



Commission Regular Session

DECEMBER 16TH, 2025

Commission Meeting Agenda December 16th, 2025

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

1. CALL TO ORDER

2. ADDS/DELETES

3. APPROVAL OF MINUTES: November 16th, 2025

4. CITIZENS' FORUM: *Maximum amount of time per item: 5 minutes*

5. CONSENT AGENDA

- A. Approve invoices >\$10,000 & approve the bills & ACH transfers dated November 13th – December 10th, 2025
- B. Approve the payroll paid & overtime report for the November 27th & December 11th, 2025 pay dates
- C. Approve Resolution 25-11: 2026 Official Newspaper & Public Posting Sites
- D. Approve Resolution 25-12: 2026 Official Depositories
- E. Approve Resolution 25-13: Meeting Dates for Calendar Year 2026
- F. Approve Resolution 25-14: Resolution Authorizing Hibbing Public Utilities To Make Application To and Accept Funds From the 2026 Community Development Block Grant Program
- G. Approve Employee Overnight Travel Q1 2026
- H. Approve LMCIT Workers' Compensation Coverage
- I. Accept Intent to Retire Notice from Line Crew Foreman, Esko Savela: effective 12/31/2025
- J. Approve Resignation of Fuel Handler, John Fabish: effective 11/28/2025
- K. Award Chief Operating engineer position to Blake Monroe
- L. Approve Paul Skubbina as Engineering Manager: Anticipated Start 2/2/2026
- M. Approve Hiring of Anthony Kanipes and John Packa as Biomass Technician Trainees: Anticipated Start 1/5/2026
- N. Authorize listed Requests for Contributions

6. FINANCIALS & RISK MANAGEMENT

- A. Approve November 2025 Interim Financials
- B. Approve FM Global Renewal Property Proposal
- C. Approve Resolution 25-15: Authorizing Gas Supply Agreement with Minnesota Community Energy
- D. Approve CO#3 with Geislinger for 30" Water Main Slip Lining

7. POLICY & GOVERNANCE

- A. Approve Job Description & External Posting for Environmental, Health & Safety Coordinator
- B. Approve Job Descriptions & External Posting for Executive Assistant
- C. Approve Job Descriptions & Internal/External Posting for Fuel Handler
- D. Approve Job Description & Internal/External Posting for Journeyman Line Worker
- E. Approve Job Description & External Recruitment for Procurement Supervisor

8. NEW BUSINESS

9. OLD BUSINESS

10. CLOSED SESSION

A. Employee Performance Review

11. ADJOURNMENT



Item 3 – Approval of Minutes

Item 3 – Approval of Minutes : November 18th & December 2nd, 2025

December 16th, 2025

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

RE: Item 3 - Approval of Minutes: November 18th & December 2nd, 2025

Dear Commissioners;

Please find attached for your approval draft minutes from the Commission Meetings of November 18th & December 2nd, 2025.

Sincerely;



Luke J. Peterson

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 November 18th, 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 Stokes, Commissioner Babich, Commissioner Sandstede, Legal Counsel, Andy Borland; General Manager Luke Peterson, Director of HR & OD, Kendra Powers, Manager of Customer Communications & Programs Manager Eliot Dixon. Also in attendance were , HPU Interim Financial Controller Tammy Mattonen, Bolton & Menk rep. Andy Brotzler, and HPAT Rep. Ron Wirkkula.

Item 2. ADDS/DELETES

Delete – Item 6.D. – FM Global Insurance Renewal

Item 3. APPROVAL OF MINUTES

Motion by Commissioner Stokes, supported by Commissioner Sandstede, to approve the regular meeting minutes of the October 28th & November 6th, 2025 Commission Meeting.

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 October 23rd – November 12th , 2025
- Item 5.B. Approve the payroll paid & overtime report for the October 30th & November 13th, 2025 pay dates.
- Item 5.C. Authorize Travel for Year End 2025 & Q1 2026
- Item 5.D. Approve Resolution 25-10: Prioritizing Biomass Utilization
- Item 5.E. Authorize Listed Requests for Contribution

Commissioner Hart requested Item 5.D. be pulled for discussion

Commission discussed with HPU General Manager Luke Peterson purpose of resolution. GM Peterson discussed the resolution formalizes HPU's commitment to burn wood in HREC's Boiler #4 and that gas is not allowed in Boiler #4 except for flame stabilization and start up support.

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

Motion carried unanimously.

MINUTES OF THE PROCEEDINGS

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

Item 6. FINANCIALS & RISK MANAGEMENT

Item 6.A. Approve October 2025 Interim Financials

Motion by Commissioner Hart, supported by Commissioner Stokes, to table the October 2025 Interim Financials.

Motion carried unanimously.

Item 6.B. Approve 2026 Operational Budget

Commission noted production tax credit, while planned is not included in the budget.. Commission additionally discussed non-operational budgets including changes in depreciation of LEA assets.

Motion by Commissioner Babich, supported by Commissioner Sandstede, to approve 2026 Operational Budget.

Motion carried unanimously.

Item 6.C. Approve Resolution 25-09: close US Bank Account #791527056

Motion by Commissioner Stokes, Supported by Commissioner Sandstede, to Approve Resolution 25-09: Close US Bank Account 791527056

Motion carried unanimously.

Item 6.D. ****Deleted from agenda****

Item 6.E. Approve Purchase of 1,000 tons of Coal from DTE Energy in the amount of \$83,640

Commission discussed coal supply would last over the winter and help protect ratepayers from price surges in a Polar Vortex event.

Motion by Commissioner Sandstede, supported by Commissioner Babich, to Approve Purchase of 1,000 tone of Coal from DTE Energy in the amount of \$83,640.

Motion carried unanimously.

Item 6.F. Approve Purchase of Beltline Stepdown Transformers from T&R Electric in the amount of \$69,969

Motion by Commissioner Hart, supported by Commissioner Stokes, to Approve Purchase of Beltline Stepdown Transformers from T&R Electric in the amount of \$69,969

Motion carried unanimously.

MINUTES OF THE PROCEEDINGS

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

Item 6.G. Authorize Execution of MISO Zonal Resource Credit confirmation for Wright-Hennepin Electric/GRE

Motion by Commissioner Stokes, supported by Commissioner Hart, to Authorize Execution of MISO Zonal Resource Credit confirmation for Wright-Hennepin Electric/GRE

Motion carried unanimously.

Item 7. POLICY & GOVERNANCE-

Item 7.A. Approve Job Description & External Posting for Financial Controller

Motion by Commissioner Stokes, supported by Commissioner Babich, to Approve Job Description & External Posting for Financial Controller.

Motion carried unanimously.

Item 7.B. Approve Job Description & External Posting for Engineering Manager

Motion by Commissioner Stokes, supported by Commissioner Babich, to Approve Job Description & External Posting for Engineering Manager.

Motion carried unanimously.

Item 7.C. Approve Updates to Water Installation Fees

Motion by Commissioner Stokes, supported by Commissioner Babich, to approve updates to Water Installation Fees.

Motion carried unanimously.

Item 7.D. Approve MMUA for Strategic Planning Consulting Agreement in the amount of \$21,000

Motion by Commissioner Sandstede, supported by Commissioner Stokes, to approve 2026 Utility Benefits.

Motion carried unanimously.

MINUTES OF THE PROCEEDINGS

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

Item 8. NEW BUSINESS–

Item 9. OLD BUSINESS –

Item 9.A. MPCA Superfund Status - Discussion

HPU General Manager Luke Peterson provided an update the progress on the redevelopment of the MPCA Superfund Site.

Item 9.B. Lead Service Lines Update

HPU General Manager Luke Peterson provided an update to progress on the Lead Service Line investigation efforts. Staff expects to have actionable results of testing to be considered at the December Working Session. Chair Bayliss discussed HPU efforts to pursue external funding to support HPU's Lead Projects. Staff discussed efforts to work with MDH to pursue state level funding to support Lead Projects.

Item 10. ADJOURNMENT

Motion by Commissioner Stokes, supported by Commissioner Sandstede, to adjourn the meeting at 5:31 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, December 2nd, 2025
at 5:00 p.m. at the Hibbing City Hall, 401 E. 21st St., Hibbing MN 55746.

p/2025-11-18-Minutes.doc



Item 5.A

Item 5.A – Approve Invoices >\$10,000 and bills & ACH transfers
dated November 13th – December 10th, 2025

December 16th, 2025

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

RE: Item 5.A – Approve Invoices >\$10,000 and bills & ACH transfers dated November
12th – December 10th, 2025

Dear Commissioners;

Per HPU's Authorization and Approval matrix approved at the April 26th 2022
Commission Meeting, please find attached enclosed invoices, bills, and payments
since the last Regular Meeting held by the Commission on November 18th, 2025.

Sincerely;



Luke J. Peterson

Report Criteria:

Detail report type printed

[Report].Invoice Amount = {>}10000

Check.Voided = No

Name	Invoice Number	Description	Vendor Invoice Date	Invoice Approval Date	Invoice Amount	Check Number	Check Issue Date
ABATE TEK	ABT2.10232	Clean pigeon waste from 2 areas in plant 128/hr	10/23/2025	10/27/2025	12,800.00	62907	11/29/2025
Total ABATE TEK:					12,800.00		
BAKER TILLY VIRC	BT3324915	IRA Tax Credit Services	09/23/2025	11/06/2025	14,500.00	62917	11/29/2025
Total BAKER TILLY VIRCHOW KRAUSE, LLP:					14,500.00		
BCBS RETIREE	2510304185	RETIREE ACTIVE COVERAGE 12/01/25-12/31/25	11/20/2025	12/04/2025	10,971.00	11212025	11/21/2025
Total BCBS RETIREE:					10,971.00		
BOLTON & MENK, I	0372980	2025 Watermain Projects: 30" WMN Rehab P2 July 19 to Aug 15	08/29/2025	11/20/2025	37,310.50	63064	12/08/2025
	0377379	Water Treatment Plant Design 9/13-10/10/25	10/23/2025	11/03/2025	40,547.55	63064	12/08/2025
	0378505	2025 Watermain Projects: 17th/5th and 6th Sept 13 to Oct 10; Construction Engineering, Reimbursable expenses,	10/31/2025	11/10/2025	47,618.00	63064	12/08/2025
Total BOLTON & MENK, INC:					125,476.05		
BOUGALIS INC	8626	19th ST & 6th AVE E; Mobilization, excavator, Loader, Washed Rock, Labor, Materials	11/14/2025	11/19/2025	11,232.50	62921	11/29/2025
	8692	Invoice 8692 For Culvert Repair at LEA Yard Plus Restoration	11/24/2025	11/26/2025	108,236.00	62921	11/29/2025
	8710	Restorals; saw cutting/concrete, street restorals, sidewalk restorals, boulevard restorals, alley repairs	11/24/2025	11/26/2025	47,657.00	62921	11/29/2025
Total BOUGALIS INC:					167,125.50		
CORE & MAIN	Y130125	Electric meters for AMI project - Aclara KV2C	11/17/2025	11/18/2025	12,534.60	62926	11/29/2025
Total CORE & MAIN:					12,534.60		
ELECTRIC POWER	41396	2025 Q3 T1 EPCM SVCS	10/31/2025	11/04/2025	49,094.66	63065	12/08/2025
	41549	Southern Interconnect -T8 Surveys Environmental, Geotech, Survey, Field Staking: At Award	10/31/2025	11/06/2025	84,525.00	63065	12/08/2025
Total ELECTRIC POWER ENGINEERS LLC:					133,619.66		
Geislinger & Sons, I	PAY APP #8	2025 Capital Watermain Additions to original contract price--Sliplining (41st ST to Wegner)	10/09/2025	11/06/2025	530,258.47	62942	11/29/2025
	PAY APP #9	2025 Capital Watermain--Sliplining (41st ST to Wegner)	10/31/2025	11/06/2025	80,663.18	62942	11/29/2025
Total Geislinger & Sons, Inc.:					610,921.65		
GPM INC	PSRVI-00762	Reconditioning of Circ Pump #5	10/17/2025	10/22/2025	40,365.50	62945	11/29/2025
Total GPM INC:					40,365.50		
GROEBNER & ASS	632868-02	(15) Electronic AMI Modules for Gas Meters	11/20/2025	12/02/2025	16,449.84	63049	11/29/2025
Total GROEBNER & ASSOCIATES:					16,449.84		
HIBBING ACH, CIT	000238-OCT	October Sewer billing	11/18/2025	11/20/2025	318,367.69	56467	12/03/2025

Name	Invoice Number	Description	Vendor Invoice Date	Invoice Approval Date	Invoice Amount	Check Number	Check Issue Date
	000238-OCT	October Stormwater billing	11/18/2025	11/20/2025	25,717.57	56467	12/03/2025
	000238-OCT	October garbage billing	11/18/2025	11/20/2025	255,208.83	56467	12/03/2025
Total HIBBING ACH, CITY OF:					599,294.09		
Husch Blackwell LL	3857105	Services through OCT 2025, MPCA	11/21/2025	11/26/2025	10,900.00	62951	11/29/2025
Total Husch Blackwell LLP:					10,900.00		
IRON RANGE ENGI	127	Sub/Distribution, PM Contractor coordination, FDR 15 and Belt Line Sub budgets, sinking regulator platforms coordination, soil resistivity testing	11/02/2025	11/03/2025	25,462.50	63066	12/08/2025
	129	Engineering Services, Site Plans, Structural Plans, and Surveying Substation Improvements	11/12/2025	11/12/2025	13,751.70	63066	12/08/2025
Total IRON RANGE ENGINEERING AND CONSULTING:					39,214.20		
KINECT ENERGY I	400617	Purchased Gas for October 2025	11/05/2025	11/06/2025	273,893.08	11132025	11/13/2025
Total KINECT ENERGY INC ACH DO NOT MAIL:					273,893.08		
LAKE STATES CON	11562	FDR 3 bore to replace cable faulted under paved lot Nyberg Field	08/15/2025	11/10/2025	17,600.00	62963	11/29/2025
	11678	powerline construction and retirement of existing poles, 1st Ave exit	10/11/2025	11/10/2025	89,000.00	62963	11/29/2025
	11679	Powerline Construction with risers and transfers Ansley Exit	10/25/2025	11/10/2025	118,000.00	62963	11/29/2025
	11680	Increased scope for substation modernization sites Ansley and First Ave approved 2/25	10/11/2025	11/10/2025	37,592.50	62963	11/29/2025
	11681	Increased scope for substation modernization sites Ansley and First Ave approved 2/25	10/18/2025	11/10/2025	49,600.00	62963	11/29/2025
	11682	poly boring 2400V to 13.8kV 23rd St. & Public Safety Building	10/06/2025	11/10/2025	122,880.00	62963	11/29/2025
Total LAKE STATES CONSTRUCTION LLC:					434,672.50		
LAKEHEAD CONST	252390	PB 24-03 Dirt, Excavation, Foundation work at Ansley and 1st Ave substation project sites	10/20/2025	10/27/2025	31,377.50	62964	11/29/2025
Total LAKEHEAD CONSTRUCTORS:					31,377.50		
MERJENT INC	47464	Route Support 115 KV-Transmission Line	10/21/2025	10/27/2025	15,998.81	62967	11/29/2025
	47464	Route Permit App & Post App Support	10/21/2025	10/27/2025	16,575.27	62967	11/29/2025
Total MERJENT INC:					32,574.08		
MINNESOTA POWE	0760175701	Purchased Power for October 2025	11/19/2025	11/20/2025	715,060.46	12022025	12/02/2025
Total MINNESOTA POWER ACH DO NOT MAIL:					715,060.46		
MMUA	67318	Policy and Governance Consulting Services 20 of 30 hrs	11/17/2025	11/20/2025	18,408.93	62972	11/29/2025
Total MMUA:					18,408.93		
MN PEIP	1569112	ACTIVE EMPLOYEE HEALTH COVERAGE 12/01/25-12/31/25	11/10/2025	11/07/2025	185,096.04	11132025	11/13/2025
Total MN PEIP:					185,096.04		
MN REVENUE SAL	11202025	MONTHLY SALES TAX OCT 2025	11/20/2025	11/21/2025	118,759.00	11202025	11/21/2025

