



Commission Meeting

OCTOBER 14TH, 2025

Commission Meeting Agenda

October 14th, 2025

Chair J. Bayliss	—	Commissioner J. Sandstede	—
Commissioner J. Hart	—	Commissioner J. Babich	—
Commissioner J. Stokes	—	Legal Counsel A. Borland	—
General Manager L. Peterson	—	Auditors Abdo, LLP	—
<i>Interim</i> HR Director K. Powers	—	Energy & Pricing P. Plombon	—
Customer Ser. & Finance J. Hietala	—	Admin & Comm E. Dixon	—
Electrical Operations S. Adams		Local 94 President G. Pogachnik	—

1. Org Chart Development Update

2. 2026 Budget Update

- a. Budget Update
- b. Capital Improvement Plan
- c. Gas Prepay Transaction
- d. AMI Update

HPU Commission and City Council Joint Session

Discussion Topics

1. Water Financing: PFA Issuance

- a. Overall Debt Limit for HPUC Projects
- b. Pathway to support the 2024 Resolution 0

2. HPUC Transmission Project

- a. Mid Intercontinental System Operator (MISO) Role
- b. Interconnect
- c. Route and Interconnect, siting, and land acquisition

3. Wrap Up

- a. Project Coordination 2026 and beyond
- b. Shared Services



Item 1

Item 1 – Org Chart Development Update

October 14th, 2025

James Bayliss
Commission Chair
1902 E. 6th Avenue
Hibbing, MN 55746

RE: Item 1 – Org Chart Development Update

Dear Commissioners;

I am pleased to present the finalized Hibbing Public Utilities (HPU) Organizational Chart for your review. Over the past month, staff has worked to update the org chart to accurately reflect HPU's current structure, staffing levels, and operations responsibilities.

Following discussion at the September Commission Working Session, the chart was presented to HPU Leadership Group for input and validation. Feedback received has been incorporated to ensure the chart reflects both current and future operational needs. I am confident that this finalized org chart reflects the Commission goals of transparency, clarity of roles, and organizational efficiency.

Priority positions to fill are:

- Controller
- Engineering Manager
- Procurement Supervisor
- Chief Operator
- Transportation Mechanic (Diesel)
- Field Operations Supervisor

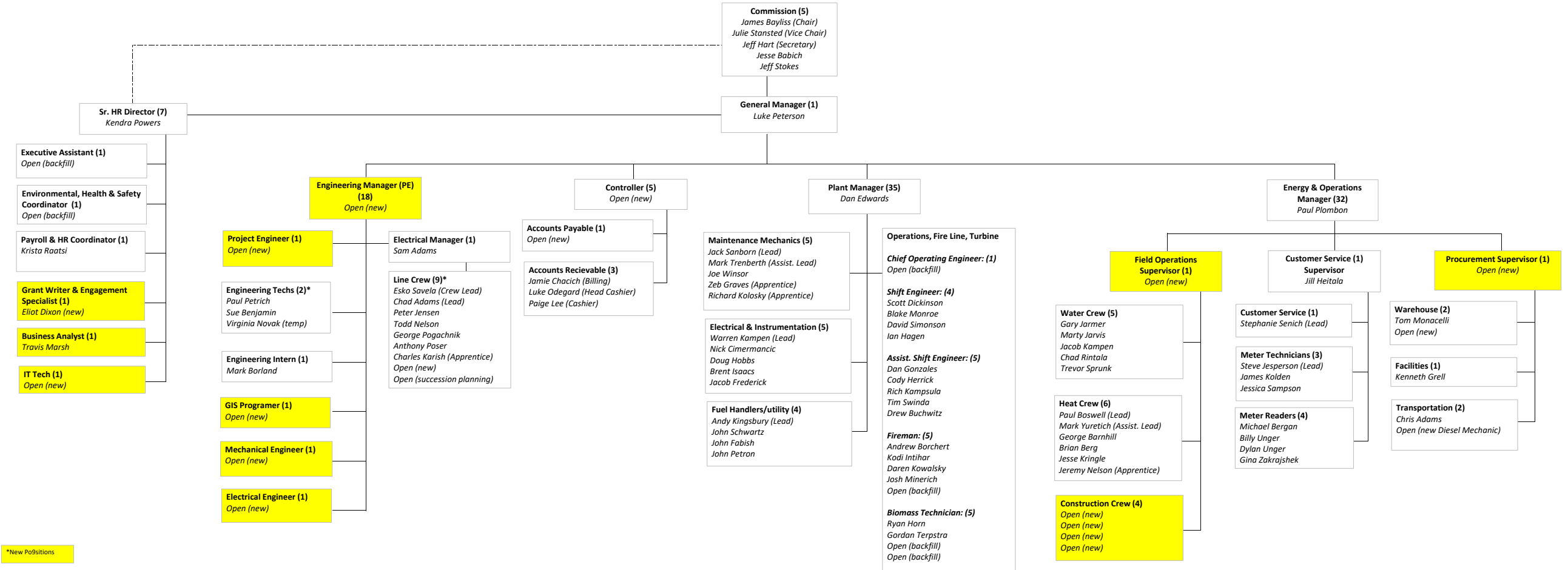
Also, for your consideration are draft Job Descriptions for key positions. These Job Descriptions have been developed with input to better reflect the current responsibilities of each position.

Pending final discussion at the October 14th Commission Working Session, the Org Chart and related position descriptions will be brought as an action item to the Commission Action session scheduled for October 28th, 2025.

Sincerely;



Kendra Powers
Senior Director of HR & OD
Hibbing Public Utilities Commission



Job Title: Payroll and HR Coordinator
Department: Human Resources
Reports To: Senior Human Resources Director
Location: Hibbing, MN
FLSA Status: Exempt
Job Type: Full-Time
Drug & Alcohol Policy Classification:

Position Summary:

The Payroll and HR Coordinator is responsible for ensuring accurate and timely processing of payroll, as well as supporting a wide range of human resources functions including employee onboarding, benefits administration, compliance, recordkeeping, and HRIS maintenance. This role acts as a liaison between employees, management, and external providers to ensure smooth payroll and HR operations.

Key Responsibilities:

Payroll Administration

- Process bi-weekly payroll for all employee (union and non-union), including calculating wages, bonuses, and deductions.
- Ensure compliance with federal, state, and local wage and hour laws, tax regulations, and internal policies.
- Maintain accurate payroll records, timesheets, deductions, and benefit adjustments.
- Respond to payroll-related inquiries.
- Ensure accuracy of data in HRIS and payroll systems.
- Coordinate with finance to reconcile payroll data, resolve discrepancies, and reporting of payroll data.
- Manage direct deposit setup, wage garnishments, and payroll reporting.
- Generate payroll-related reports for audits, budgeting, or regulatory filings.

HR Coordination

- Support the onboarding and offboarding process, including new hire paperwork and exit documentation.
- Maintain and update employee records in the HRIS system and personnel files in compliance with retention policy and government regulation.
- Administer employee benefits, enrollments, and open enrollment periods.
- Respond to employee inquiries regarding HR policies, benefits, and procedures.
- Support compliance with labor laws, company policies, and internal audits.
- Assist with HR reporting, data analysis, and projects as needed.
- Support benefits administration including health insurance, retirement plans, and leave tracking (FMLA, PTO, etc.).
- Assist recruitment efforts, including job postings, applicant tracking, and scheduling interviews.
- Ensure accurate data entry for employee status changes, terminations, promotions, etc.

- Help implement and enforce HR policies, procedures, and utility-wide compliance initiatives.

Minimum Qualifications:

- Bachelor's degree in Human Resources, Accounting, Business Administration, or related field.
- 3+ years of experience in payroll processing and Human Resources.
- Familiarity with federal and state labor laws, payroll tax regulations, and HR best practices.
- Strong attention to detail and confidentiality in handling sensitive employee data.
- Proficiency in Microsoft Office (especially Excel), payroll software, and HRIS systems.

Preferred Qualifications:

- Experience working in a utility, municipal government, or unionized environment.
- Knowledge of utility-specific benefits programs or public employee retirement systems.
- Experience with payroll platforms (e.g., ADP, Paylocity, UKG, Ceridian, etc.).
- Familiarity with OSHA, EEO, FMLA, and ACA compliance requirements.
- HR certification (e.g., SHRM-CP, PHR) or Payroll certification (e.g., FPC, CPP).

Working Conditions:

- Office setting with standard business hours; may include occasional extended hours during payroll periods or audits.
- May require working with multiple departments and external vendors.
- Physical Requirements:
 - Sitting __%, Standing __%, Walking __%, Lifting up to __lbs

Job Title: Environmental, Health, and Safety (EHS) Coordinator

Department: Human Resources

Reports To: Senior Human Resources Director

Location: Hibbing, MN

FLSA Status: Exempt

Job Type: Full-Time

Drug & Alcohol Policy Classification:

Position Summary:

The Environmental, Health, and Safety (EHS) Coordinator is responsible for implementing, coordinating, and monitoring environmental and safety programs to ensure compliance with federal, state, and local regulations. This role supports utility operations (e.g., electric, gas, water) by promoting a culture of safety, environmental stewardship, and regulatory compliance across all worksites.

Key Responsibilities:

Environmental Compliance:

- Ensure compliance with environmental laws and regulations (e.g., EPA, Clean Water Act, Clean Air Act).
- Maintain required permits and documentation (e.g., NPDES, SPCC, SWPPP, hazardous waste).
- Conduct environmental inspections and audits at utility facilities and field locations.
- Assist with spill response and incident investigations.
- Coordinate with regulatory agencies and environmental consultants as needed.
- Implement and monitor health and safety policies, procedures, and programs.
- Conduct routine site safety audits, job hazard analyses, and risk assessments.
- Deliver or coordinate safety training (e.g., confined space entry, lockout/tagout, PPE, fall protection).
- Lead incident investigations, track corrective actions, and maintain OSHA logs.
- Promote employee awareness of safety protocols and emergency response procedures.
- Administer Workers Compensation program.
- Maintain and update the EHS Management System and related documentation.
- Assist with the development and rollout of EHS policies and procedures tailored to utility operations.
- Prepare and submit regulatory reports (e.g., OSHA 300A).
- Track key safety metrics and provide regular reports to management.

Minimum Qualifications:

- Bachelor's degree in Environmental Science, Occupational Safety, Industrial Hygiene, or related field preferred.
- 3+ years of EHS experience, preferably in a utility or industrial setting.
- OSHA 30-Hour or other relevant EHS certifications preferred.
- Familiarity with EHS management systems, regulatory compliance platforms, and MS Office.

- Working knowledge of EPA, OSHA, DOT, and state utility regulations.
- Strong communication and interpersonal skills.
- Ability to work independently and collaboratively across departments.
- Strong problem-solving and analytical abilities.
- High attention to detail and commitment to safety culture.

Preferred Qualifications:

- Experience in the utility sector (electric, water, gas, wastewater).
- OSHA 30-Hour or other relevant EHS certifications preferred.
- Familiarity with SCADA systems, GIS, or CMMS platforms.
- CSP, CIH, CHMM, or other advanced EHS certifications are a plus.

Working Conditions:

- Fieldwork and facility visits required; occasional exposure to hazardous environments.
- May require use of personal protective equipment (PPE).
- Must be available for emergency response and after-hours calls when needed.
- Physical Requirements:
 - Sitting __%, Standing __%, Walking __%, Lifting up to __lbs

Job Title: Plant Manager
Department: Operations
Reports To: General Manager
Location: Hibbing, MN
FLSA Status: Exempt
Job Type: Full-Time
Drug & Alcohol Policy Classification:

Position Summary:

The Plant Manager is responsible for the overall management, operation, and maintenance of a utility plant, including staff supervision, regulatory compliance, budget oversight, and ensuring efficient, safe, and continuous operations. This position plays a key leadership role in utility service delivery, infrastructure planning, and regulatory reporting.

Key Responsibilities:

- Manage day-to-day operations of the utility plant power generation.
- Ensure compliance with all applicable local, state, and federal environmental and safety regulations (e.g., EPA, OSHA, NERC, FERC).
- Oversee preventive maintenance, repair schedules, and capital improvement projects.
- Ensure optimal performance of plant systems, including mechanical, electrical, and SCADA systems.
- Supervise, train, and evaluate plant staff, including operators, technicians, and maintenance personnel.
- Develop and maintain staffing schedules to ensure 24/7 plant coverage.
- Promote a culture of safety, teamwork, and accountability.
- Conduct regular safety meetings and ensure adherence to safety protocols.
- Ensure accurate and timely reporting of all operational data, including regulatory submissions (e.g., operational logs, emissions data).
- Respond to audits, inspections, and inquiries from regulatory agencies.
- Maintain records of plant operations, incidents, and corrective actions.
- Develop and manage the plant's operating and capital budgets.
- Monitor expenditures and control costs within approved limits.
- Oversee procurement of supplies, parts, and contracted services.
- Participate in long-range planning for plant upgrades and system improvements.
- Identify opportunities for energy efficiency, process optimization, and cost savings.
- Collaborate with engineering and capital projects teams on design and implementation of plant expansions or modifications.

Qualifications:

- Bachelor's degree in Engineering, Industrial Technology, or related field. Equivalent experience may be considered.

- 5–10 years of progressive experience in industrial operations, including supervisory or management roles.
- In-depth knowledge of utility plant systems, treatment processes, and regulatory compliance.
- Strong leadership and team management skills.
- Proficiency with CMMS, SCADA, and Microsoft Office Suite.
- Excellent problem-solving, planning, and decision-making abilities.
- Strong written and verbal communication skills.

