegener Road and Town Line Road by a combination of slip-lining and open-cut construction.
- Install a new 10-inch watermain from the new 18-inch watermain, east along Wegener Road to existing watermain at River Creek Drive. This line is proposed to be installed by directional drilling as this method was determined to be the most feasible and cost-effective method.

The proposed Change Order No. 2 amount is \$2,001,118.89 and includes the completion of all noted items. The current estimated project cost is \$2,344,492.60; Change Order No. 2 will increase the total contract value to \$4,345,611.49. The change order also revises the completion dates to September 5, 2025 and October 3, 2025, for substantial and final completion, respectively.

We will be present at the Commission meeting on April 8, 2025 to address any questions that you or the Commission may have.

Sincerely,

Bolton & Menk, Inc.



Joshua G. Stier, P.E.

Principal Engineer

Attachments: Change Order No. 2
Exhibit

CHANGE ORDER FORM

NO.: 2

Owner: Hibbing Public Utilities Commission Owner's Project No.:
Engineer: Bolton and Menk, Inc. Engineer's Project No.: 24X.136442.000
Contractor: Geislinger and Sons, Inc. Contractor's Project No.:
Project: 30" Sliplining - 41st Street to Wegener Road
Contract Name:
Date Issued: 04/03/2025 Effective Date of Change Order: 04/03/2025

The Contract is modified as follows upon execution of this Change Order:

Description:

Substantial completion date is extended to September 1, 2025. Final completion date is extended to October 3, 2025.

Materials are being added for Phase II of the project.

Attachments:

**Phase II Schedule of Quantities from Geislinger and Sons, Inc.
Change Order NO2 Figure**

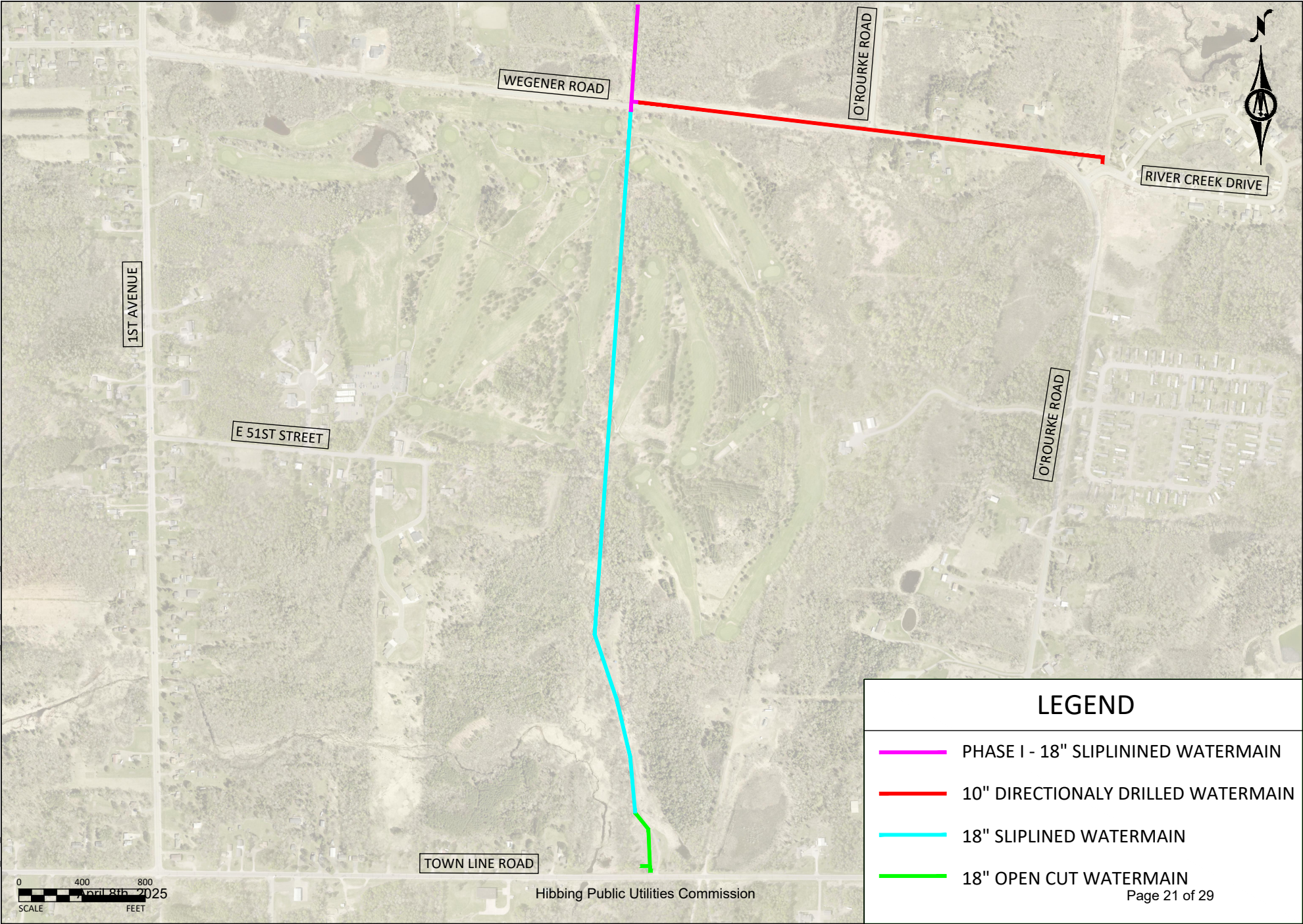
Change in Contract Price		Change in Contract Times [State Contract Times as either a specific date or a number of days]	
Original Contract Price:		Original Contract Times:	
\$ 2,310,461.26		Substantial Completion:	April 15, 2025
		Ready for final payment:	June 30, 2025
Increase from previously approved Change Order No. 1:		Contract Times from previously approved Change Orders No.1:	
\$ 34,031.34		Substantial Completion:	April 15, 2025
		Ready for final payment:	June 30, 2025
Contract Price prior to this Change Order:		Contract Times prior to this Change Order:	
\$ 2,344,492.60		Substantial Completion:	April 15, 2025
		Ready for final payment:	June 30, 2025
Increase this Change Order:		Increase this Change Order:	
\$ 2,001,118.89		Substantial Completion:	September 5, 2025
		Ready for final payment:	October 3, 2025
Contract Price incorporating this Change Order:		Contract Times with all approved Change Orders:	
\$ 4,345,611.49		Substantial Completion:	September 5, 2025
		Ready for final payment:	October 3, 2025