Name	Invoice Number	Description	Vendor Invoice Date	Invoice Approval Date	Invoice Amount	Check Number	Check Issue Date
Total MN REVENUE SALES TAX:					118,759.00		
NOVASPECT INC	CD4937	Fisher 6" V150, 2025 size 2, DVC6200HC	10/09/2025	10/20/2025	18,176.32	62979	11/29/2025
	CD8700	Anderson Greenwood set & tested relief valve (6" 150# RF Inlet x 8: 150 RF Outlet)	11/10/2025	11/10/2025	16,576.49	62979	11/29/2025
	PJ99013673	Delta V & System Optimization, Engineering Support	10/17/2025	10/20/2025	11,185.00	62979	11/29/2025
	PJ99013673	Boiler Tuning	10/17/2025	10/20/2025	10,120.00	62979	11/29/2025
	PJ99013673	Turbine Automation FEED	10/17/2025	10/20/2025	10,465.00	62979	11/29/2025
	PJ99013841	Delta V & System Optimization, Engineering Support--OCT 2025	11/19/2025	11/20/2025	13,685.00	62979	11/29/2025
Total NOVASPECT INC:					80,207.81		
RICE LAKE CONTR	PAY APP# 19	South Water Treatment Plant Rehab Project; General Conditions, Demolition, Plumbing and HVAC, Electrical, Concrete/Pavement, Piping and Equipment, Drill 2nd well and Seal 1st	10/31/2025	11/04/2025	445,588.84	62991	11/29/2025
Total RICE LAKE CONTRACTING CORP:					445,588.84		
SAVANNA PALLET	INV167407	2025 Wood Supply, shipped 10/31	10/31/2025	11/10/2025	33,382.81	63050	11/29/2025
	INV167771	2025 Wood Supply, shipped 11/14	11/14/2025	11/21/2025	12,367.37	63050	11/29/2025
Total SAVANNA PALLETS:					45,750.18		
STUART C IRBY C	S014409413.	(3) 2750' Reels -WIRE 1/0 SOLID AL 15KV EPR 220 MIL Special Project Distributioun for 2025 1-200-1107-300	10/27/2025	10/28/2025	33,425.84	63001	11/29/2025
Total STUART C IRBY CO:					33,425.84		
THERMOGRAPHY	20250807	thermography & ultrasound inspections for Power Plant & Electric Distribution inspections	11/17/2025	11/17/2025	11,000.00	63004	11/29/2025
Total THERMOGRAPHY & ULTRASOUND DIAG:					11,000.00		
United Rentals Bran	249278830-0	2022 Sherman Puller/Winder PT-3000H License:PE53537 Serial:123WM1713N1T19592 Sale Rreservation:249278830-000	11/24/2025	11/26/2025	100,000.00	63008	11/29/2025
Total United Rentals Branch B08:					100,000.00		
USIC LOCATING S	769286	OCT Locates	10/31/2025	11/06/2025	18,197.87	63009	11/29/2025
Total USIC LOCATING Services, LLC:					18,197.87		
WESCO RECEIVAB	340141	Siemens Catalog 10-07.6-333.0 B (198) Rated 333 kVA - Gas Plan Sub Stn	10/23/2025	10/27/2025	42,792.00	63067	12/08/2025
	340856	Siemens Catalog 10-07.6-333.0 B (198) Rated 333 kVA - 1st Ave Sub Stn	10/24/2025	10/27/2025	85,584.00	63067	12/08/2025
Total WESCO RECEIVABLES CORP:					128,376.00		
ZIELIES TREE SER	320251051	2025 Vegetation Management--billed through 11/2/25	11/04/2025	11/04/2025	48,197.95	63068	12/08/2025
Total ZIELIES TREE SERVICE, INC:					48,197.95		
Grand Totals:					4,514,758.17		

Name	Invoice Number	Description	Vendor Invoice Date	Invoice Approval Date	Invoice Amount	Check Number	Check Issue Date
------	-------------------	-------------	------------------------	--------------------------	-------------------	-----------------	---------------------

Report Criteria:

Detail report type printed

[Report].Invoice Amount = {>}10000

Check.Voided = No



Hibbing Public Utilities Commission Authority Matrix – Version April 2022							
P = Primary Responsibility C = Consenting A = Advises N = Notified I = Implements							
	Commission	Chair	Vice Chair	General Manager	Controller	Risk Manager	AP / Payroll
Annual Budget	P			A	A		
Set Reserve Policy	P			A	A		
Budget Revision	P			A	A		
Strategic Plan	P			A	A		
Contract with total value exceeding \$25,000 or term greater than 5 years	P			*A	N		
Contracts with total value less than or equal to \$25,000 and term less than 5 years	N			P	N	**	
Bank Checks / ACH / Wires Greater than \$10,000	P			*A	N		
Emergency Purchases including End of the Month Gas Commodity Purchases	C	C	C	P	N		
Payroll and Statutorily Exempted Payments	C			P	N		I
Transfer of funds between accounts				N	P		I
Open/Close Bank Accounts	P			A	A		
Money Market / Investment Choices	C			A	P		
Purchase / Sale of Real Property	P			A	A		



Hibbing Public Utilities Commission Authority Matrix – Version April 2022							
P = Primary Responsibility C = Consenting A = Advises N = Notified I = Implements							
<i>Debt Issuance</i>	P			A	A		
<i>Credit Facility Issuance</i>	P			N	N		
<i>Short-term borrowings/repayments under Credit Facilities</i>		N	N	P	C		
<i>Implementing Controls and ensuring compliance with Authorizations</i>	N			P	A		
<i>Employee travel for safety, trade, and business training</i>	N			P	A		
* Delegation 1	Primary approval delegated to General Manager for review and transmittal of payments, ACH, checks, payroll and approved contracts until ratification at the Commission Meeting immediately following issuance.						
** Delegation 2	General Manager delegates approval of contracts of value less than \$10,000 and less 5 years in duration to the Risk Manager						
*** Delegation 3	General Manager delegates approval of payroll, transfers, and statutorily exempted payments to Accounts Payable and Payroll function.						



Item 5.B

Item 5.B – Approval of Payroll Paid and Overtime Report for the
November 13th & December 11th, 2025 Payroll Dates

December 16th, 2025

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

RE: Item 5.B – Approval of Payroll Paid and Overtime Report for the October 2nd &
November 12th & December 11th, 2025 Payroll Dates

Dear Commissioners;

Per HPU's Authorization and Approval matrix approved at the April 26th 2022
Commission Meeting, please payroll and overtime reports for payroll dates
subsequent to the last Commission meeting held on November 18th, 2025.

Sincerely;



Luke J. Peterson

Report Criteria:

Employee Transaction.Check Issue Date = 11/26/2025

Pay Code.Pay Code = 1-19, 25

Payroll Type	Amount
Total REGULAR WAGES:	159,499.97
Total REGULAR WAGES - FOREMAN:	2,348.32
Total REGULAR WAGES - LEAD:	639.44
Total OVERTIME WAGES:	10,012.04
Total OVERTIME WAGES - FOREMAN:	1,477.48
Total OVERTIME WAGES - LEAD:	511.35
Total SUNDAY PREMIUM:	1,541.46
Total VACATION PAY:	19,141.81
Total SICK LEAVE - REGULAR:	11,906.41
Total UNEXCUSED SICK LEAVE:	.00
Total COMP TIME EARNED:	.00
Total COMP TIME USED:	1,900.64
Total PERSONAL HOLIDAY:	1,960.50
Total HOLIDAY PAY:	20,511.20
Total SHIFT DIFFERENTIAL .75/HR:	450.00
Total HOLIDAY WORKED:	5,644.81
Total LONGEVITY:	3,011.81
Total STANDBY:	6,674.60
Total CERTIFICATE/LICENSE:	1,088.10
Grand Totals:	248,319.94

Report Criteria:

Employee Transaction.Check Issue Date = 12/11/2025

Pay Code.Pay Code = 1-19, 25

Payroll Type	Amount
Total REGULAR WAGES:	153,075.06
Total REGULAR WAGES - FOREMAN:	1,335.42
Total REGULAR WAGES - LEAD:	378.30
Total OVERTIME WAGES:	9,782.64
Total OVERTIME WAGES - FOREMAN:	1,588.78
Total SUNDAY PREMIUM:	1,541.46
Total VACATION PAY:	8,573.98
Total SICK & SAFE LEAVE:	34.00
Total SICK LEAVE - REGULAR:	8,581.91
Total UNEXCUSED SICK LEAVE:	.00
Total COMP TIME USED:	3,917.14
Total PERSONAL HOLIDAY:	3,959.84
Total HOLIDAY PAY:	41,022.37
Total SHIFT DIFFERENTIAL .75/HR:	432.38
Total HOLIDAY WORKED:	11,093.28
Total LONGEVITY:	3,011.81
Total STANDBY:	7,599.06
Total CERTIFICATE/LICENSE:	1,088.10
Grand Totals:	257,015.53



Item 5.C

Item 5.C – Approve Resolution 25-11: 2026 Official Newspaper & Public Posting Site

December 16th, 2025

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

RE: Item 5.C - Approve Resolution 25-11: 2026 Official Newspaper & Public Posting Site

Dear Commissioners;

As required by Minn. stat. § 331A.04 the Hibbing Public Utilities Commission is required to select an official newspaper and public posting site through action in a public meeting. Please find attached for your approval Resolution 25-11 to declare the Mesabi News Tribune as HPU's official newspaper. The bulletin board in the HPU Admin building foyer as well as the HPU website will be utilized as posting sites for Commission Meeting notices, agendas, minutes, and related materials.

Sincerely;

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

Luke J. Peterson

RESOLUTION 25-11

OFFICIAL NEWSPAPERS FOR
CALENDAR YEAR OF 2026

NOW THEREFORE, BE IT RESOLVED , THE HPU Commission authorizes the Mesabi Tribune, HPU foyer board, and HPU website as the official positing sites of the Hibbing Public Utilities for the Calendar Year of 2026.

IN WITNESS WHEREOF, I have affixed my name as the Commission Chair on this 16th day of December, 2025.

James Bayliss, Commission Chair

Jeff Hart, Commission Secretary

ATTEST:

Luke J. Peterson, General Manager



Item 5.D

Item 5.D – Approve Resolution 25-12: 2026 Official Depositories

December 16th, 2024

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

RE: Item 5.C - Approve Resolution 25-12: 2026 Official Depositories

Dear Commissioners;

As per Minn. Stat. § 118A.02, subd. 1, Hibbing Public Utilities as a governmental entity is required to establish Official Depositories through official action in a public meeting. Please find attached for your approval Resolution 25-12: 2026 Official Depositories. Included in the resolution as official depositories are Security State Bank, US Bank, National Bank of Commerce, and Xpress Bill Pay.

Sincerely;



Luke J. Peterson

RESOLUTION 25-12
OFFICIAL DEPOSITORIES FOR
CALENDAR YEAR OF 2026

WHEREAS, Hibbing Public Utilities is a municipal utility operating under MN Chapter 412, Section 36.

NOW THEREFORE, BE IT RESOLVED THAT the HPUC authorize designating the following depositories as authorized and required under MN Chapter 118A, Section 2;

- Security State Bank
- US Bank
- National Bank of Commerce, and
- Xpress Billpay

IN WITNESS WHEREOF, I have affixed my name as the Commission Chair on this 16th day of December, 2025.

Jeff Hart, Commission Chair

Jesse Babich, Commission Secretary

ATTEST:

Luke J. Peterson, General Manager



Item 5.E

Item 5.E - Approve Resolution 25-13: Meeting Dates for Calendar Year 2026

December 16th, 2025

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

RE: Item 5.E - Approve Resolution 25-13: Meeting Dates for Calendar Year 2026

Dear Commissioners;

As per discussion at the December 2nd Working Session, please find attached for our consideration Resolution 25-13: Public Notice of Hibbing Public Utilities Commission Schedule of Meetings for 2026.

Sincerely;



Luke J. Peterson

RESOLUTION NO. 25-13
PUBLIC NOTICE OF HIBBING PUBLIC UTILITIES COMMISSION
SCHEDULE OF WORKING SESSIONS AND REGULAR MEETINGS FOR 2026

The Hibbing Public Utilities Commission is hereby giving public notice of the regular meetings and working sessions of the Hibbing Public Utilities Commission for the Calendar Year 2026. Meetings are held at 5:00 p.m. The location of the meetings is at the Hibbing City Hall, 401 E. 21st St. Hibbing, MN. This schedule is also available on the HPU website at www.hpuc.com.