Preferred Qualifications:

- Experience with asset management systems and capital planning.
- Knowledge of sustainability practices and energy management in utility operations.
- Advanced certifications (e.g., PE license, PMP, Six Sigma) are a plus.
- Preferred certificates/licenses (e.g., Boiler Operator, Electric Plant Operator).

Working Conditions:

- Mix of office and field environment; exposure to noise, chemicals, and moving equipment.
- May require working nights, weekends, and on-call hours depending on plant needs.
- Must be able to respond to plant emergencies and inclement weather events.
- Physical Requirements:
 - Sitting __%, Standing __%, Walking __%, Lifting up to __lbs

Job Title: Procurement Supervisor
Department: Operations
Reports To: Energy & Operations Manager
Location: Hibbing, MN
FLSA Status: Exempt
Job Type: Full-Time
Drug & Alcohol Policy Classification:

Position Summary:

The Procurement Supervisor oversees the sourcing, purchasing, and inventory management of materials, equipment, and services required for utility operations. This role ensures procurement activities comply with applicable regulations, internal policies, and budgetary guidelines, while supporting operational continuity across departments such as Transportation, Facilities, and Warehouse.

Key Responsibilities:

- Supervise daily procurement activities, including issuing purchase orders, bidding, and contract negotiations.
- Coordinate procurement of goods and services to support utility operations (e.g., infrastructure projects, maintenance materials, fleet services).
- Ensure compliance with local, state, and federal procurement regulations, as well as internal policies.
- Evaluate and select suppliers based on cost, quality, and reliability; maintain positive vendor relationships.
- Lead a team of Facilities, Warehouse and Transportation staff.
- Monitor team performance, provide feedback, and ensure adherence to procurement best practices.
- Coordinate with utility departments to forecast material and equipment needs.
- Develop, review, and manage contracts for goods and services.
- Ensure timely renewals, performance tracking, and resolution of vendor issues.
- Collaborate with legal and compliance departments as needed on contract terms and risk mitigation.
- Collaborate with warehouse or inventory teams to ensure proper inventory levels and minimize stock-outs.
- Track and report procurement KPIs, cost savings, and budget adherence.
- Identify and implement cost reduction strategies through improved sourcing, negotiation, and vendor consolidation.
- Use and maintain procurement software or ERP systems (e.g., Oracle, SAP).
- Ensure procurement data integrity, recordkeeping, and audit readiness.
- Assist in the digital transformation or modernization of procurement processes, as applicable.

Qualifications:

- Bachelor's degree in Business Administration, Supply Chain Management, Finance, or a related field.
- 4–6 years of progressively responsible experience in procurement or supply chain management, preferably in a utility or public sector environment.
- Strong knowledge of public sector or utility procurement laws and procedures.
- Excellent negotiation, analytical, and contract management skills.
- Familiarity with capital projects and utility operation's needs (e.g., construction, infrastructure, field services).
- Strong communication, organization, and leadership abilities.
- Proficiency in procurement and financial software systems.

Preferred Qualifications:

- Experience in municipal or publicly owned utility systems.
- Experience coordinating large-scale infrastructure or capital improvement project purchases.
- Certified Professional Public Buyer (CPPB)
- Certified Public Procurement Officer (CPPO)
- Certified Supply Chain Professional (CSCP) or similar

Working Conditions:

- Primarily office-based with occasional visits to warehouses, job sites, or vendor facilities.
- May require occasional overtime or travel for vendor meetings, site visits, or emergency procurement.
- Physical Requirements:
 - Sitting __%, Standing __%, Walking __%, Lifting up to __lbs

Job Title: Field Operations Supervisor
Department: Operations
Reports To: Energy & Operations Supervisor
Location: Hibbing, MN
FLSA Status: Exempt
Job Type: Full-Time
Drug & Alcohol Policy Classification:

Position Summary:

The Field Operations Supervisor is responsible for the daily supervision of field crews performing installation, maintenance, repair, and emergency response for utility infrastructure. This role ensures safe and efficient work practices, operational standards, coordinates emergency response, and ensures compliance with regulatory and service standards.

Key Responsibilities:

- Supervise field crews engaged in the construction, repair, and maintenance of utility systems (e.g., water distribution, district heating, gas mains).
- Assign daily work orders and monitor progress to ensure timely completion and quality standards.
- Conduct field inspections and verify proper use of materials, tools, and safety practices.
- Maintain detailed records of work performed, labor, and materials used.
- Enforce safety regulations and ensure crews follow proper procedures, including use of PPE and confined space protocols.
- Conduct safety briefings, training sessions, and toolbox talks.
- Ensure compliance with OSHA, DOT, EPA, and state/local regulatory requirements.
- Investigate incidents, near-misses, or equipment failures and implement corrective actions.
- Supervise, coach, and evaluate field staff performance.
- Identify training needs and support professional development of crew members.
- Assist with hiring, onboarding, and disciplinary processes as needed.
- Coordinate with dispatch, engineering, customer service, and other departments to schedule and prioritize work.
- Oversee emergency response efforts during outages, main breaks, or severe weather events.
- Review plans and provide field input for utility construction or capital projects.
- Ensure vehicles, tools, and equipment are maintained and ready for field use.
- Assist in tracking materials usage and coordinating with procurement or warehouse staff.

Qualifications:

- Bachelor's degree in construction management, utility operations, or a related field preferred.
- 5+ years of utility field experience, including 2+ years in a supervisory or lead role.
- Valid driver's license (CDL may be required).
- Strong understanding of utility infrastructure, construction, and repair techniques.
- Ability to read and interpret blueprints, utility maps, and GIS data.

- Skilled in work planning, time management, and crew coordination.
- Strong leadership, communication, and conflict-resolution skills.
- Proficiency with field service management software, work order systems, or GIS.

Preferred Qualifications:

- Experience with remote monitoring technology.
- Knowledge of asset management systems (e.g., Cityworks, Lucity, Infor).
- Prior work in a municipal or publicly owned utility environment.
- OSHA 10 or 30 preferred.

Working Conditions:

- Work performed in outdoor and field environments, sometimes under adverse weather conditions.
- May be required to be on-call and respond to after-hours emergencies.
- Physical requirements include walking (at times on uneven ground), bending, and lifting.
- Physical Requirements:
 - Sitting __%, Standing __%, Walking __%, Lifting up to __lbs

Job Title: Customer Service Supervisor
Department: Operations
Reports To: Energy and Operations Manager
Location: Hibbing, MN
FLSA Status: Exempt
Job Type: Full-Time
Drug & Alcohol Policy Classification:

Position Summary:

The Customer Service Supervisor oversees the daily operations of the customer service team and meter department to ensure excellent service delivery, timely utility billing, and effective issue resolution. This role is responsible for supervising staff, streamlining service processes, and ensuring customer satisfaction while maintaining compliance with applicable regulations and company policies.

Key Responsibilities:

- Supervise daily activities of customer service representatives handling utility billing, inquiries, complaints, and service requests.
- Monitor response times, and customer interactions to ensure service quality and efficiency.
- Resolve escalated customer issues related to billing, service disconnections, meter readings, and payment arrangements.
- Train, coach, and evaluate customer service staff to maintain high performance standards.
- Create work schedules, assign tasks, and manage time-off requests to ensure adequate coverage.
- Conduct regular team meetings and individual check-ins to promote communication and accountability.
- Oversee accurate processing of utility bills, adjustments, and account updates.
- Coordinate field operations and finance departments to resolve billing discrepancies.
- Monitor delinquency reports and support enforcement of collection policies, including shut-off notices and payment plans.
- Ensure compliance with internal policies, Hibbing Public Utility Commission (HPUC) regulations, and privacy standards.
- Assist in developing and updating standard operating procedures for customer service processes.
- Utilize customer information systems, billing software, and CRM tools to manage account workflows and data accuracy.
- Identify opportunities to improve service delivery, reduce errors, and enhance the customer experience.
- Provide feedback to IT or system vendors to support upgrades or issue resolution.
- Prepare and analyze reports on call volume, billing accuracy, collections, and customer satisfaction metrics.
- Present findings and recommendations to upper management.

Qualifications:

- Bachelor's degree in Business Administration, Public Administration, or related field preferred.

- 3–5 years of customer service experience in a utility or public sector setting, including at least 1–2 years in a supervisory role.
- Proficiency in customer information systems (e.g., Tyler Munis, NorthStar, Banner, SAP, or similar).
- Familiarity with utility billing processes, meter data, and payment platforms.
- Strong Microsoft Office skills (Excel, Word, Outlook).
- Excellent communication and conflict-resolution skills.
- Strong organizational, analytical, and leadership abilities.
- Customer-focused mindset with the ability to maintain professionalism under pressure.
- Ability to interpret and apply utility regulations, billing codes, and service policies.

Preferred Qualifications:

- Experience with public sector utilities, municipal operations, or regulated utility environments.
- Knowledge of utility rate structures, delinquency procedures, and affordability programs.

Working Conditions:

- Office-based position with regular working hours.
- May require extended hours during billing cycles, outages, or high-call-volume periods.
- Occasional interaction with field staff and onsite customers.
- Physical Requirements:
 - Sitting __%, Standing __%, Walking __%, Lifting up to __lbs

Job Title: Executive Assistant
Department: Administration
Reports To: Sr. Human Resources Director
Location: Hibbing, MN
FLSA Status: Exempt
Job Type: Full-Time
Drug & Alcohol Policy Classification:

Position Summary:

The Executive Assistant provides high-level administrative support to senior executives within the utility organization. This role involves managing schedules, preparing reports, handling confidential information, coordinating internal and external communications, and ensuring smooth operations of the General Manager. The ideal candidate will have experience in the utility industry and possess exceptional organizational and communication skills.

Key Responsibilities:

- Manage calendars, meetings, and appointments for the General Manager
- Arrange and coordinate travel, accommodations, and itineraries
- Prepare internal and external communications, presentations, and reports
- Draft, proofread, and format correspondence and documentation
- Organize and support board meetings, including preparing agendas, minutes, and logistics
- Serve as a liaison between executive leadership and internal/external stakeholders
- Handle confidential and sensitive information with discretion and professionalism
- Track project deadlines, deliverables, and ensure timely follow-up on action items
- Assist in preparing regulatory filings, compliance documents, and utility reports
- Coordinate with departments such as legal, finance, operations, and customer service
- Maintain records, filing systems, and databases
- Support event planning and community outreach as needed

Qualifications:

- Proven experience as an executive assistant, administrative assistant, or similar role
- High proficiency with Microsoft Office Suite (Word, Excel, PowerPoint, Outlook)
- Excellent verbal and written communication skills
- Strong time management and multitasking abilities
- Professionalism, discretion, and confidentiality in handling sensitive information

Preferred Qualifications:

- Bachelor's degree in Business Administration, Communications, or related field
- Familiarity with regulatory agencies such as PUCs or local governing bodies

Work Environment:

- Standard office environment with occasional travel or extended hours during commission meetings or other critical utility events
- May involve interaction with customers, regulators, community leaders, and vendors
- Physical Requirements:
 - Sitting __%, Standing __%, Walking __%, Lifting up to __lbs

Job Title: Grant Writer & Engagement Specialist
Department: Administration
Reports To: Sr. Human Resources Director
Location: Hibbing, MN
FLSA Status: Exempt
Job Type: Full-Time
Drug & Alcohol Policy Classification:

Position Summary:

The Grant Writer and Engagement specialist acts as a liaison between the utility and the public, ensuring that the utility's goals align with community needs and expectations. This position is responsible for researching, developing, writing, and coordinating grant proposals to secure funding for utility infrastructure, energy efficiency, environmental projects, and community development programs. This position supports long-term utility goals by identifying funding opportunities at the federal, state, and local levels and preparing high-quality applications that align with regulatory and compliance standards. This role is also responsible for building and maintaining positive relationships between the utility and its customers, community members, stakeholders, and partner organizations. This role involves developing and implementing outreach initiatives, public education campaigns, and community engagement strategies to promote awareness of utility programs, projects, and services.

Key Responsibilities:

- Research and identify relevant grant opportunities from government agencies, foundations, and industry partners (e.g., DOE, EPA, USDA, NTIA, FERC).
- Write, edit, and submit persuasive and technically accurate grant proposals, applications, and letters of intent.
- Collaborate with internal teams—engineering, finance, legal, operations, and executive leadership—to gather data and develop strong application content.
- Ensure compliance with all grant requirements and coordinate post-award reporting, audits, and communications with funders.
- Maintain a detailed grants calendar and manage multiple submission deadlines simultaneously.
- Stay informed of legislation and policy trends affecting utility infrastructure funding and regulatory incentives.
- Maintain relationships with government agencies, grant program officers, community partners, and stakeholders.
- Create and maintain organized records of past proposals, awarded grants, project outcomes, and reporting documentation.
- Develop and execute community engagement plans that promote utility initiatives such as conservation, energy efficiency, rate changes, and capital projects.
- Represent the utility at community meetings, public events, town halls, and industry forums.
- Build relationships with community organizations, local government agencies, advocacy groups, and key stakeholders.
- Create and distribute outreach materials such as newsletters, flyers, press releases, social media posts, and fact sheets.

- Support engagement efforts related to utility infrastructure projects, environmental initiatives, and policy changes.
- Monitor public sentiment, emerging issues, and community concerns related to utility services.