Recommended by Engineer (if required)	Accepted by Contractor
By: _____	_____
Title: _____	_____
Date: _____	_____
Authorized by Owner	Approved by Funding Agency (if applicable)
By: _____	_____
Title: _____	_____
Date: _____	_____

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Hibbing phase 2 quote

	Quantity	Unit		
CLEARING	0.8	ACRE	\$8,000.00	\$6,400.00
GRUBBING	0.8	ACRE	\$4,500.00	\$3,600.00
REMOVE WATER MANHOLE & VALVE	4	EACH	\$1,500.00	\$6,000.00
REMOVE HYDRANT	1	EACH	\$250.00	\$250.00
REMOVE WATERMAIN	730	LIN FT	\$5.00	\$3,650.00
EXCAVATION - EXPLORATORY	500	CU YD	\$15.00	\$7,500.00
TRENCHLESS PITS	1	LUMP SUM	\$700,000.00	\$700,000.00
WATERMAIN TRACING SYSTEM	1	LUMP SUM	\$50,000.00	\$50,000.00
TELEVIEW 30" WATERMAIN	4855	LIN FT	\$5.00	\$24,275.00
6" GATE VALVE & BOX	3	EACH	\$5,000.00	\$15,000.00
8" GATE VALVE & BOX	2	EACH	\$6,000.00	\$12,000.00
18" GATE VALVE & BOX	2	EACH	\$35,000.00	\$70,000.00
CONNECT TO EXISTING WATER MAIN	3	EACH	\$40,000.00	\$120,000.00
HYDRANT (9.0' BURY)	3	EACH	\$23,500.00	\$70,500.00
6" WATERMAIN	30	LIN FT	\$100.00	\$3,000.00
8" WATERMAIN	82	LIN FT	\$110.00	\$9,020.00
10" HDPE WATERMAIN - DIRECTIONALLY DRILLED	2958	LIN FT	\$85.00	\$251,430.00
18" C900 PVC WATERMAIN, DR 21 - OPEN-CUT	431	LIN FT	\$195.00	\$84,045.00
18" FUSIBLE PVC WATERMAIN, DR 21 - SLIP LINED	4886	LIN FT	\$105.00	\$513,030.00
WATERMAIN FITTINGS	2232	POUND	\$10.00	\$22,320.00
GUIDE POST TYPE SPECIAL	6	EACH	\$150.00	\$900.00
TRAFFIC CONTROL	1	LUMP SUM	\$5,000.00	\$5,000.00
SILT FENCE	600	LIN FT	\$5.00	\$3,000.00
TURF ESTABLISHMENT	4040	SQ YD	\$5.00	\$20,198.89
				\$2,001,118.89



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Item 4

Item 4 – Electrical Permitting Process

April 8th, 2025

Jeff Hart, Chairman
Hibbing Public Utilities Commission
1902 E. 6th Avenue
Hibbing, MN 55746

RE: Item 4 – Electrical Permitting Process

Dear Commissioners;

The Commission will be joined by Energy Law consultant Lisa Crum to discuss the development of HPU's future electrical projects. Lisa will provide an overview of the regulatory and strategic aspects of HPU's planning as well as how it relates to state and local stakeholders.

Sincerely;



Luke J. Peterson



Item 5

Item 5 – Additional Topics

April 8th, 2025

Jeff Hart, Chairman
Hibbing Public Utilities Commission
1902 E. 6th Avenue
Hibbing, MN 55746

RE: Item 5 – Additional Topics

Dear Commissioners;

Unfortunately, due to the number and importance of topics and the limitations of time. HPU staff would like to provide the opportunity for the open discussion or updates of any of the following items at the Commissions direction;

- Updates on the Industrial Development Authority (IDA)
- HR leadership support from Abdo
- Feedback from MMUA conversations
- Upcoming PFA Loan Closing and audit time
- Addition of 2nd April Working Session

Sincerely;



Luke J. Peterson