Regular meetings are scheduled as below:

Month	Date
January	13 th 20 th
February	10 th 17 th
March	10 th 17 th
April	14 th 28 th
May	12 th 19 th
June	9 th 23 rd
July	7 th 21 st
August	4 th 25 th
September	8 th 22 nd
October	13 th 27 th
November	10 th 17 th
December	8 th

All meeting changes will be published in the newspaper and at hpuc.com.

All above listed meeting will be held in the City Hall, City Council Chambers, 401 E.21st St. Hibbing, MN.

BY ORDER OF HIBBING PUBLIC UTILITIES COMMISSION

Jeff Hart
Commission Secretary



Item 5.F

Item 5.F - Approve Resolution 25-14: Resolution Authorizing Hibbing Public Utilities to Make Application to and Accept Funds From the 2026 Community Development Block Grant Program

December 16th, 2025

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

RE: Item 5.F - Approve Resolution 25-14: Resolution Authorizing Hibbing Public Utilities to Make Application to and Accept Funds From the 2026 Community Development Block Grant Program

Dear Commissioners;

Please find attached for your review Resolution 25-14. This resolution will authorize HPU to apply and accept any subsequent funds from the Community Development Block Grant Program as administered by St. Louis County. HPU has requested \$600,000 to support an eligible project for the 2026 Water Main Capital Improvement Plan.

Sincerely;



Luke J. Peterson

RESOLUTION NO. 25-14

STATE OF MINNESOTA
COUNTY OF ST. LOUIS
HIBBING PUBLIC
UTILITIES COMMISSION

RESOLUTION AUTHORIZING HIBBING PUBLIC UTILITIES TO MAKE
APPLICATION TO AND ACCEPT FUNDS FROM 2026 COMMUNITY
DEVELOPMENT BLOCK GRANT PROGRAM

WHEREAS, the Community Development Block Grant Program (a.k.a “CDBG”), is an annual funding program authorized under Title 1 of the Housing and Community Development Act of 1974, and,

WHEREAS, the Public Utility Commission of the City of Hibbing (a.k.a “HPU” or “the Commission”) has duties and powers set forth in MN Statute Chapter 412 in addition to the duties and powers set forth in its own enabling statutes; and,

WHEREAS, HPU hereby certifies its authority to both apply and accept grant funds from the Community Development Block Grant Program and any other sub-fund thereof; and,

WHEREAS, the Commission has engaged in a study of the water distribution system and adopted the Watermain Capital Improvement Plan to address shortfalls in the supply, treatment, and distribution integrity of clean water to Hibbing; and,

WHEREAS, the Commission has approved the 2026 Phase of the Capital Improvement Plan with Water Distribution Projects;

NOW BE IT RESOLVED that the Commission, as the Approving Authority, adopts this Resolution to apply and accept funding for the 2026 Phase of its Capital Improvement Plan from the CDBG Program.

Upon vote taken, the following voted:

For:

Against:

Whereupon said Resolution No.25-14 was declared duly passed and adopted this 16th day of December, 2025.

James Bayliss
Chairman

Jeff Hart
Commission Secretary



Item 5.G

Item 5.G – Approve Employee Overnight Travel Q1 2026

December 16th, 2025

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

RE: Item 5.G – Approve Employee Overnight Travel Q1 2026

Dear Commissioners;

Please find below for your consideration additional Employee Overnight Travel requests for Q1 2026.

Event	Dates	# of Attendees	Estimated Cost Per Person
Emergency Preparedness and Response	February 17-18	3 Line Workers	\$300pp
Utility2030 Radiant Conference	March 3-4	2 Employees, 1 Commissioner	\$600 pp
Substation School	March 10-12	3 Line Workers	\$525pp
MISO Board Meeting	March 24-26	GM & Commission Chair	\$900 pp

Sincerely;



Luke J. Peterson



Item 5.H

Item 5.H – Approve LMCIT Workers’ Compensation Coverage

December 16th, 2025

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

RE: Item 5.G – Approve LMCIT Workers’ Compensation Coverage

Dear Commissioners;

Please find attached the updated renewal for 2026 workers compensation.

We are pleased to report a reduction in our workers’ compensation premium for 2026, which is a direct result of our employees’ continued commitment to maintaining a safe and healthy workplace, of approximately \$40,000 from 2025. The annual renewal for 2026 comes in at \$120,133.00.

HPU continues to make structural improvements in HPU’s safety program and work place safety will not only improve the health and safety of our employees; it will also mitigate the rising costs of unsafe work places.

Please see attached documentation.

Thank you for your consideration.

Sincerely;



Luke J. Peterson

League of Minnesota Cities Insurance Trust

Group Self-Insured Workers' Compensation Plan
145 University Avenue West St. Paul, MN 55103-2044 Phone (651) 215-4173

Notice of Premium Options for Standard Premiums of \$100,000 - \$150,000

HIBBING PUBLIC UTILITIES COMMISSION
1902 6TH AVENUE EAST
HIBBING, MN 55746-0249

Agreement No.: WC 1004255_Q-10
Agreement Period:
From: 01/01/2026
To: 01/01/2027

Enclosed is a quotation for workers' compensation deposit premium. **Note: Renewal Coverage will be bound as per the expiring coverage arrangement, including coverage for elected and appointed officials, with the premium indicated on the quote, unless the member or agent sends a written request not to bind renewal coverage.**

<u>PAYROLL DESCRIPTION</u>	<u>CODE</u>	<u>RATE</u>	<u>ESTIMATED PAYROLL</u>	<u>DEPOSIT PREMIUM</u>
----------------------------	-------------	-------------	------------------------------	----------------------------

SEE ATTACHED SCHEDULE FOR DETAILS

Manual Premium		66,548
Debit	2.00	66,548
Standard Premium		133,096
Deductible Credit	0.00%	0
Premium Discount		-12,963
Net Deposit Premium		\$120,133
Adjustment for Commission*		0
Total Net Deposit Premium		\$120,133

*Workers compensation rates assume a 2% standard commission. The commission adjustment accounts for the commission difference, above or below 2%.

Agent:
01478 Miners Insurance Agency Inc
2509 1st Ave
Hibbing, MN 55746-2242

Notice of Premium Options for Standard Premiums of \$100,000 - \$150,000 (Con't)

OPTIONS

Please indicate below the premium option you wish to select. You may choose only one option and you cannot change options during the agreement period.

1.	<input type="checkbox"/> Regular Premium Option	<u>Net Deposit Premium</u>	<u>Commission Adjustment</u>	<u>Total Net Deposit Premium</u>
		120,133	0	120,133

2. ☐ **Deductible Premium Option**

Deductible options are available in return for a premium credit applied to your estimated standard Premium of \$ 133,096. The deductible will apply per occurrence to paid medical costs only. There is no aggregate limit.

	<u>Deductible per Occurrence</u>	<u>Premium Credit</u>	<u>Credit Amount</u>	<u>Net Deposit Premium</u>	<u>Commission Adjustment</u>	<u>Total Net Deposit Premium</u>
<input type="checkbox"/>	\$250	0.60%	-799	119,334	0	119,334
<input type="checkbox"/>	\$500	1.10%	-1,464	118,669	0	118,669
<input type="checkbox"/>	\$1,000	1.90%	-2,529	117,604	0	117,604
<input type="checkbox"/>	\$2,500	3.50%	-4,658	115,475	0	115,475
<input type="checkbox"/>	\$5,000	5.00%	-6,655	113,478	0	113,478
<input type="checkbox"/>	\$10,000	7.00%	-9,317	110,816	0	110,816
<input type="checkbox"/>	\$25,000	11.50%	-15,306	104,827	0	104,827
<input type="checkbox"/>	\$50,000	15.00%	-19,964	100,169	0	100,169

3. ☐ **Retrospective Rates Premium Option**

	<u>Retro-Rated Minimum Factor</u>	<u>Est. Minimum Premium</u>	<u>Retro-Rated Maximum Factor</u>	<u>Est. Maximum Premium</u>
<input type="checkbox"/>	0.557 %	74,134	1.300 %	173,025
<input type="checkbox"/>	0.511 %	68,012	1.500 %	199,644
<input type="checkbox"/>	0.429 %	57,098	2.000 %	266,192

This quotation is for a deposit premium based on your estimate of payroll and selected options. Your final actual premium will be computed after an audit of payroll subsequent to the close of your agreement year and will be subject to revisions in rates, payrolls and experience modification. While you are a member of the LMCIT Workers' Compensation Plan, you will be eligible to participate in dividend distributions from the Trust based upon claims experience and earnings of the Trust.

If you desire the coverage offered above, please return this signed document for the option you have selected.

This quotation should be signed by an authorized representative of the member requesting coverage.

**Notice of Premium Options for Standard Premiums of \$100,000 - \$150,000
(Con't)**

Signature

Title

Date

**Notice of Premium Options for Standard Premiums of \$100,000 - \$150,000
(Con't)**

CONTINUATION SCHEDULE FOR QUOTATION PAGE

REMUNERATION	RATE	CODE	DESCRIPTION	EST. PREM
624,425	2.92	7502	GAS COMPANY	18,202
675,603	1.92	7520	WATERWORKS	13,005
1,945,617	1.39	7539	ELECTRIC & STEAM PLANT	27,064
109,018	3.09	8227	PUBLIC UTILITIES-WAREHOUSE	3,370
678,334	0.31	8810	PUBLIC UTILITIES CLERICAL	2,096
48,649	2.64	9015	PU MAINTENANCE	1,286
254,717	0.57	9410	PU MUNICIPAL EMPLOYEES	1,449
18,200	0.42	9411	ELECTED OR APPOINTED OFFICIALS	76
Manual Premium				66548.0



Item 5.I

Item 5.I – Accept Intent to Retire Notice from Line Crew Foreman,
Esko Savela; effective 12/31/2025

December 16th, 2025

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

RE: Item 5.I – Accept Intent to Retire Notice from Line Crew Foreman Esko Savela;
effective 12/31/2025

Dear Commissioners;

HPU Line Crew Foreman Esko Savela has submitted a notice of his intent to retire effective 12/31/2025. Mr. Savela has been with the utility for 30 years on the line crew. Esko is well respected across the utility for his leadership, attention to detail, and dedication to high-quality work.

Throughout his career, Mr. Savela has had a meaningful and lasting impact on both the physical infrastructure of Hibbing's utility system and the culture of the workforce that supports it. His dedication and professionalism have strengthened operations and set a standard of excellence for others to follow. In many ways, Mr. Savela leaves the utility in a better place than when he joined it, and his influence will continue to be felt long after his retirement.

Please join the rest of HPU in thanking Mr. Savela for his dedicated years of service to the utility and the community of Hibbing, and in wishing the very best in his well-earned retirement.

Sincerely;



Luke J. Peterson



Item 5.J

Item 5.J – Approve Resignation of Fuel Handler, John Fabish;
effective 11/28/2025

December 16th, 2025

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

RE: Item 5.J – Approve Resignation of Fuel Handler, John Fabish; effective 11/28/2025

Dear Commissioners;

HPU Fuel Handler John Fabish submitted a notice of resignation effective November 28th, 2025. Management accepted Mr. Fabish's resignation and board approval is required to complete the resignation process.

HPU would like to thank Mr. Fabish for his work at the utility and wish him the best in his future endeavors.

Sincerely;



Luke J. Peterson



Item 5.K

Item 5.K – Award Chief Operating Engineer Position to Blake Monroe

December 16th, 2025

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

RE: Item 5.K – Award Chief Operating Engineer Position to Blake Monroe

Dear Commissioners;

The Commission approved the internal posting for a Chief Operating Engineer at the October 28th, 2025 Commission Meeting. HPU Management carried out the internal posting process, which produced a qualified internal applicant, Mr. Blake Monroe. Mr. Monroe is a 13-year employee of the utility with an excellent performance record and is currently a Plant Operations Shift Coordinator.

Management recommends that the Chief Operating Engineer Position be awarded to Blake Monroe.

Sincerely;



Luke J. Peterson



Item 5.L

Item 5.L – Approve Hiring of Paul Skubbina as Engineering Manager: Anticipated Start 2/2/2026

December 16th, 2025

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

RE: Item 5.L – Approve Hiring of Paul Skubbina as Engineering Manager: Anticipated Start 2/2/2026

Dear Commissioners;

The Commission approved the external posting for an Engineering Manager at the November 18th, 2025 Commission Meeting. Following the posting, review of applications, and interview process, HPU Management is recommending the hiring of Paul Skubbina to the Engineering Manager Position. Contingent on pre-employment screening, Mr. Skubbina's start date is anticipated to be February 2nd, 2026.

Sincerely;



Luke J. Peterson



Item 5.M

Item 5.M – Approve Hiring of Anthony Kanipes and John Packa as Biomass Technician Trainees: Anticipated Start 1/5/2026

December 16th, 2025

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

RE: Item 5.M – Approve Hiring of Anthony Kanipes and John Packa as Biomass Technician Trainees: Anticipated Start 1/5/2026

Dear Commissioners;

The Commission approved the internal & external posting for two Biomass Technician Positions at the September 23rd, 2025 Commission Meeting. HPU had no internal applicants for the positions and subsequently pursued external applications. Through the hiring process, HPU identified two qualified external hires.

HPU Staff recommends the hiring of Anthony Kanipes and John Packa as Biomass Technician Trainees. Contingent on pre-employment screening, the anticipated start date for these employees will be Jan. 5th, 2026.

Sincerely;



Luke J. Peterson



Item 5.N

Item 5.N – Authorize listed Requests for Contribution

December 16th, 2025

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

RE: Item 5.N – Authorize listed Requests for Contribution

Dear Commissioners;

The Hibbing Public Utilities Commission has the authority to make the charitable contributions to community organizations and events that develop the tourist, recreational, industrial, commercial, or vocational resources of Hibbing. As per the Commission direction, contributions are being awarded to qualified organizations as applications are received and then presented to the Commission for authorizations.

The Following contributions were awarded in the month of December, 2025

Organization	Sector of Support	Request Amount
Hibbing Elks Lidge	Recreation	\$500

Sincerely;



Luke J. Peterson



REQUEST FOR CONTRIBUTION

The Hibbing Public Utilities Commission (HPUC) has the statutory right to contribute annually a sum not to exceed one percent of the previous year's gross revenues, or \$20,000, whichever is less.

Any party wishing to make request for contribution from the Hibbing Public Utilities Commission must complete this form and submit it to the office of the General Manager, 1902 E. 6th Ave., Hibbing, MN 55746. Applicants may request up to \$500 in funds as related to the below statutory requirements. Larger requests may be considered for the Commission's End-of-Year Charitable Contributions. Requests will be brought to the Commission for discussion and action at the most practical regularly scheduled meeting of the Commission following receipt of the application form.