Minimum Qualifications:

- Bachelor's degree in Public Administration, English, Communications, Public Relations, or related field.
- Minimum of 3 years of proven experience in grant writing and administration, community engagement, public affairs, or communications preferably within the utility, government, or non-profit sector.
- Excellent writing, editing, and verbal communication skills.
- Strong organizational and time management skills; ability to manage multiple deadlines.
- Knowledge of federal and state grant programs, especially in energy, water, broadband, and infrastructure.
- Proficiency in Microsoft Office Suite, grant management platforms, and familiarity with social media, email marketing, and survey tools.
- Experience with compliance and reporting for federally funded projects.
- Understanding of capital improvement projects and utility regulations.
- Strong interpersonal and communication skills (verbal and written).
- Ability to engage diverse audiences and manage sensitive or complex community issues with diplomacy.
- Experience in public speaking and event coordination.

Preferred Qualifications:

- Familiarity with utility sector funding programs, such as:
 - Infrastructure Investment and Jobs Act (IIJA)
 - Inflation Reduction Act (IRA)
 - American Rescue Plan Act (ARPA)
 - U.S. Department of Energy (DOE) and Environmental Protection Agency (EPA) initiatives
- Prior experience working with a utility, municipal government, or regulatory body.
- Familiarity with utility sector topics such as energy efficiency, renewable energy, broadband, water conservation, or environmental compliance.
- Experience with compliance and reporting for federally funded projects
- Understanding of capital improvement projects and utility regulations

Work Environment:

- Office environment, with occasional travel for community events, stakeholder meetings, grant workshops, or site visits.
- May require working outside of standard business hours during major funding cycles or deadlines.
- Physical Requirements:
 - Sitting __%, Standing __%, Walking __%, Lifting up to __lbs

Job Title: Business Analyst
Department: Administration
Reports To: Sr. Human Resources Director
Location: Hibbing, MN
FLSA Status: Exempt
Job Type: Full-Time
Drug & Alcohol Policy Classification:

Position Summary:

The Business Analyst plays a vital role in facilitating data-driven decision-making by analyzing operational, financial, and customer-related data. This analysis aims to improve performance, reduce costs, and support strategic initiatives. The Business Analyst collaborates with various departments to gather insights, create reports, enhance processes, and support projects such as rate studies, regulatory filings, infrastructure planning, customer engagement programs, and technology implementations. As a liaison between business operations, finance, and information systems, the Business Analyst evaluates workflows, identifies areas for improvement, and aids decision-making through data and technology. This role is essential for helping Hibbing Public Utilities achieve organizational efficiency, compliance, and service excellence. Additionally, the Business Analyst partners with stakeholders across departments to assess needs, streamline workflows, and implement practical solutions that enhance the utility's effectiveness.

Key Responsibilities:

- Collect, analyze, and interpret utility data related to finance, operations, energy usage, customer behavior, service delivery, and regulatory compliance.
- Develop reports, dashboards, and presentations to support commission, management, and departmental decision-making.
- Assist in utility rate analysis, cost-of-service studies, and financial forecasting.
- Support strategic initiatives such as infrastructure planning, organizational restructuring, and regulatory compliance projects.
- Evaluate performance metrics and KPIs across departments to identify trends, issues, and opportunities for improvement.
- Collaborate with IT and technical vendors to enhance data infrastructure, troubleshooting, and reporting tools (e.g., data warehouses, business intelligence platforms).
- Prepare business cases for projects and investments, including ROI analysis, benchmarking, and risk assessments.
- Participate in regulatory and compliance reporting (e.g., filings to PUCs, DOE, EPA, or other agencies).
- Document business processes and recommend improvements for greater efficiency and effectiveness.
- Serve as a liaison between technical teams, finance, operations, and executive leadership.

Minimum Qualifications:

- Bachelor's degree in Business Administration, Finance, Economics, Engineering, Data Analytics, or a related field.

- 2–5 years of experience in a business analysis, financial analysis, or data analyst role.
- Strong analytical skills and experience working with large data sets.
- Proficiency with Microsoft systems and business intelligence tools (e.g., Power BI, Tableau).
- Excellent verbal and written communication skills.
- Ability to synthesize complex information and present it clearly to diverse stakeholders.

Preferred Qualifications:

- Experience in the utility industry (electric, water, gas, broadband, or public works).
- Familiarity with utility operations, rate design, regulatory frameworks, or infrastructure planning.
- Experience with utility management systems (e.g., CIS, SCADA, AMI, GIS, or ERP systems such as Tyler, SAP, or Oracle).
- Advanced degree or certifications (e.g., CBAP, PMI-PBA, Six Sigma, or MBA).

Work Environment:

- Office work environment with occasional travel to utility sites, stakeholder meetings, or public hearings.
- Fast-paced setting with multiple concurrent projects and deadlines.
- Physical Requirements:
 - Sitting __%, Standing __%, Walking __%, Lifting up to __lbs

Job Title: Project Engineer
Department: Engineering
Reports To: Engineering Manager
Location: Hibbing, MN
FLSA Status: Exempt
Job Type: Full-Time
Drug & Alcohol Policy Classification:

Position Summary:

The Project Engineer is responsible for planning, designing, and overseeing utility infrastructure projects, including water, gas, and electrical systems. This role ensures projects are completed on time, within budget, and in compliance with all applicable codes and regulations.

Key Responsibilities:

- Plan, develop, and manage utility projects from concept through construction.
- Prepare engineering designs, technical reports, construction drawings, and specifications.
- Conduct feasibility studies, cost estimates, and risk assessments for utility systems.
- Coordinate with internal teams, contractors, utility companies, government agencies, and other stakeholders.
- Review construction plans, submittals, and change orders.
- Ensure compliance with relevant local, state, and federal regulations.
- Support permitting and environmental documentation processes.
- Monitor project progress, schedules, and budgets.
- Perform site inspections to ensure quality control and compliance with project specifications.
- Provide technical guidance and resolve issues that arise during the planning and execution phases.

Qualifications:

- Bachelor's degree in Civil, Mechanical, Electrical, or a related field.
- 3+ years of experience in utility engineering or infrastructure project management.
- Professional Engineer (PE) license preferred or ability to obtain within a reasonable timeframe.
- Strong knowledge of utility systems design, construction practices, and regulations.
- Proficiency in AutoCAD, GIS, and/or utility modeling software (e.g., WaterCAD, Civil 3D).
- Excellent organizational, communication, and interpersonal skills.
- Ability to manage multiple projects simultaneously under tight deadlines.

Preferred Qualifications:

- Experience working with municipal utilities or public infrastructure projects.
- Familiarity with permitting processes and regulatory compliance (e.g., EPA, DOT).
- Construction management experience a plus.
- Project Management Professional (PMP) certification is a plus.

Work Environment:

- Office-based with regular visits to construction and field sites.
- May involve occasional travel to project locations or client meetings.
- Physical Requirements:
 - Sitting __%, Standing __%, Walking __%, Lifting up to __lbs

Job Title: Mechanical Engineer
Department: Engineering
Reports To: Engineering Manager
Location: Hibbing, MN
FLSA Status: Exempt
Job Type: Full-Time
Drug & Alcohol Policy Classification:

Position Summary:

The Mechanical Engineer is responsible for the design, evaluation, maintenance, and optimization of mechanical systems within utility operations. This includes systems related to power generation, water treatment, heating and cooling, and pumping stations. The role ensures mechanical systems operate efficiently, safely, and in compliance with regulatory standards.

Key Responsibilities:

- Design and specify mechanical systems and components for utility infrastructure, including piping, pumps, HVAC, boilers, and rotating equipment.
- Perform mechanical calculations, stress analysis, and equipment sizing.
- Support the installation, testing, commissioning, and maintenance of mechanical utility systems.
- Investigate equipment failures, perform root cause analysis, and recommend corrective actions.
- Develop preventive maintenance plans and assist in troubleshooting equipment performance issues.
- Coordinate with cross-functional teams, including electrical, civil, and operations departments.
- Prepare detailed technical reports, specifications, and documentation for projects.
- Ensure compliance with safety standards, building codes, and environmental regulations.
- Assist in capital project planning, budgeting, and procurement of equipment.
- Oversee contractors and ensure adherence to project timelines and specifications.

Qualifications:

- Bachelor's degree in Mechanical Engineering or a related field.
- 3+ years of experience in utility or industrial mechanical engineering.
- Professional Engineer (PE) license preferred or ability to obtain.
- Solid understanding of mechanical systems used in utilities (e.g., boilers, chillers, pumps, piping, HVAC).
- Familiarity with codes and standards such as ASME, API, NFPA, and OSHA.
- Proficiency in CAD software (e.g., AutoCAD, SolidWorks) and engineering analysis tools.
- Strong problem-solving, communication, and project management skills.

Preferred Qualifications:

- Experience in power plants, water treatment plants, or district energy systems.
- Knowledge of thermal systems, fluid dynamics, and energy efficiency best practices.

- Familiarity with CMMS (Computerized Maintenance Management Systems).
- Ability to work in both field and office environments.

Work Environment:

- Office and field-based work with regular site inspections.
- Exposure to mechanical and industrial environments; must comply with safety requirements.
- Occasional travel may be required.
- Physical Requirements:
 - Sitting __%, Standing __%, Walking __%, Lifting up to __lbs

Job Title: Electrical Engineer
Department: Engineering
Reports To: Engineering Manager
Location: Hibbing, MN
FLSA Status: Exempt
Job Type: Full-Time
Drug & Alcohol Policy Classification:

Position Summary:

The Electrical Engineer is responsible for the planning, design, analysis, and maintenance of electrical systems within utility infrastructure. This includes systems for power generation and electrical equipment in facilities such as water treatment plants. The role ensures safe, reliable, and efficient electrical operations in compliance with applicable standards and regulations.

Key Responsibilities:

- Design and analyze utility electrical systems, including medium and low-voltage distribution, switchgear, transformers, generators, and motor control centers (MCCs).
- Support electrical system upgrades, maintenance, and troubleshooting.
- Prepare construction documents, drawings, and technical specifications for electrical projects.
- Conduct load studies, short circuit analysis, arc flash studies, and protective device coordination.
- Ensure all designs comply with applicable codes and standards (e.g., NEC, IEEE, NFPA, NESC).
- Collaborate with multidisciplinary teams including civil, mechanical, and operations staff.
- Review contractor submittals, respond to RFIs, and assist during construction and commissioning.
- Provide technical support for SCADA systems, control panels, and automation systems.
- Assist with capital project planning, budgeting, and equipment procurement.
- Ensure projects meet safety, environmental, and regulatory requirements.

Qualifications:

- Bachelor's degree in Electrical Engineering or related field.
- 3+ years of experience in utility, power, or industrial electrical engineering.
- Professional Engineer (PE) license preferred or in progress.
- Strong knowledge of electrical systems used in utilities.
- Familiarity with power system modeling tools (e.g., ETAP, SKM, EasyPower).
- Proficiency in AutoCAD, Revit, or other electrical design software.
- Strong understanding of applicable codes and standards (e.g., NEC, IEEE, NFPA 70E).
- Excellent analytical, communication, and project management skills.

Preferred Qualifications:

- Experience with electrical systems in water treatment plants or renewable energy systems.
- Working knowledge of SCADA, PLCs, and instrumentation/control systems.
- Familiarity with asset management systems or CMMS.

- Ability to manage multiple projects with competing priorities.

Work Environment:

- Mix of office and field work with occasional visits to substations, plants, or construction sites.
- Must adhere to all safety protocols when working around energized equipment or in industrial environments.
- Occasional travel to project sites or client meetings. Physical Requirements:
 - Sitting __%, Standing __%, Walking __%, Lifting up to __lbs

Job Title: IT Technician
Department: IT
Reports To: Sr. Human Resources Director
Location: Hibbing, MN
FLSA Status: Exempt
Job Type: Full-Time
Drug & Alcohol Policy Classification:

Position Summary:

The IT Technician provides technical support for hardware, software, and network systems used in utility operations. This includes maintaining IT infrastructure critical to water, electric, gas, or telecom utilities, as well as supporting SCADA, GIS, AMI, and other operational technology systems. The technician ensures secure, efficient, and reliable performance of utility-related IT systems.

Key Responsibilities:

- Install, configure, and maintain desktops, laptops, servers, network devices, and other IT equipment.
- Provide first-line support for utility-specific software, including SCADA systems, GIS platforms, CMMS, AMI/AMR, and billing systems.
- Monitor system performance and troubleshoot issues related to hardware, software, and connectivity.
- Manage user accounts, access controls, backups, and system updates in accordance with IT policies.
- Assist in managing cybersecurity tools, firewalls, VPNs, and antivirus programs to protect critical utility infrastructure.
- Support network infrastructure, including switches, routers, fiber optic and wireless communication systems.
- Document procedures, configurations, and changes to utility IT systems.
- Collaborate with engineering and operations teams to support integration between IT and OT (Operational Technology) systems.
- Maintain inventory of IT assets and assist in equipment procurement and lifecycle management.
- Respond to after-hours emergencies when necessary, especially for critical infrastructure systems.

Qualifications:

- Associate or Bachelor's degree in Information Technology, Computer Science, or a related field.
- 2+ years of IT support experience, preferably in a utility or industrial environment.
- Working knowledge of Microsoft Windows environments, Active Directory, networking (TCP/IP), and virtualization (e.g., VMware or Hyper-V).
- Familiarity with SCADA systems, PLCs, or industrial control systems (preferred but not required).
- Understanding of cybersecurity best practices and compliance requirements for critical infrastructure.
- Strong troubleshooting and communication skills.

- Valid driver's license and ability to travel to various utility sites.

