

MINUTES OF THE PROCEEDINGS

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

Minutes of the regular meeting of the Public Utilities Commission, Hibbing, Minnesota, 1902 E. 6th Ave., Hibbing, MN 55746, held on August 12th, 2025. Meeting held at Hibbing City Hall, 401 E. 21st St., Hibbing MN. Chair Bayliss called the meeting to order at 5:00 p.m. In attendance were Chair Bayliss, Commissioner Hart, Commissioner Babich, Commissioner Stokes, Commissioner Sandstede, Legal Counsel, Andy Borland; General Manager Luke Peterson, Manager of Energy Supply Paul Plombon, Customer Communications & Programs Manager Eliot Dixon. Also in attendance were City of Hibbing Mayor Pete Hyduke, HPU Interim Financial Controller Tammy Mattonen, Baker Tilly Rep. Bethany Ryer, Bolton & Menk Rep. Andy Brotzler, HPAT Rep. Ron Wirkula; HPU Employee George Pogachnik, and Mark Reger.

Item 2. ADDS/DELETES

Item 8.A. – Call Special Session for GM Review

Item 8.B. – Appoint New Commission Secretary

Item 9.A. – Review Interim HR Contract

Item 3. APPROVAL OF MINUTES

Motion by Commissioner Stokes, supported by Commissioner Sandstede, to approve the regular meeting minutes of July 15th, 2025.

Motion carried unanimously.

Item 4. CITIZENS FORUM –

Item 5. CONSENT AGENDA

Item 5.A. Approving invoices >\$10,000 & approve the bills & ACH transfers >\$10,000 dated July 10th – August 6th, 2025

Item 5.B. Approve the payroll paid & overtime report for the July 24th & August 8th, 2025 pay dates.

Item 5.C. Approve 2 Line Men to attend MMUA Overhead School

Item 5.D. Authorize Commissioners to attend Sept. 19th HPU Organizational Strengthening Retreat

Motion by Commissioner Stokes, supported by Commissioner Sandstede, to approve Consent Agenda items 5.A., 5.B., 5.C., & 5.D. as presented.

Motion carried unanimously.

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Item 6. FINANCIALS & RISK MANAGEMENT

Item 6.A. Approve July 2025 Interim Financials

Commission requested that future meeting rescheduling be moved back a week instead of forward a week. Allowing more time for the completion, presentation, and review of Monthly Financials by the Commission.

Motion by Chair Bayliss, supported by Commissioner Babich, to table the July 2025 Interim Financials.

Motion carried unanimously.

Item 6.B. Approve 5-Year Service Agreement and Master Agreement for Natural Gas Supply with Kinect Energy, Inc.

Commission discussed the contract term of 3 or 5 years and fee structure.

Motion by Commissioner Hart, supported by Chair Bayliss, to approve 5-Year Service Agreement and Master Agreement for Natural Gas Supply with Kinect Energy

Motion carried unanimously.

Item 6.C. Approve Final pay App & Change Order for Mine View Water Extension to Bougalis Inc. in the amount of \$184,074

Commission discussed the project quoting/bidding process to ensure best practice for this and future projects.

Motion by Commissioner Stokes, supported by Commissioner Sandstede, to Approve Final Pay App & Change Order for Mine View Water Extension to Bougalis Inc. in the amount of \$184,074

Motion carried unanimously.

Item 6.D. Approve Change Order for 23rd St. Project in an amount not to exceed \$125,000

HPU Manager of Energy Supply Paul Plombon discussed poor condition of concrete vaults discovered at the 23rd St. Project. Discussed with Commission that adjustments will be made to future projects to account for this work in initial project scopes.

Motion by Commissioner Stokes, supported by Commissioner Babich, to Approve Change Order for 23rd St. Project in an amount not to exceed \$125,000

Motion carried unanimously.

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Item 6.E. Reject All Bids for PB 25-06: Electrical Distribution Groundline Pole Inspection

Motion by Commissioner Sandstede, supported by Commissioner Stokes, to Reject All Bids for PB 25-06 Electrical Distribution Groundline Pole Inspection

Motion carried unanimously.

Item 7. POLICY & GOVERNANCE-

Item 7.A. Approve Resolution 25-07: Resolution Authorizing the Issuance and Sale of \$20,000,000 Utility Revenue Notes, Series 2025

Motion by Commissioner Sandstede, supported by Commissioner Hart, to approve Resolution 25-07: Resolution Authorizing the Issuance and Sale of \$20,000,000 Utility Revenue Notes, Series 2025

Motion carried 3-1.
"No" – Babich
Abstain - Stokes

Item 8. NEW BUSINESS–

Item 8.A. Appoint New Commission Secretary

Commission Chair Bayliss appointed Commissioner Hart to be the new Commission Secretary.

Motion by Chair Bayliss, supported by Commission Stokes, to appoint Commissioner Hart as the new Commission Secretary.

Item 8.B. Special Meeting for GM Review

Commission discussed dates for calling a special meeting to perform a performance review for HPU General Manager Luke Peterson. Meeting date was set for Aug. 25th at 5:00 pm. The Commission directed staff to make arrangements for the meeting.

Item 9. OLD BUSINESS –

Item 9.A. Review Interim HR Contract

Commissioner discussed contract terms of Robert Half Interim HR Contract to determine a timeline for a permanent hiring.

Motion by Commissioner Babich, supported by Commissioner Sandstede, for staff to investigate the buying out of Robert Half temporary employee contract.

Motion carried unanimously.

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Item 10. ADJOURNMENT

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

Motion carried unanimously

Attest:


James Bayliss, Chair


Jeff Hart, Commission Secretary

Meeting materials are available at
The next meeting is a working meeting scheduled for Tuesday, September 10th, 2025
at 5:00 p.m. at the Hibbing City Hall, 401 E. 21st St., Hibbing MN 55746.

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