PURPOSE: By statute, HPUC contribution must be for the purpose of advertising, improving and developing the tourist, recreational, industrial, commercial, or vocational resources of the City of Hibbing.

REQUESTING PARTY INFORMATION:

NAME OF

ORGANIZATION: Hibbing EIKS Lodge

CHECK PAYABLE TO: Hibbing EIKS

CONTACT NAME: Becky Radaka

PHONE NO. 218-969-4743

ADDRESS: 1926 E 4th Ave (mail address PO Box 794)

DATE: 11-26-25

PROJECT DESCRIPTION: (Please provide project description including scope, estimated project costs, location, schedule, etc.)

AMOUNT OF REQUEST: 500.00

REASON FOR REQUEST: (Please describe the ways in which the request meets the statutory purpose, describe under PURPOSE above):

Scholarships + Youth Activities - such as we
send 18 kids less fortunate to a week long camp
at no cost to the family



REQUEST FOR CONTRIBUTION

HPUC DISPOSITION: (Not to be filled out by applicant)

Commission Secretary

Date

p/forms/admin/Request for Contribution.doc



Item 6.A

Item 6.A – Approve November 2025 Interim Financials

December 11, 2025

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

RE: Item 6.A – Approve November 2025 Interim Financials

Dear Commissioners;

Please find enclosed financials as of November, 2025.

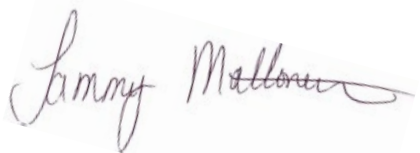
The year to date ended November 30, 2025 operating revenue totals \$28.8 million compared to \$27 million for the same period last year. The revenue increase of \$1.3 M is attributable to the gas and electric utilities. Due to a warmer November, operating revenue was down \$100K in November of 2025 compared to November 2024.

Operating expenses total \$29.7 million which compares to \$27.3 million in 2024. The increase of \$2.4M in expense is primarily due to an increase in depreciation and amortization expense of \$1.8 versus the amount recorded in same period last year.

Operating income (operating revenues-minus operating expenses) is -\$988K compared to \$802 one year ago. We anticipate revenues to be higher relative to expenses in December due to colder temperatures.

Total change in net position stands at \$3.4 million compared to \$1 million for the same period last year. The increase of \$2.4 million is due to increases in grant revenue of \$2 million as well as an increase in interest revenue.

Sincerely;



Tammy Mattonen

Hibbing Public Utilities Commission

Financial Statements and
Supplementary Information

November 30, 2025 and December 31, 2024

Hibbing Public Utilities Commission

Table of Contents

November 30, 2025 and December 31, 2024

	<u>Page</u>
Accountants' Compilation Report	1
Financial Statements	
Statements of Net Position	3
Statements of Revenues, Expenses and Changes in Net Position	5
Statements of Cash Flows	6
Other Information	
Schedules of Departmental Revenues and Expenses	8
Budget to Actual Comparison	9

Accountants' Compilation Report

To the Commissioners of
Hibbing Public Utilities Commission

Management is responsible for the accompanying financial statements of the Hibbing Public Utilities Commission, which comprise the statements of net position as of November 30, 2025 and December 31, 2024 and the related statements of revenues, expenses and changes in net position and cash flows for the eleven months and year then ended, in accordance with accounting principles generally accepted in the United States of America. We have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

Management has elected to omit substantially all the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Accounting principles generally accepted in the United States of America require the following:

- That the component unit, the Laurentian Energy Authority, be blended into the Hibbing Public Utilities Commission's financial statements.
- That the effects of Governmental Accounting Standards Board (GASB) No. 68, *Accounting and Financial Reporting for Pensions* and GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, be considered and included in the financial statements. Management has not adjusted the balances for November 30, 2025 because actuarial information is not yet available.

The items above have not been completed in accordance with generally accepted accounting principles. The effects of these departures from accounting principles generally accepted in the United States of America on financial position, results of operations and cash flows have not been determined.

Management has elected to omit the management's discussion and analysis, pension-related schedules and other postemployment benefit-related schedules that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the financial statements in an appropriate operational, economic or historical context.

The accompanying Schedules of Departmental Revenues and Expenses and Budget to Actual Comparison are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

We are not independent with respect to Hibbing Public Utilities Commission.

Baker Tilly US, LLP

Madison, Wisconsin
December 10, 2025

Hibbing Public Utilities Commission

Statements of Net Position

November 30, 2025 and December 31, 2024

	November 30, 2025	December 31, 2024
Assets and Deferred Outflows of Resources		
Current Assets		
Cash	\$ 1,330,329	\$ 4,447,094
Investments	15,037,422	26,119,909
Restricted assets:		
Cash held for fuel assistance recipients	4,200	70,788
Cash held for customer deposits	481,690	461,999
Accounts receivable, net of allowance for doubtful accounts of \$152,871 and \$58,000, respectively	1,836,923	2,458,960
Unbilled revenues	2,387,564	2,387,564
Other receivable	208,571	771,830
Current maturities notes receivable, steam conversion program	40,000	40,000
Current portion of lease receivable	82,193	82,014
Inventories	1,698,849	1,326,496
Prepaid expense	123,627	747,445
Total current assets	23,231,368	38,914,099
Noncurrent Assets		
Restricted assets:		
Bond reserve account	813,400	783,347
Notes receivable, steam conversion program	134,149	174,059
Lease receivable	430,719	439,674
Investment in joint venture	740,648	812,882
Regulatory assets	3,407,527	4,035,931
Capital assets:		
Plant in service	176,873,355	174,589,777
Accumulated depreciation/amortization	(100,851,053)	(95,944,137)
Construction work in progress	35,831,312	8,500,209
Total noncurrent assets	117,380,057	93,391,742
Total assets	140,611,425	132,305,841
Deferred Outflows of Resources		
Related to net pension liability	861,143	861,143
Related to postemployment benefits liability	674,169	674,169
Related to the purchase of LEA	130,514	170,246
Total deferred outflows of resources	1,665,826	1,705,558
Total assets and deferred outflows of resources	\$ 142,277,251	\$ 134,011,399

Hibbing Public Utilities Commission

Statements of Net Position

November 30, 2025 and December 31, 2024

	November 30, 2025	December 31, 2024
Liabilities, Deferred Inflows of Resources and Net Position		
Current Liabilities		
Accounts payable	\$ 4,027,892	\$ 5,267,622
Accrued interest	98,026	98,582
Accrued expenses	79,462	252,451
Due to City of Hibbing	588,747	1,162,904
Compensated absences payable	394,491	400,080
Current portion of lease liability	206,662	201,246
Current portion of long-term debt, bonds and notes payable	755,000	596,939
Current liabilities payable from restricted assets:		
Third-party advances for fuel assistance	4,200	70,788
Customer deposits payable	481,690	461,999
Total current liabilities	6,636,170	8,512,611
Noncurrent Liabilities		
Compensated absences payable	950,312	1,077,137
Total post employment liability	14,541,066	14,541,066
Net pension liability	2,508,776	2,508,776
Long-term debt, bonds and notes payable	12,942,429	5,911,437
Unamortized discount	(6)	(1,282)
Lease liability	121,493	311,160
Total noncurrent liabilities	31,064,070	24,348,294
Total liabilities	37,700,240	32,860,905
Deferred Inflows of Resources		
Related to net pension liability	1,672,882	1,672,882
Related to postemployment benefits liability	3,580,052	3,580,052
Related to leases	512,912	521,688
Total deferred inflows of resources	5,765,846	5,774,622
Net Position		
Net investments in capital assets	98,001,503	80,294,569
Restricted for debt service	639,933	615,127
Unrestricted	169,729	14,466,176
Total net position	98,811,165	95,375,872
Total liabilities, deferred inflows of resources and net position	\$ 142,277,251	\$ 134,011,399

Hibbing Public Utilities Commission

Statements of Revenues, Expenses and Changes in Net Position

Eleven Months Ended November 30, 2025 and Year Ended December 31, 2024

	November 30, 2025	December 31, 2024
Operating Revenue		
Charges for services	\$ 28,209,635	\$ 30,249,624
Other	545,739	605,157
Total operating revenues	28,755,374	30,854,781
Operating Expenses		
Operation and maintenance	24,167,185	24,601,433
Depreciation and amortization	5,576,348	5,300,138
Total operating expenses	29,743,533	29,901,571
Operating income	(988,159)	953,210
Nonoperating Revenues (Expenses)		
Investment income	1,706,221	1,352,466
Miscellaneous nonoperating income (expense)	6,346	21,278
Equity in net income of joint venture	(72,234)	(96,147)
Interest expense	(216,881)	(162,473)
Total nonoperating revenues (expenses)	1,423,452	1,115,124
Income before contributions	435,293	2,068,334
Capital Contributions	3,000,000	1,350,272
Change in net position	3,435,293	3,418,606
Net Position, Beginning	95,375,872	91,957,266
Net Position, Ending	\$ 98,811,165	\$ 95,375,872

Hibbing Public Utilities Commission

Statements of Cash Flows

Eleven Months Ended November 30, 2025 and Year Ended December 31, 2024

	November 30, 2025	December 31, 2024
Cash Flows From Operating Activities		
Receipts from customers	\$ 29,391,435	\$ 30,762,561
Principal collected from steam conversion loan program	39,910	55,179
Payments to suppliers	(17,685,506)	(18,868,697)
Payments for payroll and benefits	(6,298,607)	(6,026,532)
Net cash from operating activities	5,447,232	5,922,511
Cash Flows From Capital and Related Financing Activities		
Payments for additions to property, plant and equipment	(31,697,793)	(21,342,598)
Capital contributions received	3,575,272	775,000
Principal and interest paid on leases	(195,659)	(230,343)
Proceeds from debt issued	7,785,992	6,546,060
Principal payments on long-term debt	(596,939)	(337,684)
Interest paid	(240,422)	(62,499)
Net cash from capital and related financing activities	(21,369,549)	(14,652,064)
Cash Flows From Investing Activities		
Investments income received	1,229,140	1,017,640
Investments matured	11,949,599	22,633,700
Investments purchased	(420,084)	(13,533,448)
Net cash from investing activities	12,758,655	10,117,892
Net change in cash	(3,163,662)	1,388,339
Cash, Beginning	4,979,881	3,591,542
Cash, Ending	\$ 1,816,219	\$ 4,979,881
Cash is Presented on the Statements of Net Position		
Cash	\$ 1,330,329	\$ 4,447,094
Restricted assets	1,299,290	1,316,134
Total cash and restricted assets	2,629,619	5,763,228
Less noncash equivalents included in restricted assets	(813,400)	(783,347)
	\$ 1,816,219	\$ 4,979,881

Hibbing Public Utilities Commission

Statements of Cash Flows

Eleven Months Ended November 30, 2025 and Year Ended December 31, 2024

	November 30, 2025	December 31, 2024
Reconciliation of Operating Income to Net Cash From Operating Activities		
Operating income	\$ (988,159)	\$ 953,210
Adjustments to reconcile operating income to net cash from operating activities:		
Other nonoperating income (loss)	6,346	(10,771)
Depreciation and amortization	5,576,348	5,300,138
Change in operating assets, deferred outflows or resources, liabilities and deferred inflows of resources:		
Accounts receivable	622,037	185,857
Unbilled revenue	-	(74,915)
Other receivable	(12,013)	(196,558)
Inventories	(372,353)	(111,449)
Prepaid expenses	623,818	(42,247)
Receivable for steam conversion loan program	39,910	55,179
Lease receivable	8,776	72,636
Regulatory assets	-	(684,245)
Accounts payable	877,755	1,300,377
Compensated absences payable	(132,414)	288,711
Accrued expenses	(172,989)	19,960
Due to City of Hibbing	(574,157)	605,197
Third-party advances for fuel assistance	(66,588)	15,222
Customer deposits payable	19,691	4,167
Accrued post employment benefits	-	(1,586,971)
Net pension liability	-	(98,351)
Deferred inflows of resources	(8,776)	(72,636)
Net cash from operating activities	<u>\$ 5,447,232</u>	<u>\$ 5,922,511</u>
Noncash Capital and Related Financing Activities		
Unrealized gain on investments	<u>\$ 477,081</u>	<u>\$ 334,826</u>
Regulatory capitalized interest - net with interest expense	<u>\$ 24,261</u>	<u>\$ -</u>
Capital purchased on account	<u>\$ -</u>	<u>\$ 2,117,485</u>
Noncash lease asset additions	<u>\$ -</u>	<u>\$ 80,636</u>

OTHER INFORMATION

Hibbing Public Utilities Commission

Schedules of Departmental Revenues and Expenses

Periods Ended November 30, 2025 and December 31, 2024

		Eleven Months Ended November 30, 2025				
		Electric	Steam	Gas	Water	Total
Operating Revenue						
Charges for services		\$ 16,314,477	\$ 1,933,842	\$ 7,216,635	\$ 2,744,681	\$ 28,209,635
Other operating revenues		295,861	89,269	70,426	90,183	545,739
Total operating revenues		16,610,338	2,023,111	7,287,061	2,834,864	28,755,374
Operating Expenses						
Operation and maintenance		15,731,062	2,440,239	4,405,894	1,589,990	24,167,185
Depreciation and amortization		3,365,403	917,210	349,186	944,549	5,576,348
Total operating expenses		19,096,465	3,357,449	4,755,080	2,534,539	29,743,533
Operating (loss) income		<u>\$ (2,486,127)</u>	<u>\$ (1,334,338)</u>	<u>\$ 2,531,981</u>	<u>\$ 300,325</u>	<u>\$ (988,159)</u>
		Year Ended December 31, 2024				
		Electric	Steam	Gas	Water	Total
Operating Revenue						
Charges for services		\$ 17,237,531	\$ 2,227,237	\$ 7,706,682	\$ 3,078,174	\$ 30,249,624
Other operating revenues		321,949	98,087	80,623	104,498	605,157
Total operating revenues		17,559,480	2,325,324	7,787,305	3,182,672	30,854,781
Operating Expenses						
Operation and maintenance		15,601,212	2,405,133	4,971,322	1,623,766	24,601,433
Depreciation		3,207,675	990,250	391,512	710,701	5,300,138
Total operating expenses		18,808,887	3,395,383	5,362,834	2,334,467	29,901,571
Operating (loss) income		<u>\$ (1,249,407)</u>	<u>\$ (1,070,059)</u>	<u>\$ 2,424,471</u>	<u>\$ 848,205</u>	<u>\$ 953,210</u>