Preferred Qualifications:

- Experience supporting utility-specific technologies: GIS (e.g., Esri), AMI/AMR systems, CMMS platforms, and mobile workforce tools.
- Certifications such as CompTIA A+, Network+, Security+, or Microsoft Certified IT Professional (MCITP).
- Experience with cloud services (e.g., Azure, AWS) and backup/recovery systems.
- Ability to work independently and in cross-functional teams.

Work Environment:

- Office-based with regular fieldwork at substations, treatment plants, or remote sites.
- Occasional lifting of equipment (up to 50 lbs), working in server rooms, and responding to emergency call-outs.
- May involve rotating on-call responsibilities for critical system support.
- Physical Requirements:
 - Sitting __%, Standing __%, Walking __%, Lifting up to __lbs

Job Title: GIS Programmer
Department: Engineering
Reports To: Engineering Manager
Location: Hibbing, MN
FLSA Status: Non-Exempt
Job Type: Full-Time
Drug & Alcohol Policy Classification:

Position Summary:

The GIS Programmer is responsible for developing, maintaining, and supporting Geographic Information System (GIS) applications and tools used in utility operations. This role involves customizing GIS platforms (such as Esri ArcGIS), integrating GIS with other utility systems (e.g., SCADA, AML, work order systems), and developing web and mobile GIS solutions to support asset management, field operations, and decision-making processes.

Key Responsibilities:

- Design, develop, and maintain GIS applications, scripts, and tools for utility operations (e.g., water, sewer, electric, gas, telecom).
- Customize and extend GIS platforms using Python, JavaScript (ArcGIS API), SQL, and other programming languages.
- Integrate GIS with enterprise systems such as SCADA, CMMS, ERP, and customer information systems (CIS).
- Develop and maintain geospatial databases, ensuring accuracy, consistency, and performance.
- Create automated workflows for data updates, analysis, and map generation.
- Develop and support web and mobile GIS applications for field data collection and analysis.
- Support spatial data analysis, reporting, and visualization to assist with engineering, planning, and operations.
- Maintain documentation and user guides for custom tools and workflows.
- Work with cross-functional teams (engineering, operations, IT) to understand GIS needs and translate them into functional solutions.
- Ensure all GIS applications and systems are compliant with data governance, cybersecurity, and IT policies.

Qualifications:

- Bachelor's degree in Computer Science, GIS, Geography, Engineering, or related field.
- 2–5 years of programming experience in a GIS environment, preferably in a utility or public works setting.
- Proficiency with Esri ArcGIS products (ArcGIS Pro, ArcGIS Online, ArcGIS Enterprise).
- Strong skills in Python (ArcPy), JavaScript (ArcGIS API for JavaScript), SQL, and REST APIs.
- Experience with geodatabases (e.g., Esri File/Enterprise Geodatabase), spatial data formats, and relational databases (e.g., SQL Server, PostgreSQL/PostGIS).
- Familiarity with utility asset data and industry standards for water, sewer, electric, or gas systems.
- Ability to work independently and collaboratively on complex projects.

Preferred Qualifications:

- Experience with ArcGIS Experience Builder, Web AppBuilder, or Field Maps.
- Familiarity with FME, AutoCAD, GPS data processing, or remote sensing.
- Understanding of system integration with SCADA, AMI, CMMS, or other operational platforms.
- Knowledge of data modeling, spatial analysis, and geoprocessing techniques.
- Experience in Agile development or DevOps environments.

Work Environment:

- Primarily office-based with some travel to field sites or utility facilities as needed.
- May require occasional support outside normal business hours for system updates or emergency response.
- Collaborative environment with engineering, operations, and IT staff.
- Physical Requirements:
 - Sitting __%, Standing __%, Walking __%, Lifting up to __lbs

Job Title: Construction Crew
Department: Operations
Reports To: Energy & Operations Manager
Location: Hibbing, MN
FLSA Status: Non-Exempt
Job Type: Full-Time
Drug & Alcohol Policy Classification:

Position Summary:

The Construction Crew is responsible for site prep for systems which include water, gas, and district heat. The crew typically operates in the field, performing physically demanding and safety-critical work to support utility services for municipalities, utility companies, or private contractors. The construction crew is also responsible for utility wide snow removal

Key Responsibilities:

- Excavation and Trenching for installing underground utility lines.
- Asbestos removal from pipes according to utility specifications and safety codes.
- Reading and Interpreting Plans/Blueprints to ensure proper installation and alignment.
- Site Preparation and Restoration, including grading, paving, and erosion control after work is complete.
- Safety Compliance, including the use of PPE, traffic control, and adherence to OSHA and utility safety standards.
- Operate Heavy Equipment such as excavators, loaders, compactors, trenchers, backhoes, directional drills and dump trucks.
- Perform snow removal activities with use of heavy equipment or hand shovels.

Qualifications:

- Knowledge of utility construction practices, tools, and safety standards
- Ability to read construction drawings, utility maps, and staking sheets
- Experience operating heavy equipment (with required certifications)
- Understanding of local, state, and federal safety regulations (e.g., OSHA, DOT)
- CDL license (often required for operators or drivers)
- Certifications (e.g., confined space entry, trench safety, flagger certification)

Work Environment:

- Outdoor fieldwork in various weather conditions
- Physically demanding; requires lifting, bending, digging, and standing for long periods
- Use of PPE such as hard hats, gloves, reflective vests, and steel-toed boots
- Exposure to construction hazards, traffic, and underground utilities Physical Requirements:
 - Sitting __%, Standing __%, Walking __%, Lifting up to __lbs

Job Title: Energy & Operations Manager
Department: Operations
Reports To: General Manager
Location: Hibbing, MN
FLSA Status: Exempt
Job Type: Full-Time
Drug & Alcohol Policy Classification:

Position Summary:

The Energy and Operations Manager leads and coordinates the end-to-end utility service delivery process, encompassing field operations, facilities, transportation, warehouse, and customer service. This position ensures that utility services are delivered safely, efficiently, and in compliance with regulatory standards. Key responsibilities include managing personnel, budgets, capital projects, emergency response, and continuous improvement initiatives. The manager will oversee utility consumption and develop strategies to reduce energy usage and costs. Additionally, this role involves tracking energy performance, managing utility accounts and contracts, optimizing rate structures, identifying efficiency opportunities, and ensuring regulatory compliance. The ideal candidate will possess technical expertise, analytical skills, and knowledge of sustainability to drive operational improvements and achieve long-term cost savings.

Key Responsibilities:

- Manage field operations supervisor to ensure safe, reliable, and compliant service delivery.
- Ensure utility systems are operated in compliance with safety, environmental, and service standards (e.g., OSHA, EPA, DOT).
- Develop and implement long-term strategic plans for asset management, capital improvement, and emergency response.
- Respond to emergencies, outages, or service disruptions, including managing after-hours or storm response efforts.
- Identify and investigate abnormal energy usage or spikes.
- Monitor performance metrics (KPIs) and implement operational improvements.
- Develop and manage strategic procurement policies for materials, equipment, and contracted services.
- Ensure compliance with public sector procurement regulations and internal policies.
- Negotiate major contracts, manage vendor relationships, and monitor supplier performance.
- Oversee customer service operations, including billing, account management, and service inquiries.
- Use customer feedback to guide improvements in service delivery and transparency.
- Lead and mentor supervisors across operations, facilities, transportation, warehouse, and customer service.
- Foster collaboration between departments to ensure alignment on projects, communication, and resource sharing.
- Prepare reports and presentations for executive leadership, commission, or public meetings.
- Manage department budgets and participate in utility-wide financial planning.
- Coordinate audits and inspections.

- Manage capital improvement projects, system upgrades, and infrastructure expansions.
- Coordinate with engineering on system designs and upgrades.

Qualifications:

- Bachelor's degree in Public Administration, Business, or a related field (Master's preferred).
- 5-8 years of progressive leadership experience in utility operations, procurement, and/or customer service.
- Strong understanding of utility infrastructure systems and public procurement practices.
- Demonstrated experience managing teams across multiple disciplines.
- Familiarity with relevant laws and regulations (e.g., FERC, EPA, public utility commissions).

Preferred Qualifications:

- OSHA 30 certification or utility-specific safety training.
- Strong leadership and team management abilities.
- Ability to analyze technical and financial data to support operational decisions.
- Excellent communication, organizational, and problem solving skills
- Crisis/emergency management experience

Work Environment

- Split between office and field environments
- May require availability outside regular business hours during emergencies or system outages.
- Occasional travel for vendor meetings, conferences, or public engagements.
- Physical Requirements: Ability to inspect utility infrastructure (e.g., walk long distances, climb)
 - Sitting __%, Standing __%, Walking __%, Lifting up to __lbs



Item 2

Item 2 – 2026 Budget Update

October 14th, 2025

James Bayliss
Commission Chair
1902 E. 6th Avenue
Hibbing, MN 55746

RE: Item 2 – 2026 Budget Update

Dear Commissioners;

HPU staff would like to discuss four items that fall under a broader topic of HPU's 2026 Budgeting process. The following is the topics and subsequent presenters that will be available at the meeting to lead discussion and answer questions of the Commission:

- **Budget Update** – HPU interim Financial Controller Tammy Mattonen
- **Capital Investment Plan** – HPU GM Luke Peterson
- **Gas Prepay Transaction** – HPU GM Luke Peterson
- **AMI Update** – HPU Customer Service & Finance Supervisor Jill Hietala

I greatly look forward to the discussion on these items as staff continues to work on the 2026 Utility Budget.

Sincerely;



Luke J. Peterson



Item 2.A

Item 2.A – Budget Update

October 14th, 2025

James Bayliss
Commission Chair
1902 E. 6th Avenue
Hibbing, MN 55746

RE: Item 2 – 2026 Budget Update

Dear Commissioners;

Based on Commission feedback, we are moving up the budgeting process from Q1 2026 to Q4 2025. I wanted to share a few high-level items and preliminary findings in the 2026 budget work.

Projections based on rolling forward the last 12 months puts us within an overall 1% variance from the 2026 budget that was presented in Q1 of 2025. Looking to the rate study done in 2024, proposed income would increase about \$900K from the 2025 budget based on implementing the rate study recommended changes January 1st. Projecting expenses at a 2% standard inflationary increase based on the prior 12 months actuals results in a \$1.2 million dollar increase in expenses resulting in a slight positive income figure. This is not our proposed budget and we will be going through the various components to refine projections. We will be look for savings in that analysis to offset known expense increases.

Sincerely;

Tammy Mattonen

Hibbing Public Utilities Commission

Operating Income/Expenses
September 30, 2025

75% of the year
completed

	Jan-Sept 2025 Actual	Annual Budget	% of budget
Electric			
Operating Revenues	13,532,153	18,034,914	
Other Revenue	253,954	221,118	
Total Electric Revenue	13,786,107	18,256,032	76%
Operating Expenses	(12,628,750)	(17,107,709)	
Depreciation and Amortization	(2,728,813)	(3,286,090)	
Total Electric Expenses	(15,357,564)	(20,393,799)	75%
Operating Income (Loss)	(1,571,457)	(2,137,767)	74%
Water			
Operating Revenues	2,229,424	3,208,498	
Other Revenue	78,484	63,348	
Total Water Revenue	2,307,908	3,271,846	71%
Operating Expenses	(1,265,951)	(1,850,443)	
Depreciation	(764,246)	(1,020,000)	
Total Water Expenses	(2,030,197)	(2,870,443)	71%
Operating Income (Loss)	277,711	401,403	69%
Gas			
Operating Revenues	6,472,351	8,383,697	
Other Revenue	53,344	52,191	
Total Gas Revenue	6,525,695	8,435,888	77%
Operating Expenses	(3,535,553)	(5,171,544)	
Depreciation	(281,298)	(366,000)	
Total Gas Expenses	(3,816,851)	(5,537,544)	69%
Operating Income (Loss)	2,708,844	2,898,344	93%
Steam			
Operating Revenues	1,694,056	2,504,308	
Other Revenue	74,436	20,997	
Total Steam Revenue	1,768,492	2,525,305	70%
Operating Expenses	(2,031,805)	(2,378,563)	
Depreciation	(745,183)	(1,018,800)	
Total Steam Expenses	(2,776,988)	(3,397,363)	82%
Operating Income (Loss)	(1,008,495)	(872,058)	
Net Operating Income/Expense	406,604	289,922	140%
Nonoperating Revenues (Expenses)			
Investment Income	1,579,223		
Changes in Equity in LEA	(63,967)		
Interest Expense	(145,826)		
Misc nonoperating income (expense)	5,475		
Grant income	1,914,237		
Total nonoperating revenue (expenses)	3,289,143	-	
Change in Net Position	3,695,746	289,922	1275%

Initial Draft for Discussion Only



Item 2.B

Item 2.B – Capital Improvement Plan

October 14th, 2025

James Bayliss
Commission Chair
1902 E. 6th Avenue
Hibbing, MN 55746

Initial Draft for Discussion Only

RE: Item 2.B – Capital Improvement Plan

Dear Commissioners;

The DRAFT 2026 – 2030 Capital Improvement Plan for Hibbing Public Utilities is attached for your review and consideration. This proposed 5- year plan has been collaboratively developed over the past three months and is the product of several planning and coordination meetings with the HPU Leadership Team. Additionally, two planning and review meetings were held with the City Engineer to coordinate proposed project locations and schedules with planned City of Hibbing paving and reconstruction projects.

The DRAFT 2026 – 2030 Capital Improvement Plan has been expanded this year to include all gas, steam, power, and watermain. While there is no specific gas projects currently identified in the 5-year plan, the development of a gas distribution model is anticipated to be commissioned in 2026. Additionally, for all proposed project areas included within the 5-year plan, the existing gas distribution system has been evaluated and determined to be either PE main or steel main that has been verified to be in good condition and not in need of replacement at this time. For years 4 and 5 of the proposed plan, budgetary placeholders have been included for future steam improvement projects.

Following is a summary of the updates and revisions that have been incorporated into the this potential plan and we present to you now as an initial draft. Please note these are meant to be high level projections are planning level estimates, and not a plan recommendation until further discussion is had.

2026 Projects

- **CIP Project #2026-01W, E 23rd Street Phase 2** – project coordinated and included with City of Hibbing street project.
- **CIP Project #2026-02W, Greenhaven Phase 1** – project costs include removal and replacement of one-half of street. Project scope and design will be refined to minimize necessary street impact and replacement costs. Mill and overlay paving project scheduled by City of Hibbing to be coordinated.
- **CIP Project #2026-03W, Wegener Road Loop** – new watermain to improve redundancy and circulation of trunk water supply system.

- **CIP Project #2026-11W, Hospital Private Water** – budgetary placeholder for updating of existing private water system which is being evaluated for transfer to HPU public ownership, operation, and maintenance.
- **CIP Project #2026-06S, Industrial Road & E 19th Street** – steam vault rehabilitation project coordinated in advance of City of Hibbing paving project scheduled for 2027.
- **CIP Project #2026-06P, Industrial Road & E 19th Street** – electric vault rehabilitation project coordinated in advance of City of Hibbing paving project scheduled for 2027.

2027 Projects

- **CIP Project #2027-01W, Greenhaven Phase 2** – project costs include removal and replacement of one-half of street. Project scope and design will be refined to minimize necessary street impact and replacement costs. Mill and overlay paving project scheduled by City of Hibbing to be coordinated.
- **CIP Project #2027-02W, E 25th Street Phase 1** – project coordinated and included with City of Hibbing street project.
- **CIP Project #2027-03W, TH 169 (Slip-lining)** – slip-lining final segment of 30" watermain between E 37th Street and E 41st Street.

2028 Projects

- **CIP Project #2028-01W, E 25th Street Phase 2** – project coordinated and included with City of Hibbing street project.
- **CIP Project #2028-02W, Kelly Lake** - project costs include removal and replacement of one-half of street. Project scope and design will be refined to minimize necessary street impact and replacement costs. City of Hibbing adjusting mill and overlay paving project schedule to coordinate with proposed watermain project timing.

2029 Projects

- **CIP Project #2029-02W, 2nd Avenue West** - project costs include removal and replacement of one-half of street. Project scope and design will be refined to minimize necessary street impact and replacement costs. Further coordination required with City of Hibbing regarding street project schedule and type.
- **CIP Project #2029-07W, 3rd Avenue East** - project costs include removal and replacement of one-half of street. Project scope and design will be refined to minimize necessary street impact and replacement costs. Further coordination required with City of Hibbing regarding street project schedule and type.

Initial Draft for
Discussion Only

2030 Projects

- CIP Project #2030-01W, 9th Avenue E - project costs include removal and replacement of one-half of street.
- CIP Project #2030-02W, Kitzville - project costs include removal and replacement of one-half of street. Project scope and design will be refined to minimize necessary street impact and replacement costs. City of Hibbing adjusting mill and overlay paving project schedule to coordinate with proposed watermain project timing.

Please do not hesitate to contact staff with any questions or comments that you may have regarding this information.

Sincerely;

A handwritten signature in black ink that reads "Luke J. Peterson". The signature is written in a cursive, flowing style.

Luke J. Peterson

Initial Draft for Discussion Only



HIBBING PUBLIC UTILITIES

2026-2030 CAPITAL IMPROVEMENT PLAN

Submitted By:

Bolton & Menk, Inc
4960 Miller Trunk Highway
Duluth, MN 55811
P: (218) 729-5939
Bolton-Menk.com



TOTAL COST ALL PROJECTS				
2026	2027	2028	2029	2030
\$ 14,571,000.00	\$ 14,709,800.00	\$ 13,420,300.00	\$ 10,479,400.00	\$ 10,508,800.00

Watermain Capital Improvement Plan						
CIP Project #	Project Name	2026	2027	2028	2029	2030
2026-01W	E 23rd Street Phase 2	\$ 674,600.00				
2026-02W	Greenhaven Phase 1	\$ 2,421,200.00				
2026-03W	Wegner Road Loop	\$ 1,640,900.00				
2026-05W	Annual Hydrant & Valve Replacement	\$ 1,000,000.00				
2026-11W	Hospital Private Water	\$ 1,000,000.00				
2027-01W	Greenhaven Phase 2		\$ 4,371,000.00			
2027-02W	E 25th Street Phase 1		\$ 1,823,200.00			
2027-03W	TH 169 (Slip lining)		\$ 2,740,600.00			
2027-04W	Annual Hydrant & Valve Replacement		\$ 1,000,000.00			
2027-10W	Lead Service Line Replacement		\$ 500,000.00			
2028-01W	E 25th Street Phase 2			\$ 1,823,200.00		
2028-02W	Kelly Lake			\$ 6,740,000.00		
2028-03W	Annual Hydrant & Valve Replacement			\$ 1,000,000.00		
2028-06W	Lead Service Line Replacement			\$ 500,000.00		
2029-02W	2nd Avenue W				\$ 4,179,400.00	
2029-03W	Annual Hydrant & Valve Replacement				\$ 1,000,000.00	
2029-07W	3rd Ave E				\$ 2,300,000.00	
2029-08W	Lead Service Line Replacement				\$ 500,000.00	
2030-01W	9th Avenue E					\$ 2,480,400.00
2030-02W	Kitzville					\$ 4,028,400.00
2030-03W	Annual Hydrant & Valve Replacement					\$ 1,000,000.00
2030-07W	Lead Service Line Replacement					\$ 500,000.00
Total		\$ 6,736,700.00	\$ 10,434,800.00	\$ 10,063,200.00	\$ 7,979,400.00	\$ 8,008,800.00



HIBBING PUBLIC UTILITIES
2026-2030 CAPITAL IMPROVEMENT PLAN

Submitted By:

Bolton & Menk, Inc
4960 Miller Trunk Highway
Duluth, MN 55811
P: (218) 729-5939
Bolton-Menk.com



TOTAL COST ALL PROJECTS				
2026	2027	2028	2029	2030
\$ 14,571,000.00	\$ 14,709,800.00	\$ 13,420,300.00	\$ 10,479,400.00	\$ 10,508,800.00

Gas Capital Improvement Plan						
CIP Project #	Project Name	2026	2027	2028	2029	2030
2026-08G	Gas Distribution Model	\$ 100,000.00				
Total		\$ 100,000.00	\$ -	\$ -	\$ -	\$ -



HIBBING PUBLIC UTILITIES 2026-2030 CAPITAL IMPROVEMENT PLAN

Submitted By:

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**BOLTON
& MENK**

Real People. Real Solutions.

TOTAL COST ALL PROJECTS

2026	2027	2028	2029	2030
\$ 14,571,000.00	\$ 14,709,800.00	\$ 13,420,300.00	\$ 10,479,400.00	\$ 10,508,800.00

Steam Capital Improvement Plan						
CIP Project #	Project Name	2026	2027	2028	2029	2030
2026-01S	E 23rd St Phase 2	\$ 373,600.00				
2026-06S	Industrial Road & E 19th St	\$ 2,660,700.00				
2026-12S	Annual Steam Maintenance Replacements	\$ 500,000.00				
2027-02S	E 25th Street Phase 1		\$ 275,000.00			
2027-05S	7th Ave E		\$ 1,150,000.00			
2027-09S	Annual Steam Maintenance Replacements		\$ 500,000.00			
2028-01S	E 25th Street Phase 2			\$ 2,057,100.00		
2028-05S	Annual Steam Maintenance Replacements			\$ 500,000.00		
2029-04S	2029 Steam TBD Project				\$ 1,500,000.00	
2029-06S	Annual Steam Maintenance Replacements				\$ 500,000.00	
2030-04S	2030 Steam TBD Project					\$ 1,500,000.00
2030-06S	Annual Steam Maintenance Replacements					\$ 500,000.00
Total		\$ 3,534,300.00	\$ 1,925,000.00	\$ 2,557,100.00	\$ 2,000,000.00	\$ 2,000,000.00



HIBBING PUBLIC UTILITIES 2026-2030 CAPITAL IMPROVEMENT PLAN

Submitted By:

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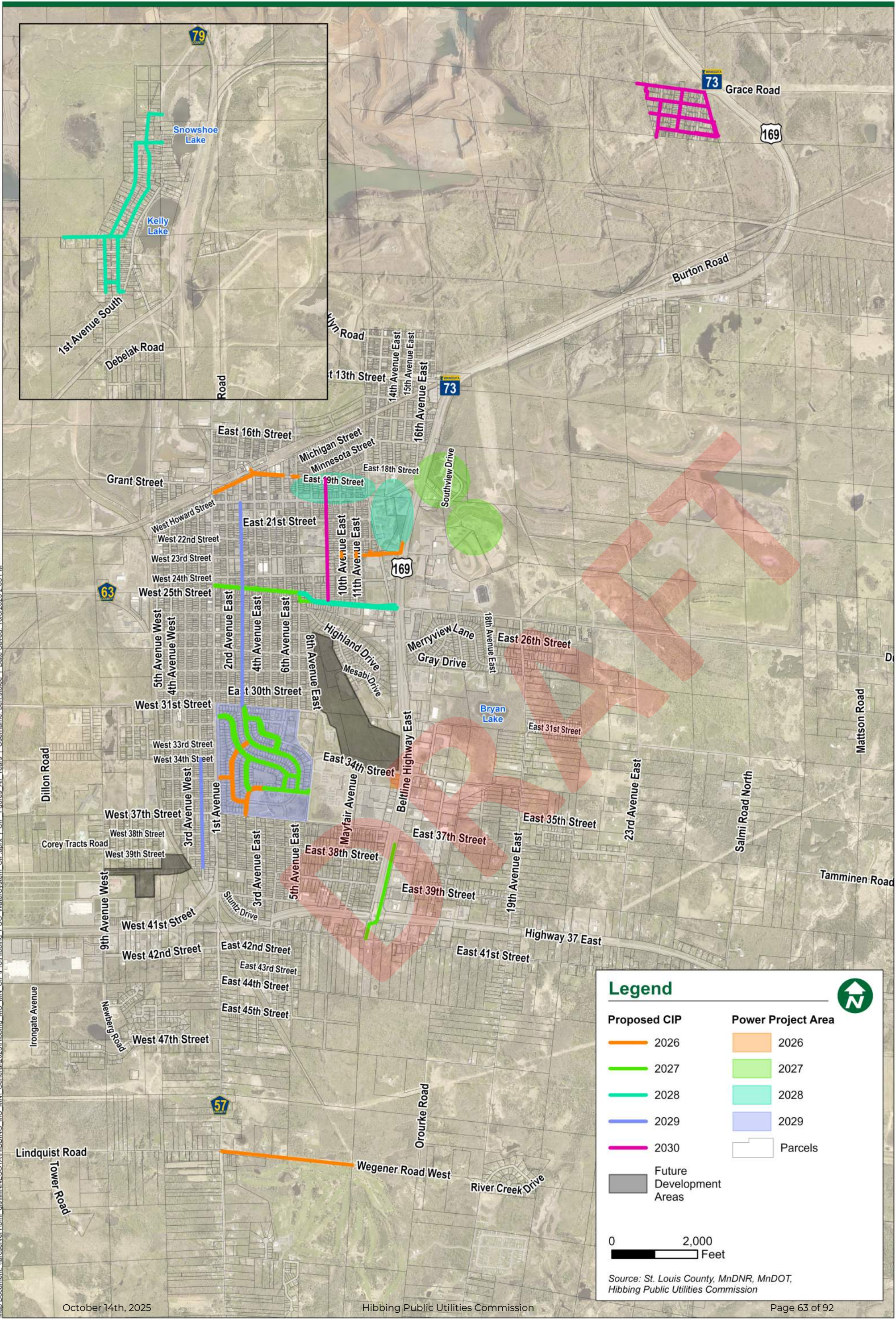
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& MENK**

Real People. Real Solutions.