Hibbing Public Utilities Commission

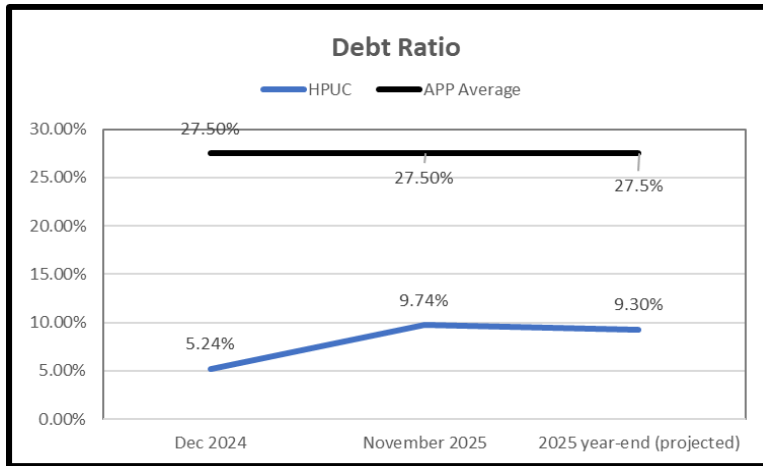
Budget to Actual Comparison

Eleven Months Ended November 30, 2025

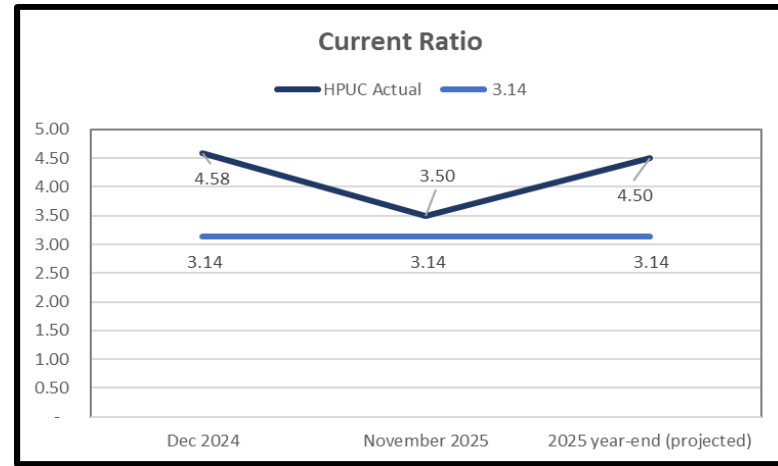
	<u>Actual</u>	<u>Budget</u>	<u>Difference</u>
Operating Revenue			
Electric revenue	\$ 16,610,338	\$ 16,612,892	\$ (2,554)
Steam revenue	2,023,111	2,140,661	(117,550)
Gas revenue	7,287,061	7,291,301	(4,240)
Water revenue	<u>2,834,864</u>	<u>3,063,570</u>	<u>(228,706)</u>
Total operating revenues	<u>28,755,374</u>	<u>29,108,424</u>	<u>(353,050)</u>
Operating Expenses			
Electric:			
Operation and maintenance	15,731,062	15,815,982	(84,920)
Depreciation	<u>3,365,403</u>	<u>2,420,000</u>	<u>945,403</u>
Total electric	<u>19,096,465</u>	<u>18,235,982</u>	<u>860,483</u>
Steam:			
Operation and maintenance	2,440,239	2,638,683	(198,444)
Depreciation	<u>917,210</u>	<u>933,900</u>	<u>(16,690)</u>
Total steam	<u>3,357,449</u>	<u>3,572,583</u>	<u>(215,134)</u>
Gas:			
Operation and maintenance	4,405,894	4,740,582	(334,688)
Depreciation	<u>349,186</u>	<u>335,500</u>	<u>13,686</u>
Total gas	<u>4,755,080</u>	<u>5,076,082</u>	<u>(321,002)</u>
Water:			
Operation and maintenance	1,589,990	1,696,239	(106,249)
Depreciation	<u>944,549</u>	<u>935,000</u>	<u>9,549</u>
Total water	<u>2,534,539</u>	<u>2,631,239</u>	<u>(96,700)</u>
Total operating expenses	<u>29,743,533</u>	<u>29,515,886</u>	<u>227,647</u>
Operating Income (Loss)			
Electric	(2,486,127)	(1,623,090)	(863,037)
Steam	(1,334,338)	(1,431,922)	97,584
Gas	2,531,981	2,215,219	316,762
Water	<u>300,325</u>	<u>432,331</u>	<u>(132,006)</u>
Total operating income (loss)	<u>\$ (988,159)</u>	<u>\$ (407,462)</u>	<u>\$ (580,697)</u>

HPUC Financial Indicators

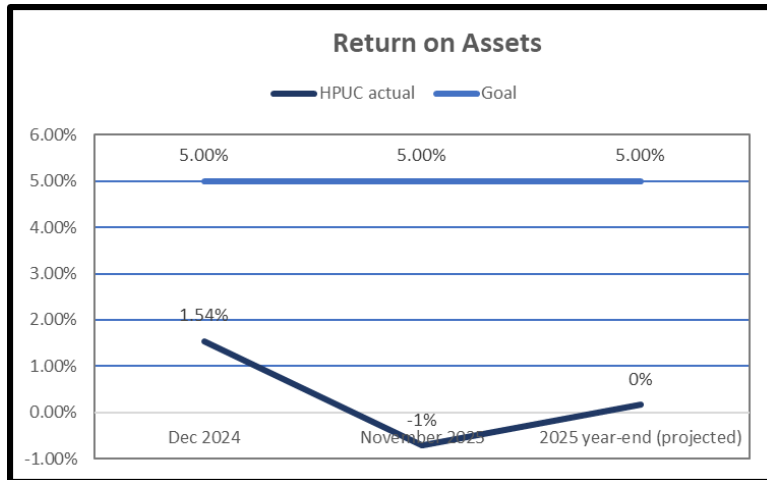
As of Month End 11/30/2025



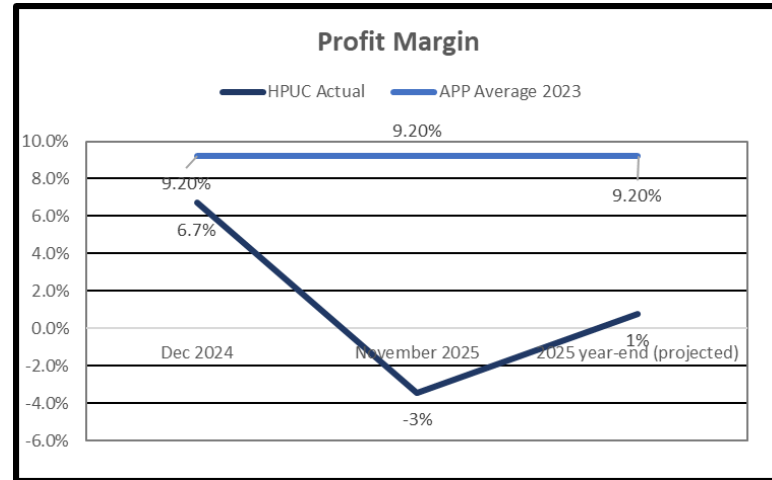
Debt Ratio – Debt/assets



Return on Assets – Net Income/Total Assets



Current Ratio – Current Assets/Current Liabilities



Profit Margin – Net Income/Revenue

Comparative Data notes

APP Average – 2023 Electric Utility averages published in the American Public Power Association 2023 Statistical Guidebook
 Return on Asset goal – Established by 2024 Rate Study



Item 6.B

Item 6.B – Approve FM Global Renewal Property Proposal

December 16th, 2025

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

RE: Item 6.B – Approve FM Global Renewal Property Proposal

Dear Commissioners;

HPU has continued investing in the safety and reliability of its operations which has reduced quite a bit of risk. As a result, I am pleased to report that HPU's overall premium has decreased by approximately 9% for the 2026 year.

Annually HPU and FM Global are meeting to discuss improvements made from its Risk Mitigation Plan. The 2025 meeting went very well and FM Global is pleased with the enormous amount of work that has been completed at HREC and utility wide over the last couple years.

The quoted terms for the 2026 premium are detailed on page 19-20 of the proposal we received from FM Global (enclosed). HPU elects to waive the TRIA coverage (Page 25) annually bringing our net premium to \$604,805.

Please see attached documentation.

Sincerely;



Luke J. Peterson



EFFECTIVE 01/01/2026

Renewal Proposal for Hibbing Public Utilities

Prepared by Andy Slotrem
St. Louis Operations



Range Reliable Agency, Inc.

Executive summary

Our commitment to Hibbing Public Utilities is clear:

We protect your purpose to deliver reliable, cost-effective energy to your community.

Together with Range Reliable Agency, we are dedicated to ensuring your operations remain resilient—so you can continue transitioning to a modern utility while maintaining competitive rates and financial stability.

Since 2016, we've been proud to support your long-term plan to strengthen profitability and operational excellence. Our engineering and underwriting teams have carefully assessed your unique risk profile and are committed to helping you achieve your objectives.

FM's commitment to Hibbing Public Utilities:

1. Risk engineering and consulting

Providing expert guidance to enhance resilience across your power generation operations, including continued support for fire protection, boiler & machinery reliability, and operator training improvements.

2. Data-driven insights

Leveraging scientific research and analytics to help you make informed decisions that protect assets and minimize risk.

3. Swift recovery from losses

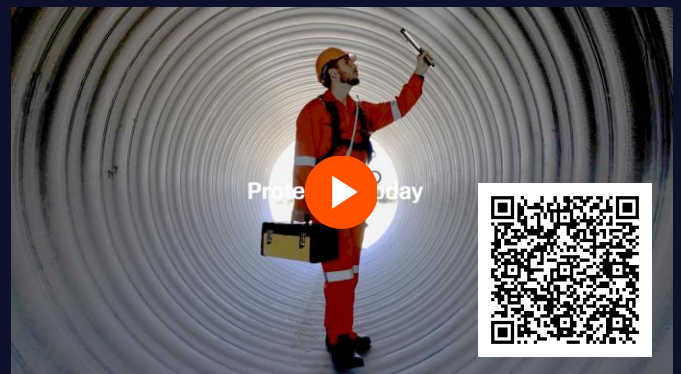
Ensuring rapid response and claims handling to keep your operations running with minimal disruption.

We look forward to continuing our support of Hibbing Public Utilities' vision to provide safe, reliable, and affordable energy for the community.

As a mutual owner of FM, we strive to deliver significant enhancements to Hibbing Public Utilities' existing coverage and risk management initiatives, including:

- Unique **risk engineering capabilities** backed by science to ensure that Hibbing Public Utilities' key facilities are resilient to a potential loss
- **Pioneering solutions** that keep you at the forefront of a changing business landscape
- **A significant secure capacity** for Hibbing Public Utilities property program
- Market-leading first-party **cyber coverages**
- Our **award-winning claims resource** will ensure that Hibbing Public Utilities may recover from a loss as quickly as possible

Resilience is a choice



Power generation

FM is a longtime provider to the power generation industry. Our commitment, presence and credibility translate into value for our clients. We insure all types of power generation facilities, regulated and unregulated. And, we help protect our clients against losses caused by environmental factors, operating conditions, age, maintenance and human error. Our world-renowned research and testing center for property loss prevention, scientific research and product testing helps us share information about loss to clients.



What we offer

Commitment to the industry

- Serving more than 150 power industry clients worldwide at 2,200 locations
- More than 20% market share in U.S.
- Average client tenure: 15 years; longest tenure: 65 years
- One of the largest industries insured by FM
- Dedicated power generation high-hazard team

Loss prevention expertise

- Research-based engineering
- In-depth knowledge of equipment risk, including turbines, transformers and generators
- Shared fact-based solutions that dispel myths about loss
- Identification of key drivers of loss
- Annual power generation risk managers forum

Resilient policy, broad coverage, outstanding claims service

- Ample coverage for thermal, hydroelectric and renewable energy power plants, plus transmission and distribution systems
- 185 field engineers globally trained in power generation
- 30 client service teams specializing in power generation
- Dedicated power generation leadership team
- Scenario-based training for select clients
- In-house claims adjusters
- Pre-loss planning and workshops

“

We need business interruption insurance. FM provides the capacity in a one-stop shop. We don't need a shared/layered program. FM can meet all of my capacity needs in one policy, and that's one of the best things they bring to the table.

Doug Troupe

Director of Risk Management
Tenaska

Your client service team

Partnership is at the heart of our business. We deliver that value through a dedicated client service team. Your team includes members from all our servicing disciplines—account management and underwriting, engineering, business risk consulting, and claims.



Account Management

Andy Slotrem is your primary contact and is responsible for the overall client servicing team leadership as well as guiding the delivery of your insurance program. They work closely with your account engineer and insurance product delivery team to ensure that proper risk transfer placements are in place and servicing is completed in a timely manner that meets your business needs.

andrew.slotrem@fm.com
+1 763 732 4219



Underwriting

Alison Brunson is your primary contact for underwriting and supports the account manager with critical technical knowledge to develop a strategic insurance program tailored to your unique needs.