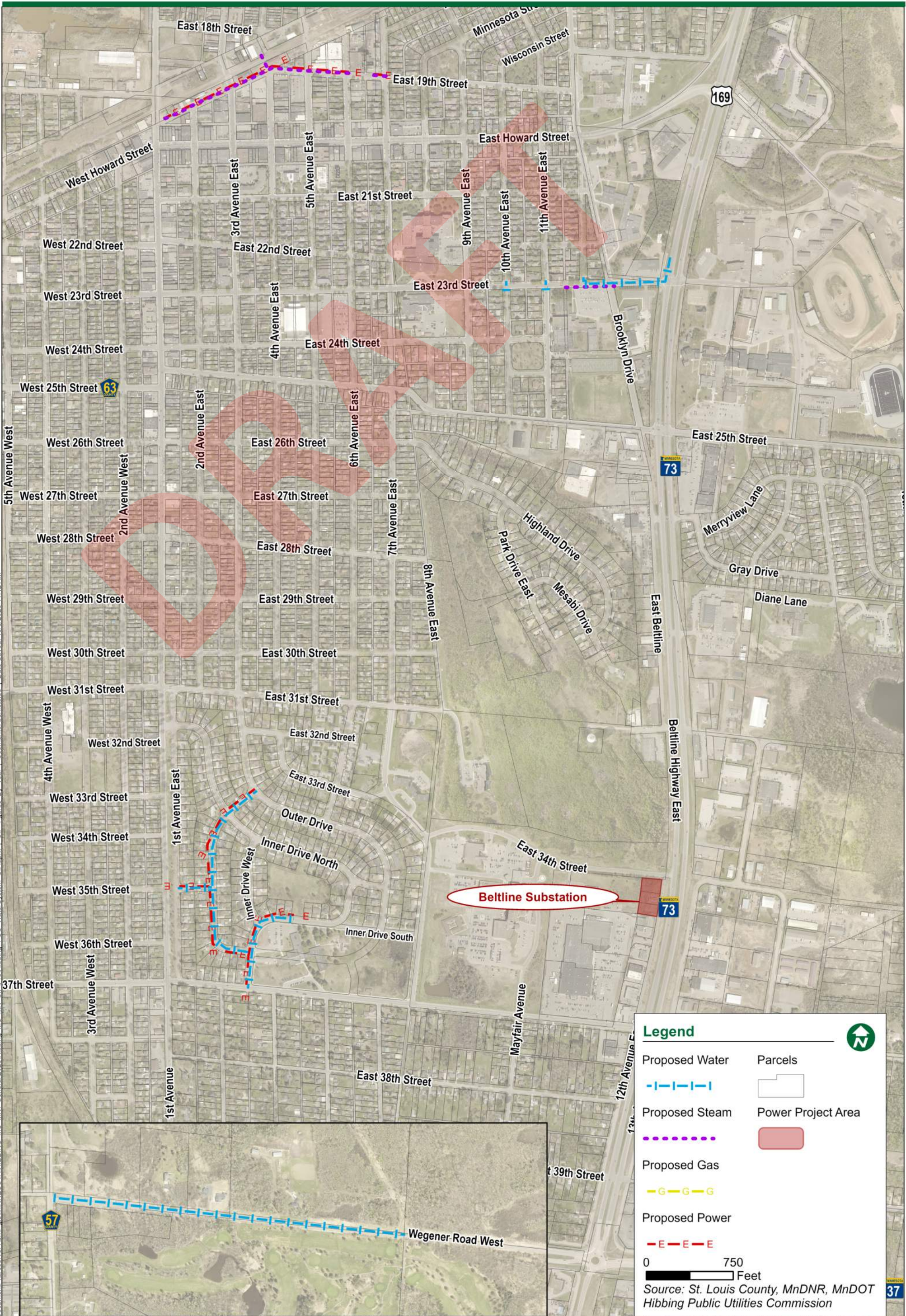
TOTAL COST ALL PROJECTS

2026	2027	2028	2029	2030
\$ 14,571,000.00	\$ 14,709,800.00	\$ 13,420,300.00	\$ 10,479,400.00	\$ 10,508,800.00

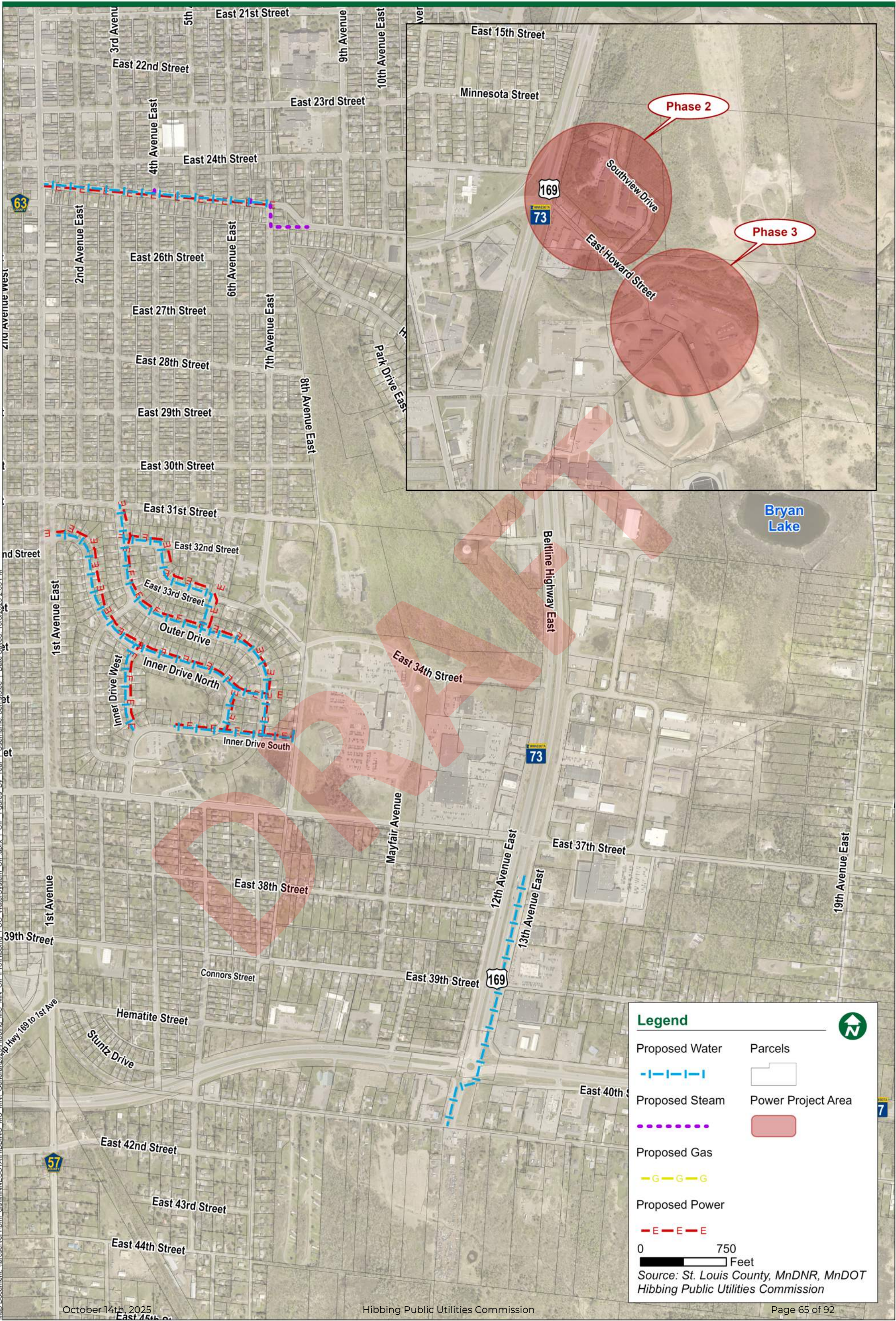
Power Capital Improvement Plan						
CIP Project #	Project Name	2026	2027	2028	2029	2030
2026-01P	E 23rd St Phase 2	\$ 100,000.00				
2026-02P	Greenhaven Phase 1	\$ 100,000.00				
2026-06P	Industrial Road & E 19th St	\$ 500,000.00				
2026-09P	Beltline Substation	\$ 1,500,000.00				
2026-10P	Feeder 15 Voltage Conversion PH 2 & 3	\$ 1,500,000.00				
2026-11P	Hospital Private Water	\$ 500,000.00				
2027-01P	Greenhaven Phase 2		\$ 300,000.00			
2027-02P	E 25th Street Phase 1		\$ 300,000.00			
2027-05P	7th Ave E		\$ 500,000.00			
2027-06P	Wagner Sub		\$ 500,000.00			
2027-07P	Feeder 15 Voltage Conversion PH 4 & 5		\$ 500,000.00			
2027-08P	LED Street Ligh Conversion		\$ 250,000.00			
2028-01P	E 25th Street Phase 2			\$ 300,000.00		
2028-04P	Feeder 51 Voltage Conversion			\$ 500,000.00		
2029-05P	Voltage Conversion Feeder TBD				\$ 500,000.00	
2030-05P	Voltage Conversion Feeder TBD					\$ 500,000.00
Total		\$ 4,200,000.00	\$ 2,350,000.00	\$ 800,000.00	\$ 500,000.00	\$ 500,000.00

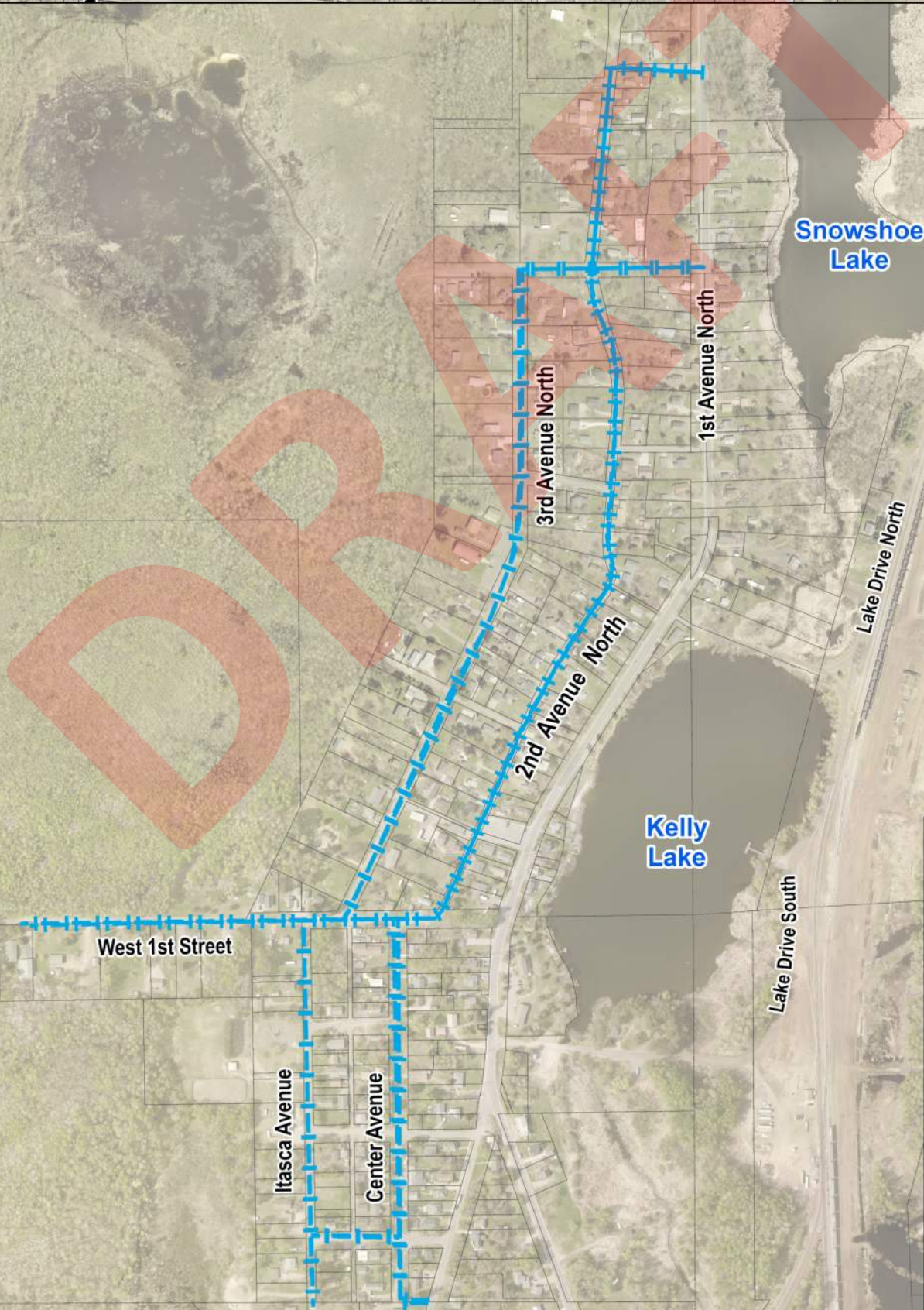
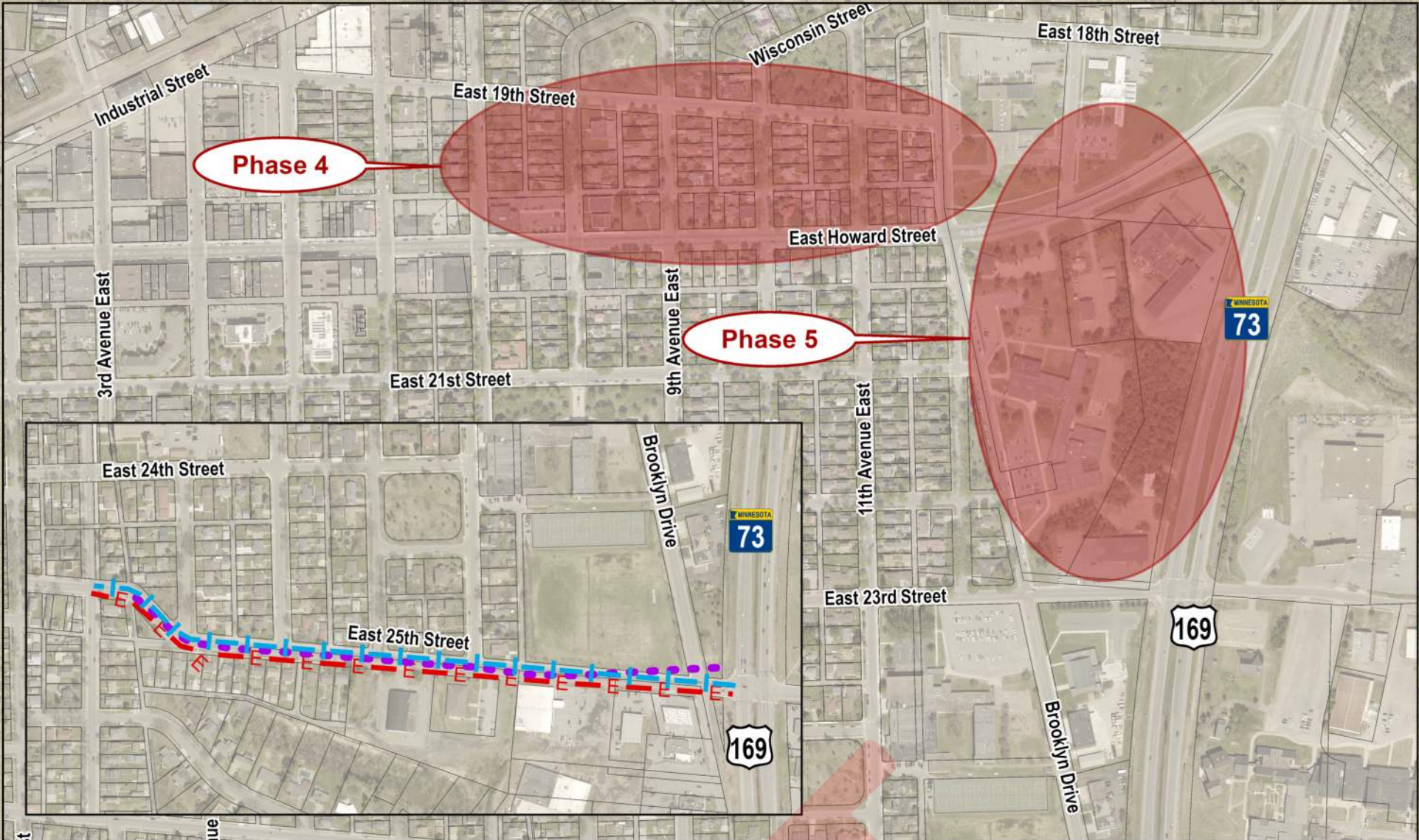


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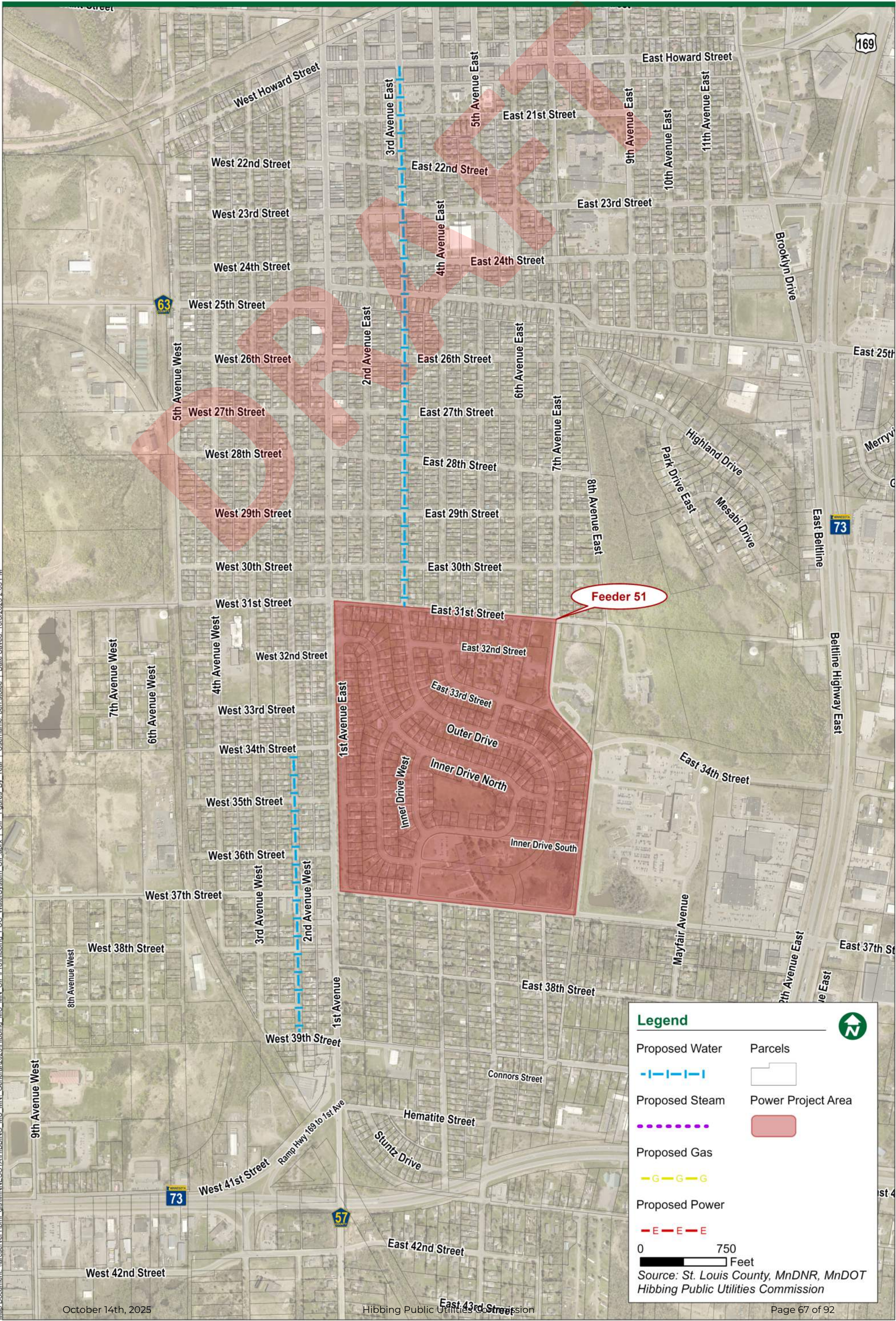


Legend

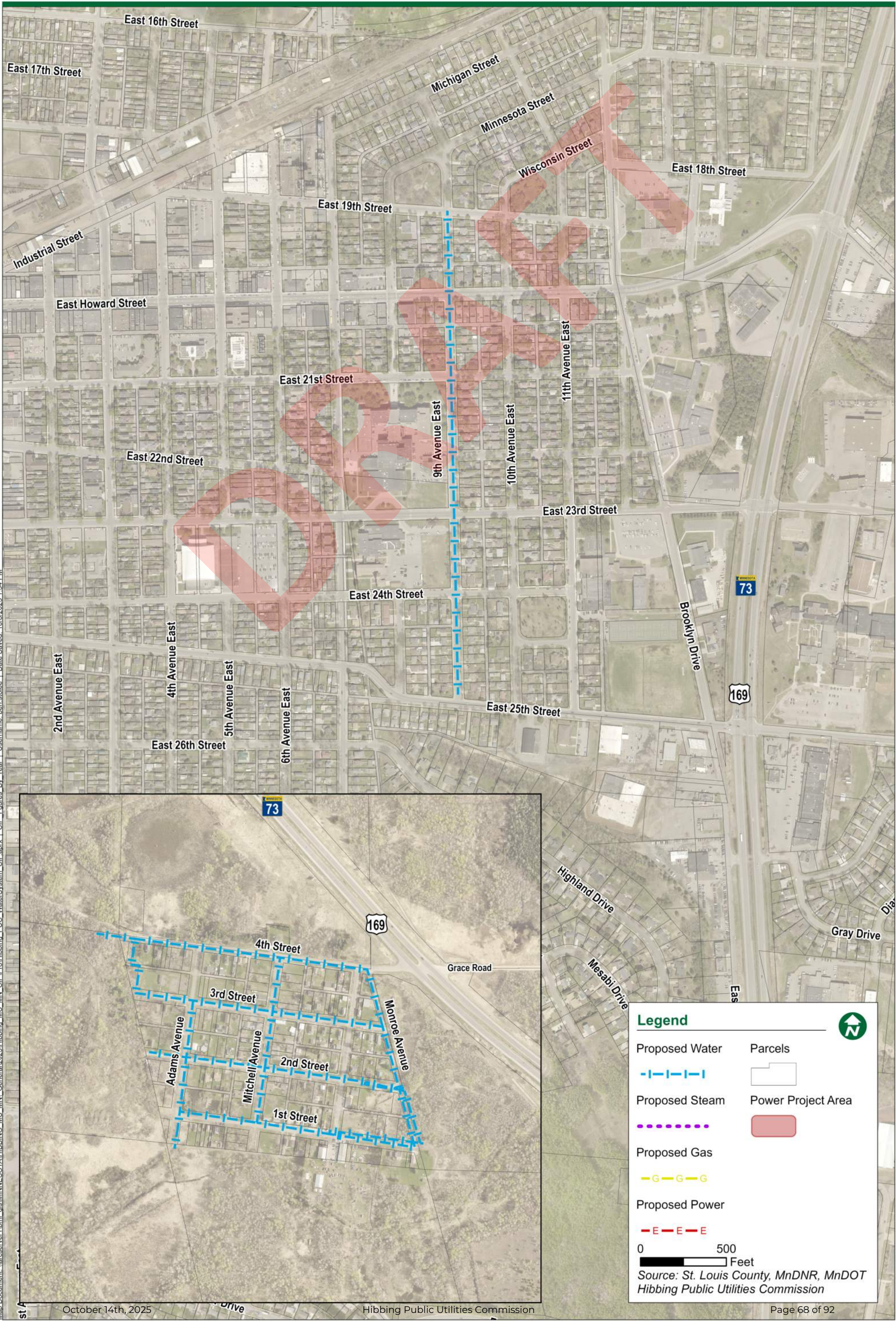
Proposed Water	Parcels
Proposed Steam	Power Project Area
Proposed Gas	
Proposed Power	

0 500 Feet

Source: St. Louis County, MnDNR, MnDOT
Hibbing Public Utilities Commission



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Item 2.C

Item 2.C – Gas Prepay Transaction

October 14th, 2025

James Bayliss
Commission Chair
1902 E. 6th Avenue
Hibbing, MN 55746

RE: Item 2.C – Gas Prepay Transaction

Dear Commissioners;

Please find attached for your review two presentations outlining a proposed Gas Prepay Transaction with Minnesota Community Energy, a Minnesota Municipal Gas Joint Agency of which HPU is a founding member in 2007. This proposed transaction, joining with other community-owned utilities like Hutchinson, Austin, Owatanna, and Circle pines is meant provide long-term natural gas supply with a permanent discount.

Participation in this transaction is projected to deliver an estimated 10% cost benefit over the life of the commitment, resulting in meaningful savings for our customers and increased budget predictability for HPU.

Staff looks forward to discussing this opportunity in greater detail and answering any questions as gas and interest rates are becoming favorable for this transaction.

Following discussion and commission feedback, staff will work to evaluate and finalize understanding of operational impact prior to making a final recommendation.

Attached is the Presentation provided to the MCE Board, of which HPU is a member, by an independent municipal financial advisor, PFM, about the transaction.

Sincerely;



Luke J. Peterson



Minnesota Community Energy

Energy/Gas Prepayment Transaction



Introduction

◆ PFM Financial Advisors LLC

- Independent Registered Municipal Advisor (“IRMA”) to MCE
- #1 ranked financial advisor to state/local governments and non-profits
- #1 ranked advisor to municipal utilities for several decades
- Advised on over \$25 billion of energy prepayment transactions
- SEC/MSRB Registered and Regulated
- Fiduciary responsibility to act in MCE’s best interests
- Advisor-only business model – no securities sales, trading, underwriting
- PFM team led by Mike Mace, Senior Director (macem@pfm.com)

40+ years of municipal utility finance experience

financial advisor on over \$100 billion of utility finance transactions



Energy Prepayment Transactions

◆ Over \$120 Billion prepay transactions executed since 2006

- Expected to generate over \$10 billion in savings for utility customers
- Prepayments authorized by 2003 Treasury regs and 2005 Energy Policy Act