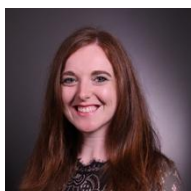
alison.brunson@fm.com
+1 763 732 4201



Engineering

Mike Stoneburner is your primary contact for all engineering-related items and works closely with our consultant engineers to ensure that visits are completed at all locations. They work closely with your team to develop risk improvement strategies to improve the resilience and risk quality of your facilities.

michael.stoneburner@fm.com
+1 763 732 4220



Claims

As you work with FM to settle a claim, **April Gray** is your primary contact and may also work with you to arrange policy workshops to better understand how your policy would respond in the event of specific scenarios that may be of concern to you.

april.gray@fm.com
+1 763 732 4242

Client service team (continued)

Operations Manager



Nick McClure is responsible for the strategic and operational leadership for underwriting, engineering, and processing. Focused on the effective delivery of insurance products and services while achieving growth and profitable underwriting results, whose team services a wide range of clients across its location territory.

nick.mcclure@fm.com
+1 314 317 2800

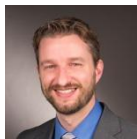
Client Service Manager



Kim Kreke leads the client service department, overseeing the overall health of the book of business. They lead our client service team members to deliver top-notch property risk management solutions and grows relationships with our business partners and client-owners.

kimberly.kreke@fm.com
+1 763 732 4215

Operations Chief Underwriter



Keith Erickson is responsible for developing an underwriting strategy, ensuring the underwriting integrity of the portfolio and delegating underwriting authority.

keith.erickson@fm.com
+1 763 732 4290

Sustainability Consultant



Jessica Levy has knowledge of our FM sustainability approach and can help clients learn more about our FM sustainability priorities. She can also assist clients with using FM's climate products to assist with their reporting and disclosure needs.

jessica.levy@fm.com
+1 905 763 5695

Cyber Security Consultant



Randolph Schmidt works in coordination with the client service team to help clients understand current cyber risks, review cyber risk assessment results, and prioritize risk improvement efforts.

randolph.schmidt@fm.com
+1 770 777 3803

Business Risk Consultant



Matthew Holt is responsible for the development of values reporting and business continuity frameworks, business impact analysis and supply chain impact analysis.

matthew.holt@fm.com
+1 770 777 3898

Operations Engineering Manager



Lee Kenny is responsible for leading all engineering processes, procedures and people by setting direction with the engineering management team. This includes field engineering, account engineering and jurisdictional personnel.

lee.kenny@fm.com
+1 314 317 2810

Group Manager Account Engineering



Matt May leads a team of account engineers to ensure provision of high-quality property loss prevention services to our clients while assuring their team members properly evaluate and assess the nature, magnitude and impact of exposures identified by field engineers, and assist clients with prioritizing risk mitigation actions.

matthew.may@fm.com
+1 314 317 2813

Group Manager Account Engineering



Mike Stoneburner leads a team of account engineers to ensure provision of high-quality property loss prevention services to our clients while assuring their team members properly evaluate and assess the nature, magnitude and impact of exposures identified by field engineers, and assist clients with prioritizing risk mitigation actions.

michael.stoneburner@fm.com
+1 763 732 4220

Insurance Product Delivery Specialist



Tiffany Anderson is responsible for completing insurance product and service delivery activities including the full lifecycle for processing of new business, renewals, and mid-term changes, coordinating the processing efforts of extended team members, and providing high quality client support on a global basis.

tiffany.anderson@fm.com
+1 314 317 2820

The FM difference

FM is a leader in commercial property insurance with nearly 200 years of experience driving mutual success for our clients and partners. As a member of our mutual, your needs will always be our priority. Our solutions are powered by robust engineering expertise and a preventative approach to risk. We foster deep partnerships that help clients achieve greater business continuity—building a stronger future, together.

- ✓ We engineer new, science-backed ways to stay ahead of risk
- ✓ We forge lasting partnerships based on mutual goals and deep understanding
- ✓ We balance a future-oriented vision for progress with financial stability and reliability

Mutual goals. Shared success.

Mutually invested

Our policyholders are our owners, and our clients are the focus of everything we do. As a member of our mutual, you receive membership credits, dedicated account teams and global enterprise risk consulting services. Because we all benefit from preventing loss.

Engineering to protect your property

We elevate engineering excellence and data-backed insights to deliver the loss prevention solutions you need. Our team of expert engineers regularly visit your sites to help you identify, assess, transfer and improve your property risks, keeping you ahead of future loss.

Pioneering solutions

Our proactive and innovative approach helps you stay at the forefront of emerging risks. With a sole focus on property loss prevention, we're constantly advancing how the world sees and responds to risk.

Stable coverage backed by financial strength

With nearly two centuries of proven financial performance, we deliver reliable coverage and dependable in-house claims processing year after year. We're here for the long term: strengthening the foundation of your business, so you can embrace the future with confidence.



Governance

Our policyholders have a right to vote when they are consulted by the Board of Directors. Our international clients can also attend our local advisory committees like the Executive Advisory Boards and Risk Management Executive Councils (RMECs) established in each of the divisions.

Risk Management Executive Councils

Eastern Division Altria Client Services LLC, Basin Electric Power Cooperative, Comcast Corporation, Dover Corporation, Eastman Chemical Company, FMR LLC, General Electric Company, Ingevity Corporation, J.M. Huber Corporation, Johnson & Johnson, Lockheed Martin Corporation, Major League Baseball, Mars, Incorporated, Orbia, Qurate Retail Group, Raytheon Technologies Corporation, The Hershey Company, Trane Technologies plc, Trinity Health Corporation, United Therapeutics Corporation, Xerox Corporation, Xylem Inc.

Central Division Abbott Laboratories, Adient, Ascension, Caterpillar Inc., Cleveland Clinic, Coca-Cola Bottling Co. Consolidated, Deere & Company, Emerson Electric Company, Great River Energy, Johnson Controls International plc, Masco Corporation, Navistar, Inc., Omaha Public Power District, Shaw Industries Group, Inc., Tenaska, The Kraft Heinz Company, Viatis, Inc., Worthington Industries, Inc.

Western Division Alfa, S.A.B. de C.V., Arca Continental, S.A.B. de C.V., Avery Dennison Corporation, CBRE, Cisco Systems, Inc., Dell Technologies Inc., E. & J. Gallo Winery, Edwards Lifesciences, Equinix, Inc., flex, Green Bay Packaging Inc., International Paper Company, NOV Inc., PepsiCo, Inc., Precision Castparts Corp., Sylvamo, The Boeing Company, The Church of Jesus Christ of Latter-Day Saints, The Walt Disney Company, UNS Energy Corporation, Western Digital Corporation, WestRock Company, Weyerhaeuser Company, Williams-Sonoma, Inc.

Canada Division Kruger Inc., Teck Resources Limited, Domtar Corporation, ATCO Ltd., J.D. Irving Limited, Manulife Financial Corporation, Algonquin Power & Utilities Corp., The Greater Toronto Airports Authority, Cascades Inc., Centerra Gold Inc., RioCan Management Inc., Chemtrade Logistics Income Fund

Advisory Boards

Atlanta / Cleveland Arthrex, Inc., Buckeye Power, Inc., Ellwood Group, Inc., Heaven Hill Distilleries, Inc., Ogletthorpe Power Corporation, Printpack, Seminole Electric Cooperative, Inc., Shaw Industries Group, Inc., The J.M. Smucker Company, Timken Company

Canada Kruger Inc., Chemtrade Logistics Income Fund, Hood Packaging Corporation, Graymont Limited, Eldorado Gold Corporation, Alamos Gold Inc., HIROC Management Limited, Cascades Inc., High Liner Foods Incorporated, Olymel S.E.C./L.P., Stern Partners Inc., J.D. Irving Limited, ATCO Ltd. & Canadian Utilities Limited, New Brunswick Power Corporation, Agnico Eagle Mines Ltd.

Chicago / St. Louis Andersen Corporation, Graybar Electric Company, Inc., Quad, Kent Corporation, Ascension, A.O. Smith Corporation, The University of Iowa, Caterpillar Inc., Amsted Industries, J-Power USA, Seaboard Corporation, Allete, Inc., Great River Energy, BJC Health System, Tenaska, American Crystal Sugar Company, Mercy Health

New York Americas Styrenics LLC, Cabot Corporation, Eastman Chemical Company, Griffon Corporation, Iron Mountain, JFK International Air Terminal LLC, Mitsui Fudosan America, New Meadowlands Stadium Company LLC, Catalent, Southern Glazer's Wine and Spirits, LLC, Ingevity Corporation, The Boeing Company

Philadelphia Advance Auto Parts, American Woodmark, AmerisourceBergen Corporation, AMETEK, Inc., B. Braun Medical Inc., Brandywine Realty Trust, Carpenter Co., Constellation Energy Corporation, Emergent BioSolutions, Inc., Exelon Corporation, First Quality Enterprises, Inc., Mannington Mills, Inc., Philadelphia Eagles Limited Partnership, Teknor Apex Company, Temple University, The Hershey Company, The Pennsylvania State University, Titan America LLC, Tredegar Corporation, Universal Health Services, Inc., Victaulic Company

Western Avery Dennison Corporation, Boise Cascade Company, CPS Energy, Dallas Cowboys Football Club, Ltd., Blue Star Investments, Inc., Digital Realty, Health System, Inc., McLane Company, Inc., Northern California Power Agency, Packaging Corporation of America, Precision Castparts Corp., Riceland Foods, Inc., The Cooper Companies, Inc., The Walt Disney Company, USAA, Watson Land Company, WestRock Company, Weyerhaeuser Company

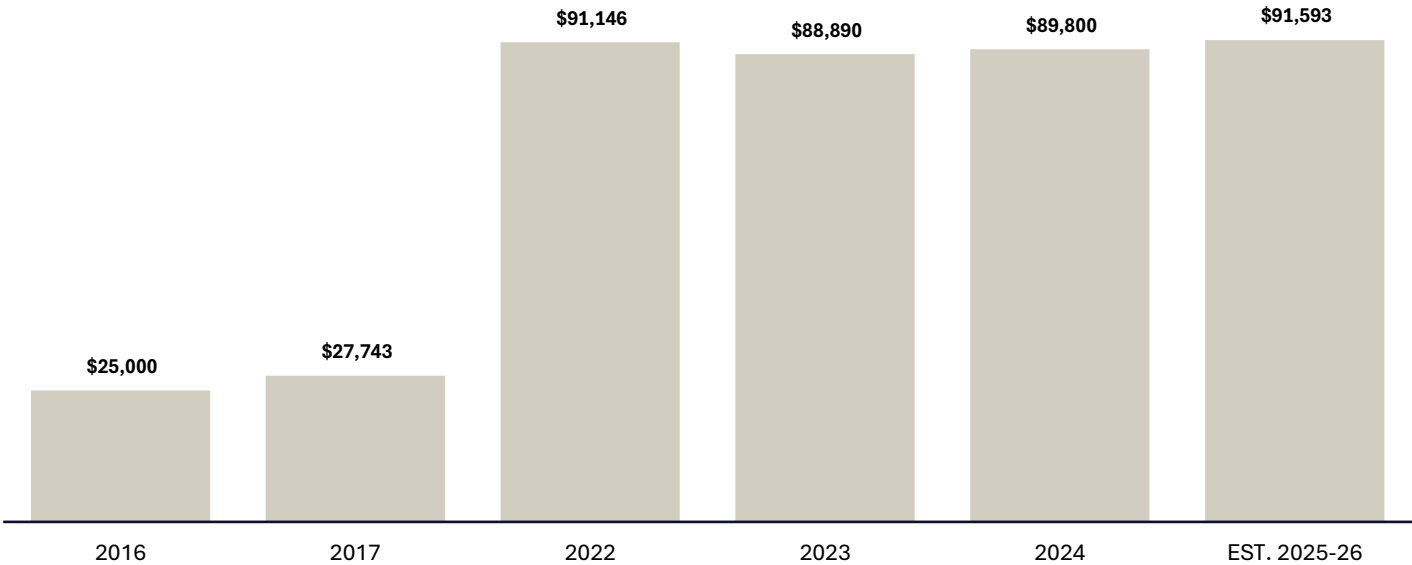
Membership credit



As mutual policyholder-owners of FM, our clients share in the rewards of successful risk management, one of which is a membership credit. This credit, contingent upon renewal, is applied as an offset against the premium. It is calculated based on tenure and eligible premium in effect 90 days prior to the renewal or anniversary date of the account. In 2025/2026, FM will reward its eligible mutual

policyholders with approximately US\$1 billion in membership credit. Despite recent challenges, their risk improvement efforts continue to drive favorable loss results, and the membership credit is one way we can reward their commitment and diligent focus on mitigating risk. The 2025/2026 membership credit is the 14th provided since 2001.

Hibbing Public Utilities will have earned **\$414,172** in membership credit in our 9-year partnership

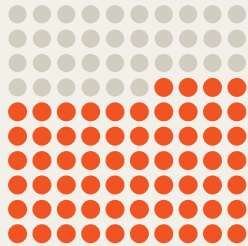


Client partnerships

Rest assured, you'll be part of a strong team.

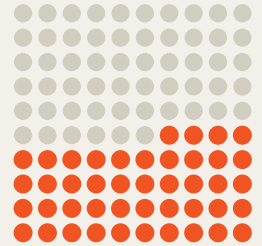
**64% of
FM's clients**

have partnered with us for
10 years or longer



**44% of
FM's clients**

have partnered with us for
20 years or longer



Andy Slotrem, your account manager, and Michael Stoneburner, your account engineer, work closely to ensure Hibbing Public Utilities' needs are met. Partnership underpinned by mutual understanding is the heart of our business, and every FM employee who interacts with Hibbing Public Utilities plays a role. We focus on understanding your business and building your success by helping reduce your long-term cost of risk. This may be through engineering recommendations, research done on your behalf, policy customization or business risk consulting.

A critical key to our successful partnership is your custom client service plan, created with input from Hibbing Public Utilities, Range Reliable Agency, Inc. and FM. This roadmap ensures you receive the most benefit from your property risk management program.

Meeting your risk management goals

- Client service team that consults with Hibbing Public Utilities regularly and shares your objectives
- Flexible long-term risk management plan
- Cost-effective recommendations that will impact your resilience
- We adapt to Hibbing Public Utilities' changing business needs, whether due to organic growth, acquisitions, or divestitures.

A team you can count on

- More personalized attention
- Knowledge of Hibbing Public Utilities' unique needs
- Tailored approach considerate of Hibbing Public Utilities' work style

A client-focused, dynamic process

- Knowledge of each of your locations
- Understanding of your risk exposure and risk tolerance

Mercy Hospital: Making a full recovery



Mutual ownership for mutual gain

Creating a better way to do business for nearly 200 years

As a mutual company, we're owned and governed by our clients; therefore, their needs are our first priority. This unique mutual ownership model has served our clients and our company well for nearly 200 years.

FM works with individual clients to provide them with the best insurance and risk management program possible. Our client service teams meet regularly with clients. Our dedicated field engineers help prevent loss and minimize downtime. And FM invests in research focused on mitigating the risk. As mutual policyholder-owners of FM, our clients share in the rewards of successful risk management.



PARTNERSHIP WITH FM PROVIDES:

- Membership credit that rewards shared financial success
- Resilience credit to invest in risk improvement
- A client service plan based on shared objectives
- A voice in the company
- The option of a direct or brokered relationship
- Business risk consultants for enhanced financial risk analysis



Membership credit

A membership credit is a credit for eligible policyholders applied as a tenure-based offset against premium at the client's renewal or anniversary date. US\$7.5 billion has been returned to policyholders since 2001.



Learn more about the 2025/2026 membership credit



2026 resilience credit

Since 2022, the resilience credit has helped eligible FM mutual policyholders make climate-related risk improvements. The resilience credit is possible because of the investments our clients have made protecting and hardening their facilities from all types of loss.

In early 2025, we asked our mutual clients what else we could do to best support them. Their response was clear: "Help us better manage operational risks." As a result, FM is committing approximately US\$825 million to expand the resilience credit, doubling it from 5% to 10% of eligible in-force premium. The credit will be applied in the form of a 10% premium offset.



Learn more about the 2026 resilience credit

Financial strength

For nearly 200 years, we’ve offered stability and security to our clients through some of the most volatile economic periods. Our financial strength has remained consistently strong, as validated by the world’s leading rating agencies.

A+

SUPERIOR

AM

BEST

SINCE 1899

February 2025

“FM Group’s balance sheet strength, which AM Best assesses as strongest, as well as its strong operating performance, favorable business profile and appropriate enterprise risk management.” FM “continues to maintain the strongest level of risk-adjusted capitalization, as measured by Best’s Capital Adequacy Ratio (BCAR). The stable outlooks reflect AM Best’s expectation that FM Group’s risk-adjusted capitalization and operating performance will continue to exhibit excellent trends.”

AA

VERY STRONG

FitchRatings

November 2024

Fitch’s ratings affirmation “reflects FM’s long-term underwriting profitability, very strong capitalization and competitive advantages derived from the company’s engineering expertise and global presence in specialty commercial property insurance markets, as well as benefits drawn from the company’s mutual company status.” Fitch also cited FM’s “strong franchise in the commercial property market for highly protected risks” and “very strong” capital position.

AA-

S&P Global Ratings

Upgraded from A+ in October 2024

S&P declares FM the “world’s largest commercial property insurer and leader in specialized engineering-based property underwriting and research.” It spotlights the company’s “innovative and highly valued customized loss prevention solutions complementing large commercial property products” and “superior underwriting performance.”

Access each ratings report

\$11.0B

Gross premium in-force

\$7.1B

Net earned premium

\$26.0B

Policyholder surplus

\$39.4B

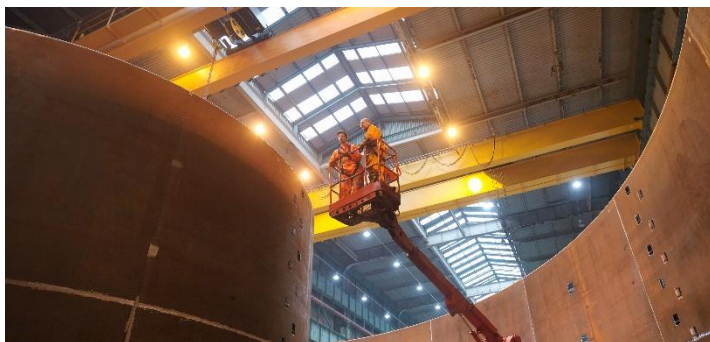
Total assets

Read the 2024 Annual Report

Engineering capabilities

Clients gain an engineering advantage when partnering with FM. We have 1,900+ engineers worldwide who conduct 105,392 site visits a year and we service 140 countries and territories. With the determination to see what others don't, our risk engineers visit all Hibbing Public Utilities key locations and develop local relationships with all key sites. We tailor our service to meet your risk management needs. All our risk engineers are degree-qualified with a minimum of two years industry experience and are continuously trained by FM in all aspects of risk engineering and loss prevention.

FM performs unique scientific research and product testing for property loss prevention at the full-scale experimental complex at the Research Campus in West Glocester, RI and the laboratory and computing facility in Norwood, MA. Using a combination of experiments at all scales and computational modeling together with engineering data and loss history, we develop innovative solutions to address all your property risks.



Property loss prevention expertise

- Scientific research conducted exclusively for property risk
- Cost-effective loss prevention solutions
- Peace of mind knowing your properties are well protected

Global engineering consistency

- Advice based on scientific research and loss experience
- Facilities assessed to consistent standards worldwide
- Local engineers who understand your company, your industry and the local environment

Client training and knowledge sharing

- Understanding of key hazards at every location

Risk improvement plans

- We've developed a mutually agreed upon plan with Hibbing Public Utilities on areas of risk improvement we'll target in the coming years
- The Risk Improvement Plan aims to support Hibbing Public Utilities' risk management objectives

Tools that give you the confidence to make important risk management decisions

Predictive analysis of loss exposures allowing you to focus on locations more likely to experience a loss

Risk to resilience



Innovation studio virtual tour



Cyber risk assessment

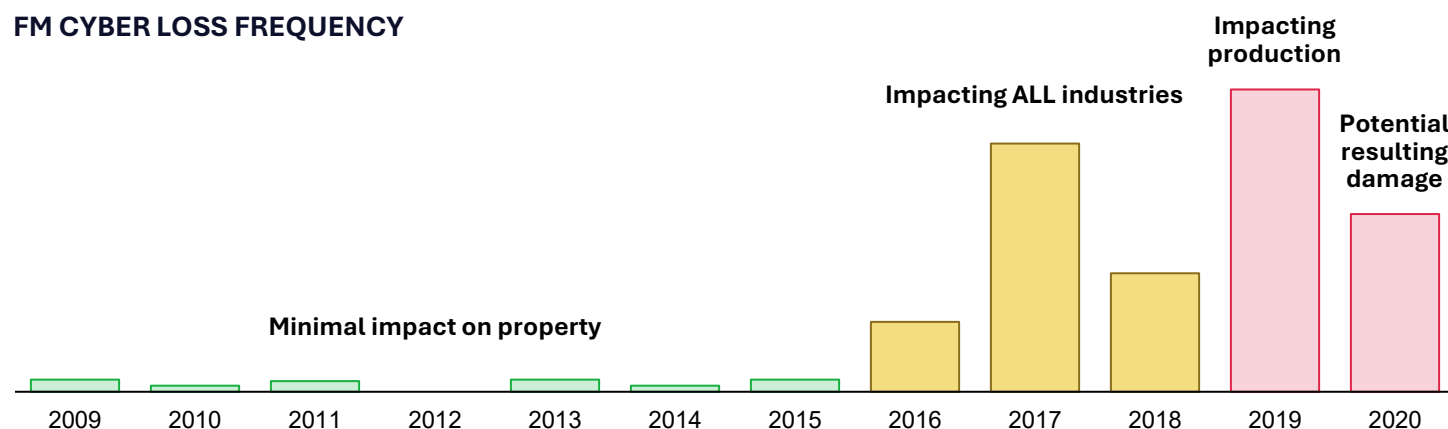
Cyber risk is the new reality. There are many risks associated with cyber-attacks, including physical damage to property—so it's crucial to keep ahead of them. FM's cyber risk assessment uses an in-depth approach that covers the entire exposure chain. The FM Advantage Policy affirmatively provides resulting damage coverage. When brought together, our robust cyber risk assessment process helps our clients target and mitigate the threats that pose the biggest risk to operating resilience.



- ✓ Data restoration and data service provider
- ✓ Expert cyber consultants
- ✓ Site security assessments
- ✓ Informational security assessments
- ✓ Industrial control systems evaluation
- ✓ 100% coverage from resulting damage



FM CYBER LOSS FREQUENCY



Cyber resulting damage cover

Cyber risk is the new reality. The number of cyber-attacks reported annually is growing exponentially—but FM can help you assess and mitigate these threats. While loss of key intellectual property and personal information assets have been the most widely recognized risks associated with cyber-attacks, the reputational risk from leaked data, and disruption of operations for financial gain—often through extortion—are currently the most prevalent. There are many other risks associated with cyber-attacks that can affect Hibbing Public Utilities, including physical damage to property. The FM Advantage Policy affirmatively provides resulting damage coverage.

CYBER RISK ASSESSMENT: A three-part approach to the growing threat of cyber damage:

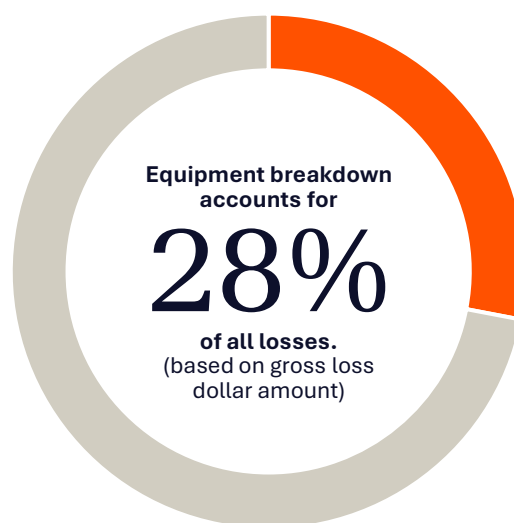
- Information security, which evaluates and quantifies risk across the enterprise;
- Physical security, which assesses risk at the location beyond your data center;
- Industrial control systems (ICS), which analyzes the critical cyber exposures within ICS and building automation systems. When brought together, our robust cyber risk assessment process helps our clients target and mitigate the threats that pose the biggest risk to operating resilience.



Boiler and machinery

Mechanical, electrical and pressure equipment breakdowns are a significant component of the losses FM clients experience. Failure of your equipment can bring your business to a standstill. That's why you benefit from a specialty insurer with extensive knowledge and hands-on experience with equipment across a wide range of industries.

Our specialized boiler and machinery (B&M) capabilities include developing an in-depth understanding of your processes and systems to analyze the breakdown scenarios and exposures that mechanical, electrical and pressure equipment create for your business. We evaluate the integrity and reliability of your equipment, identify hazards and deficiencies to deliver focused risk improvement solutions and reduce your equipment risk.



B&M risk identification and evaluation will:

- Offer a focused analysis of processes where equipment breakdown may have a significant impact
- Identify the equipment most at risk
- Calculate potential downtime that the equipment breakdown may cause
- Quantify the equipment breakdown exposures more accurately

Systems approach overview

- Using a systems approach, field engineers specifically trained to assess B&M perils will visit your locations.
- Then, based on the findings, your client service team will be better equipped to discuss the ongoing B&M servicing strategy with you.

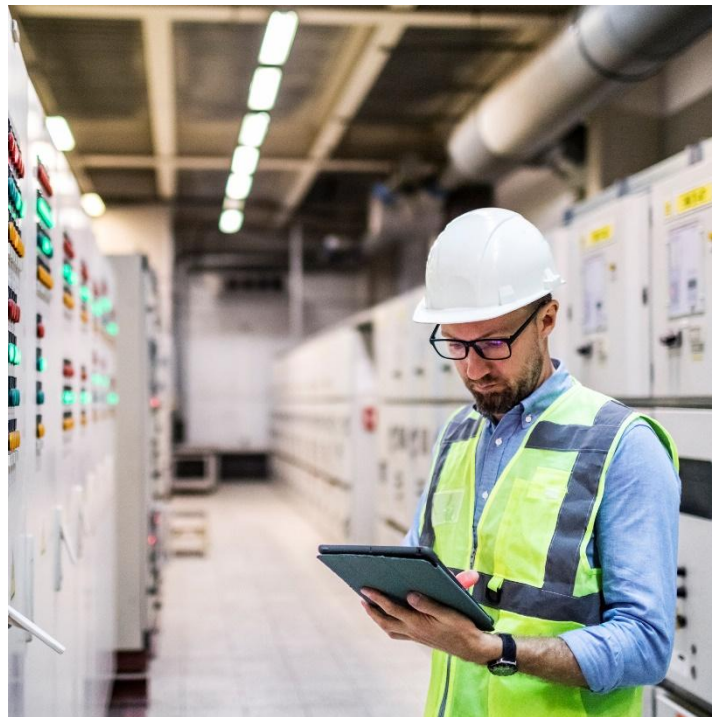
Industrial control systems

What are they?

Industrial control systems (ICS) are typically a combination of control components, which act together to achieve an industrial objective. They can be thought of as a connection between the digital and physical worlds. They are the digital systems which control the physical processes upon which businesses depend. Industrial control systems are an integral component of the equipment they control, and the hazards associated with them are considered equipment-based risks. Modern industrial control systems range from building automation to the most complex manufacturing systems.

Why are you at risk?

Expanded ICS network connectivity has enhanced operator convenience, added efficiencies, and improved reliability for ICS. However, this connectivity and operational dependence has also driven an increase in potential property risks to these systems. Failure of ICS, regardless of cause, can cripple your business. Loss history has shown damage ranging from business interruption to significant, resulting physical damage.



How do we evaluate?

Our industrial control systems evaluation builds on our expertise with industrial equipment. As an integral part of our location-based, boiler and machinery evaluations, we leverage and apply proven loss prevention concepts to review ICS management programs and identify vulnerabilities. We examine a range of ICS risks including operator error, maintenance, incident response, and in conjunction with other aspects of our cyber risk assessment, a holistic understanding of the cyber exposures. We then work with you to develop practical, cost-effective risk mitigation solutions.

What's the focus?

Our primary focus is physical and operational resilience for your industrial control systems. To achieve this, our engineering team evaluates:

- The overall ICS network, including the connectivity of supporting networks for potential cyber vulnerabilities
- Management policies and procedures for ICS, including asset and access management, supply chain management and supply chain management practices
- Configuration and patch management
- Networking safeguards
- Incident response and recovery management
- Emergency operating procedures and operator training programs
- Utility backups

Who's involved?

Our engineers will need access to personnel responsible for your industrial control systems and any associated operating and maintenance practices and procedures. This may also extend to personnel involved in information technology (IT) critical to ICS, or third-parties if ICS support is provided through vendors. Examples may include:

- Instrumentation and controls (I&C) engineer
- Process engineer
- I&C maintenance technician
- IT manager
- ICS vendor
- Having the right people available will enable us to assess your ICS risks effectively and provide insight into strengthening the resilience of your production and process networks.

2026 resilience credit

Approximately **US\$825 Million** to invest in protection and prevention measures. Since 2022, the resilience credit, which focused on climate exposures, has reduced potential economic impact by nearly

US\$80 Billion

The FM resilience credit helps clients invest in a more resilient tomorrow.



The enhanced resilience credit puts more resources and insights to work for our clients. It is made possible through our mutual ownership structure, deep partnerships and ongoing dialogue with our clients.