◆ High level description

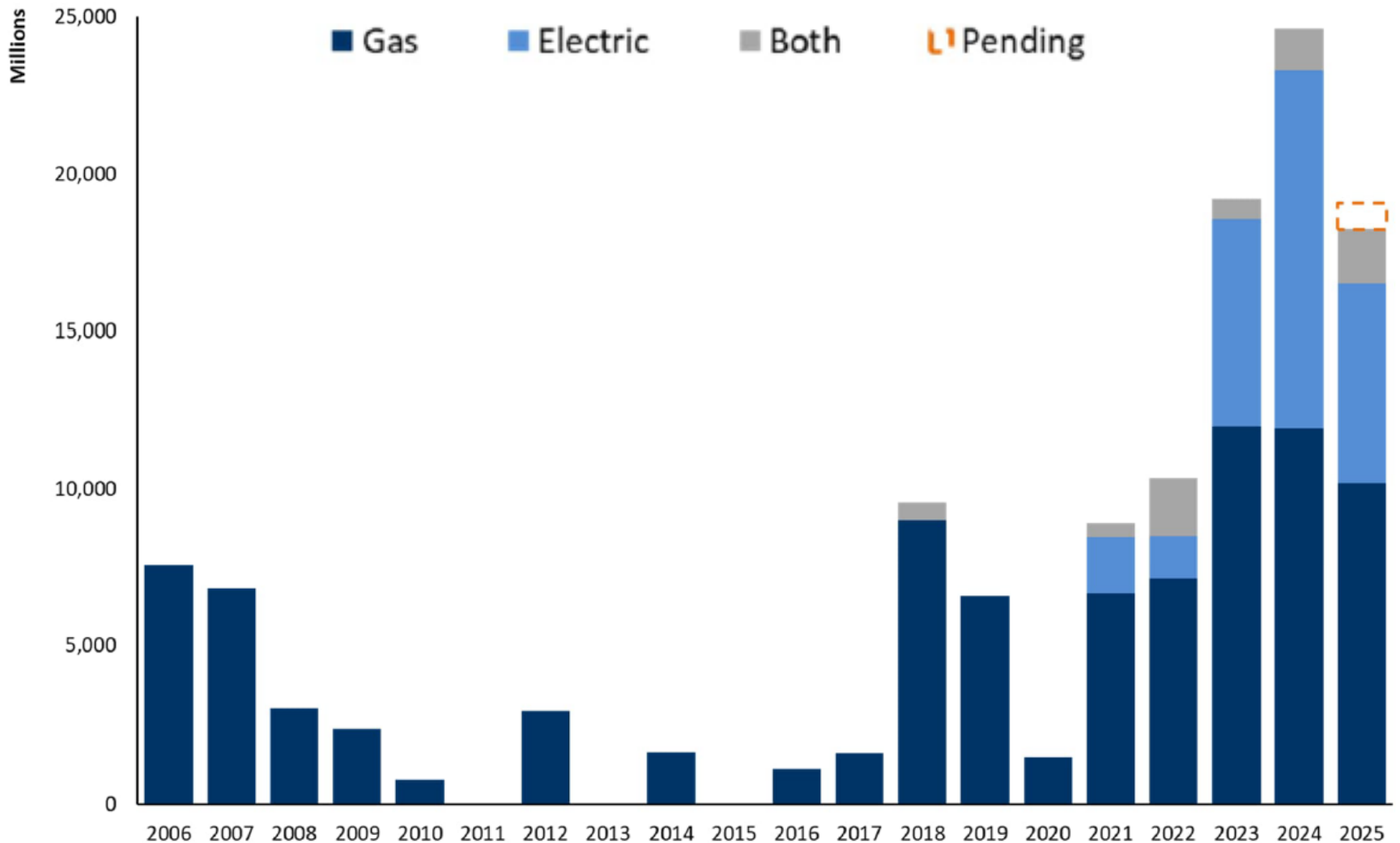
- Issuer (MCE) sells bonds to make Prepayment to Seller (JP)
- Issuer sells tax-exempt bonds at rate less than Seller cost of capital
- Seller “repays” prepayment with deliveries of gas/energy
- Issuer sells gas/energy at a discount to municipal utility customers
- Difference in Issuer bond rate and Seller capital cost creates savings
- Savings range from 5% to 10%+ of underlying commodity cost

◆ Details

- MCE commodity swap enables MCE to sell gas at “discount to Index”
- “Segmented” bond structure maximizes savings for initial 5-10 year term
- Future “segments” must achieve minimum savings targets – or customer can opt out
- Seller deposits/invests prepayment in a Funding Agreement to support bonds



Energy Prepayment Transactions - History

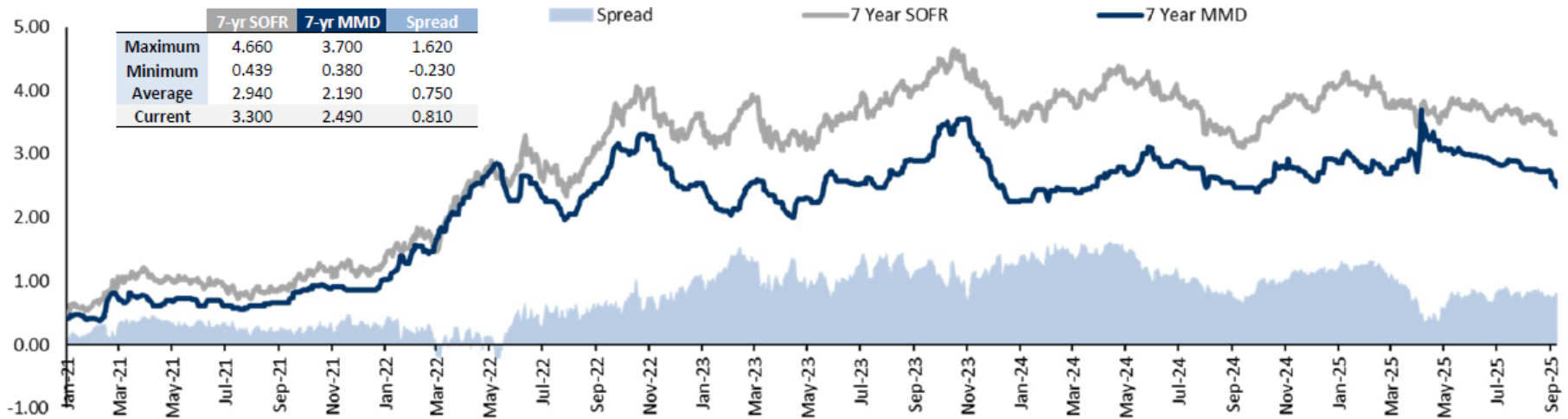




Energy Prepayment Savings Drivers

- ◆ The difference between tax-exempt and taxable interest rates drives prepayment savings potential
 - The differential creates “% savings” to be applied to underlying commodity price
 - % savings applied to commodity price delivers “cents per MMBtu” saved

Historical 7-Year MMD vs 7-Year SOFR – January 1, 2021 to Present



- “TE/TX spread” drove large savings and issuance in 2023 and 2024
- 2025 started off well, and now seeing recovery from Tariff market disruption



Energy Prepayment Risk Mitigation

- ◆ Risk management and mitigation are major prepay positives
 - Bond investors rely on ongoing gas sale revenue for bond payments
 - They also look to Seller and Funding Agreement provider in default events
 - Gas purchasers are only required to pay for gas as delivered
 - Excess gas can be remarketed
 - Termination of prepayment returns customers to prior gas purchase practices
 - Prepay debt service not included in customer metrics by rating agencies
 - Prepay debt not consolidated on customer balance sheets
 - No prepay customers have lost \$\$ on a transaction



Summary

- ◆ MCE transaction staffed by industry leading professionals
 - Prior MCE successful transaction in 2022
 - JP Morgan team has strong prepay and commodities professionals
 - Legal team (Bond, Underwriters, Gas, Tax, Seller) are all industry leaders in the roles they play in the transaction
- ◆ Transaction structure is identical to billions of bonds already sold
 - All Issuer and utility customer protections included in structure
 - Industry standard documentation and legal opinions
- ◆ Muni utilities are strong credits, many having gas prepay experience
- ◆ Transaction won't proceed unless savings targets are achieved
- ◆ PFM recommends approval of the transaction



Item 2.D

Item 2.D -AMI Update

October 14th, 2025

James Bayliss
Commission Chair
1902 E. 6th Avenue
Hibbing, MN 55746

RE: Item 2.D – AMI Update

Dear Commissioners;

Attached for your review is a presentation on the current status of HPU's ongoing AMI Rollout. Following Commission approval in June 2024, HPU staff has completed early phases of implementation, including antenna installation and meter replacements. As of July 2025, ~1,400 meters have been installed, however ~18,000 meters remain to be replaced.

Upon staff evaluation, we are recommending the outsourcing of the mass meter exchange to a specialized third-party vendor to reduce the project cost and ensure an efficient and timely project rollout.

I am happy to introduce Jill Hietala to speak on this topic.



Luke J. Peterson



AMI

MITIGATING RISK, OPTIMIZING RESOURCES, AND ACCELERATING ROLLOUT

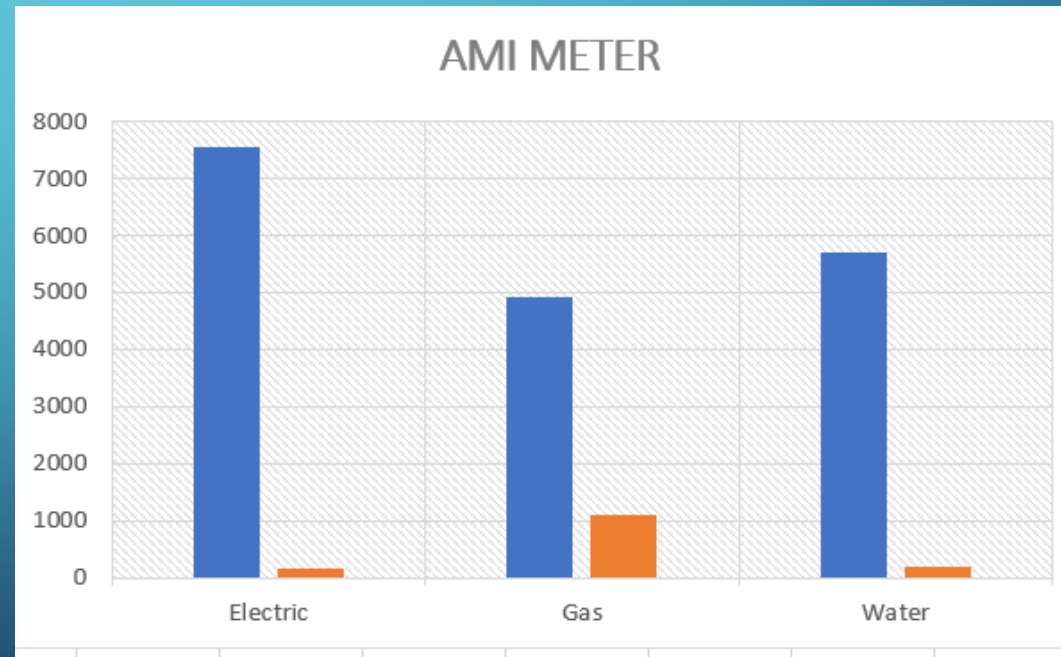
WHERE WE ARE

Approval by commission June 2024

- Contract with Sensus September July 2024
- AMI Antenna installation September 2024

Number of customers by service as of July 2025 vs Installed meters:

Electric	AMI Installed to date: 145
Gas	AMI Installed to date: 1096
Water	AMI Installed to date: 176



WHAT WE NEED TO DO – 100% DEPLOYMENT

Our utility faces significant resource challenges for a full-scale in-house AMI meter installation.

- Greater deployment timeframe
- Improve safety and reduce operational costs
 - Eliminates the need to hire and train temporary installers and obtain equipment or specialized tools

We need to Total meters “left” to swap

Water	5710
Gas	4910
Electric	7541

Outsourcing – 6 month deployment

(this timeline may vary greatly by resident cooperation in scheduling)

\$110 per water meter (meter & radio)	= \$829,510
\$80 per electric meter (no 3 phase)	= \$603,280
\$80 per Gas Meter	= \$392,800

Internal – 4.8 years deployment

18,161 meters w/flat rate for 2 techs \$30.45/each per hour wage

- Longer deployment = equipment depreciating siting in warehouse, wasted costs paid not utilizing software and customer benefits



COST SAVING OPPORTUNITY

Gas meters

Hire Summer students complete = Savings

Summer of 2025-

- 1000 completed @ about 4 per hour
- 560 in 4 months per student
- Employ 8 summer students

*** Savings of about \$300,000

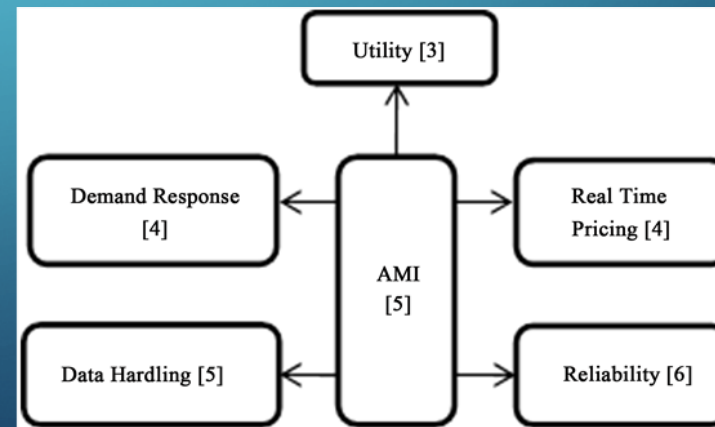
AMI ROLLOUT: OUTSOURCING VS. IN-HOUSE

- Substantial labor and equipment cost savings
 - ~As AMI benefits are realized staff can help customers with new features such as, consumption portals and billing transparency.
- Cost Certainty
 - ~Set contract price with clear scope of work and data entry
- Risk mitigation and quality assurance
 - ~ Proven processes, safety protocols ensure a high-quality installation

SUMMARY -

Recommend out-sourcing the mass meter exchange to a specialized third-party vendor to reduce cost and accelerate deployment.

- Financially, outsourcing the installation is more cost-effective and provides a better/faster return on investment
- A faster, efficient rollout will accelerate the realization of the AMI benefits, including improved customer service and operational efficiency.



NEXT STEPS

- Commission approval
- Initiate RFP – find qualified and experienced AMI installation partner
- Review and select proposals
- Contract negotiation
- Launch installation

SCOPE OF WORK

- Planning and scheduling
- Customer communication and appointment setting
- Meter exchange for water and electric
- Inventory management and returns to the utility
- Vendor qualifications
 - Experience and track record, safety record, quality control process, and ability to manage inventory and logistics