2026 marks the fourth consecutive resilience credit and we are committing approximately US\$825 million to build resilience. This brings the total announced credits to approximately US\$1.875 billion since 2022. The credit will be

applied in the form of a 10% premium offset against eligible FM policies with renewals or anniversaries between January 1, 2026, and December 31, 2026.

Since 2022, the resilience credit, which focused on climate exposures, has reduced potential economic impact by nearly US\$80 billion. While clients should continue to use the credit to address climate risks, they can also use it for operational resilience.

“

Following the incredible success of the FM resilience credit, we are proud to significantly expand the program to support all aspects of resilience for our clients. With the enhanced resilience credit, we are providing clients with even more support and insights to make crucial investments in protection and prevention measures.”

Malcolm Roberts

Chairman and Chief Executive Officer
FM



Your one-stop digital platform

Evolving the way we work together.

Streamline communications and processes with our new centralized digital platform. We advanced the best features and benefits of MyRisk® and other tools and rolled them into a personalized, secure and responsive single point of access. It leverages advanced data and technology to make information sharing highly secure and responsive for risk assessment, policy renewals, and correspondence with any of your FM partners. It doesn't replace conversations—it elevates business relationships.

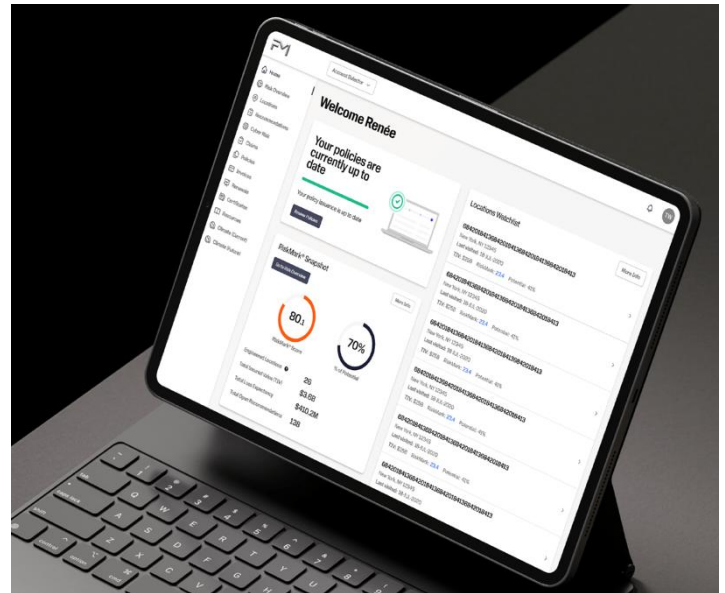
Renew with confidence.

Renewal tracker

Stay on schedule and gain increased transparency by tracking the status of your policy throughout the renewal process, from uploading values to policy issuance with real-time status updates.

Collaborative workspaces

Communicate and share documents seamlessly and securely with your FM client service team.



Central document repository

Securely share, download, and retrieve important documents, including policies, endorsements, certificates and other assets.

Intelligent values analysis

Gain insight into the overall percentage of change in your values over a five-year period.

Advanced risk assessment

✓ IMPROVE VISIT EFFICIENCY AND EXPERIENCE

Share key site information and access FM's best-in-class engineering expertise through enhanced collaboration tools and virtual site visits.

✓ ACCESS INFORMATION ANYTIME, ANYWHERE

Use our customizable platform to communicate and share data. Access watch lists and actionable insights generated by FM engineers, at your fingertips 24/7.

✓ STRENGTHEN RISK ASSESSMENT CAPABILITIES

Utilize augmented data collection tools such as aerial imagery and third-party data sources.

✓ TAKE ACTION AND PLAN AHEAD

Organize and prioritize recommendations across enterprise- and location-level views, and provide proof of implementing recommendations to your FM team at any time, from anywhere in the world.

Insurance program (continued)

Policy coverage and limits of liability

The tables below set out a summary of the essential elements of your FM Advantage Master Policy coverage, limits, waiting periods and deductibles.

	Program essentials
Name insured	Hibbing Public Utilities
Policy dates	1 January 2026 – 1 January 2027
Cancellation	60 days by the company except for non-payment of premium which shall be 10 days
Participation	FM: 100%
Territory	Coverage as provided under this Policy applies in Canada, the United States of America and the Commonwealth of Puerto Rico.
Cover	All risks
Policy limits of liability	\$225,000,000
Currency of policy	USD
Master policy number	1161641

Pricing

All figures are quoted in US Dollars.

	Insured values
Property	\$221,606,100
Total Insured Value	\$221,606,100

Quote terms as above	
All other loss deductible	\$500,000
Premium rate	0.3372
Net annual premium (excluding TRIA)	\$747,255
FM value-added engineering (site visits, plan review, project management), Business Impact Analysis, claims services	Included
\$5,000,000 Terrorism Coverage	Included
Subtotal annual renewal premium	\$747,255
Membership credit (12.5%)	(\$91,593)
Resilience credit (10%)	(\$73,275)
Premium for expanded US supplemental terrorism	\$22,418
Total invoice net premium	\$604,805

Notes

- The premium quotation is the applied premium rate shown. A change in insured values prior to inception of cover will result in an associated premium change.
- The premium includes our risk engineering services.
- Premiums shown are net annual premiums due and are exclusive of applicable taxes, commissions, surcharges and brokerage.
- Any locations covered in countries which apply a tariff insurance system will have their premium calculated against the applicable tariff rates.
- Quote valid until 01/01/2026.

Appendix

TRIA disclosure

Please sign the policyholder disclosure notice of terrorism insurance coverage form with your choice and return to FM **before** your renewal date.

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

Insured Name: Hibbing Public Utilities
Account Number: 85007
Date: 01/01/2026

Insurer Name: Factory Mutual Insurance Company

The Terrorism Risk Insurance Act of 2002, as amended and extended, gives you the right as part of your property insurance program to elect or reject insurance coverage for property within the United States or any territory or possession of the United States for losses arising out of acts of terrorism, as defined and certified in accordance with the provisions of the act.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. UNDER THIS FORMULA, THE UNITED STATES GOVERNMENT GENERALLY PAYS 80% OF COVERED TERRORISM LOSSES EXCEEDING A STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURER REFERENCED ABOVE. **ALSO, THERE IS A \$100,000,000,000 CAP ON THE FEDERAL AND INSURER SHARE OF LIABILITY STATING THAT IF THE AGGREGATE INSURED LOSSES EXCEED \$100,000,000,000 DURING ANY CALENDAR YEAR, NEITHER THE UNITED STATES GOVERNMENT NOR ANY INSURER THAT HAS MET ITS INSURER DEDUCTIBLE SHALL MAKE PAYMENT OR BE LIABLE FOR ANY PORTION OF THE AMOUNT OF SUCH LOSSES THAT EXCEED \$100,000,000,000.** THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

ACCEPTANCE OR REJECTION OF TERRORISM INSURANCE COVERAGE: UNDER FEDERAL LAW, YOU HAVE THE RIGHT TO ACCEPT OR REJECT THIS OFFER OF COVERAGE FOR TERRORIST ACTS COVERED BY THE ACT AS PART OF YOUR RENEWAL POLICY. IF WE DO NOT RECEIVE THIS SIGNED DISCLOSURE FORM PRIOR TO THE RENEWAL POLICY EFFECTIVE DATE OF 01/01/2026, THEN YOUR PROPERTY INSURANCE PROGRAM WILL REFLECT YOUR DECISION NOT TO PURCHASE THE TERRORISM COVERAGE PROVIDED BY THE ACT.

_____ I hereby elect to purchase coverage for terrorist acts covered by the act for an annual premium of USD 22,418 . This premium does not include applicable taxes or surcharges.

_____ I hereby decline this offer of coverage for terrorist acts covered by the act.

Policyholder/Applicant signature

Date

Printed name

Certified terrorism

US terrorism terms and conditions

The Terrorism Risk Insurance Act of 2002 as amended and extended, requires that insurers advise clients, prior to the renewal date of their current policy of their option to elect or reject terrorism coverage under the act as part of their property renewal policy. It also requires insurers to disclose the cost of such coverage for the policy term. As a brief reminder, the act provides licensed, admitted carriers with a substantial federal reinsurance backstop for terrorism acts that are certified by the Secretary of the Treasury of the United States as covered events (known as certified losses). Generally speaking, the act responds strictly to events that take place within the United States, its protectorates, territories, and possessions. The Act has been extended to expire on 31 December 2027.

Pursuant to the act, we are offering certified terrorism cover in the United States with no specific terrorism limit of liability meaning your certified terrorism limit would be equal to the policy limit of liability or any location or coverage sublimits being proposed. In addition, in the United States, we are offering no terrorism sublimit for Flood, Miscellaneous Property, and Temporary Removal of Property and would not be subject to any terrorism exclusion for Service Interruption, Contingent Time Element Extended, Protection And Preservation of Property, Ingress/Egress, Logistics Extra Cost, Extended Period of Liability, Crisis Management and Attraction Property coverages.

The premium for certified coverage is **\$22,418** for the term of 01/01/2026 to, 01/01/2027. This premium does not include applicable taxes or surcharges.

Attached to the property insurance proposal is the Policyholder Disclosure Notice of Terrorism Coverage document and the applicable certified terrorism endorsement. Please note the following important conditions that require your action:

The Disclosure form must be completed, signed, and returned to Andy Slotrem prior to the renewal policy effective date of 01/01/2026, indicating your choice to accept or reject certified coverage as part of your renewal policy.

Should you have any questions, please feel free to contact me.

Sincerely,

Andy Slotrem
Account Manager

Client service and risk improvement plan

FM’s Partnership with Hibbing Public Utilities: Protecting Your Purpose

Client Service Plan Overview

This shared document is designed to support HPU’s key objectives: reliable and efficient utility services to the residents and businesses of Hibbing, Minnesota. Together we will emphasize engineering strategies to identify, manage, and improve risks. In case of a loss, FM’s broad coverage and stable capacity aim to restore HPU’s business quickly.

COMMUNICATION

Good communication is essential to the successful execution of this jointly-developed client service plan.

Objective	Responsibility	Due date
Compile values for 2026 renewal	HPU / Jamie Lindseth /Andy Slotrem	October 2026
Annual update meeting: highlights from the prior year, plan for the next year, provide feedback to the FM team	HPU / Jamie Lindseth /FM	October 2026

CLIENT TRAINING, LEARNING, AND NETWORKING OPPORTUNITIES

When executing plans on multiple fronts, training support is sometimes essential. During the coming year, we will provide opportunities to enhance Hibbing Public Utilities knowledge on a variety of risk management topic. We will extend an invitation for FM-hosted events relevant to your team.

Objective	Responsibility	Due date
Attend the annual Owner’s Meeting to get updates on FM’s business, a general market update, and to hear about key FM initiatives.	HPU	March 2026

Client service and risk improvement plan-continued

Risk Identification & Assessment

FM field engineers continually identify exposures to Hibbing Public Utilities property and thus, to your business. They prepare estimates of the potential exposure to your business, from both a property damage and business interruption perspective. We propose the following specific activities:



Objective	Action item	Responsibility	Due date
Identify any new property risks at HREC	Complete annual Boiler & Machinery and Fire & Natural Hazards site visits	FM to schedule with Paul Plombon	Ongoing
Identify cyber risks to HPU	Complete FM's cyber risk assessment	HPU, with assistance from your IT vendor and FM cyber consultant	10/1/26
Ensure boilers and pressure vessels remain in safe working condition	Complete all state-required jurisdictional inspections	HPU to provide advance notice to FM of when units will be down	Ongoing

RISK AVOIDANCE AND/OR REDUCTION

Objective	Action item	Responsibility	Due date
Complete Recommendation 15-12-026	Finalize the operator refresher training program by tracking the program within IBM Maximo.	HPU	6/1/26
Complete Recommendation 24-03-001	Improve steam quality/purity testing to protect against turbine water induction.	HPU	TBD

Andy Slotrem

Account Manager

St. Louis Operations

andrew.slotrem@fm.com

+1 763 732 4219



FM



InsurerFM



@TheFMGroup



@FMGlobal

The information in this renewal proposal is the property of the Factory Mutual Insurance Company (FM). It is presented for informational purposes only, in support of the insurance relationship between FM and its clients or prospective clients. It is not to be shared with other parties. FM does not address life, safety, or health issues. The information does not change or supplement policy terms or conditions. The liability of FM is limited to that contained in its insurance policies. © 2023-2025 Factory Mutual Insurance Company. All rights reserved.





Item 6.C

Item 6.C – Approve Resolution 25-15: Authorizing Gas Supply Agreement with Minnesota Community Energy

December 16th, 2025

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

RE: Item 6.C – Approve Resolution 25-15: Authorizing Gas Supply Agreement with Minnesota Community Energy

Dear Commissioners;

As per discussion at the December 2nd Commission Working Session, HPU is part of a group that has been working through Minnesota Community Energy to acquire a gas with a tax-exempt discount through JP Morgan Chase and MCE that we hope to go to market and price very early 2026 for an approximate 10% discount versus market priced gas.

Based on a potential volume of 2,195 Dth / Day, the target minimum savings of \$0.32 / Dth results in annual savings ~ \$250K annually.

With the authorizing of the Attached Resolution, HPU will join with the other members of MCE I preparing the transaction to go to market in early 2026 with first anticipated delivery of gas in the spring of 2026.

Please reach out with any questions.S

Sincerely;



Luke J. Peterson

RESOLUTION No. 25-15

A RESOLUTION OF THE HIBBING PUBLIC UTILITIES COMMISSION, MINNESOTA AUTHORIZING THE PURCHASE OF NATURAL GAS FROM MINNESOTA MUNICIPAL GAS AGENCY D/B/A MINNESOTA COMMUNITY ENERGY; APPROVING THE EXECUTION AND DELIVERY OF A GAS SUPPLY AGREEMENT AND OTHER DOCUMENTS RELATING TO SAID PURCHASE; CONSENTING TO THE ASSIGNMENT OF CERTAIN OBLIGATIONS UNDER THE GAS SUPPLY AGREEMENT IN CONNECTION WITH THE ISSUANCE OF BONDS BY MINNESOTA COMMUNITY ENERGY ; AND ADDRESSING RELATED MATTERS

WHEREAS, Minnesota Municipal Gas Agency, d/b/a Minnesota Community Energy ("MCE"), is a joint action gas supply agency of the State of Minnesota, organized pursuant to the provisions of Minnesota law; and

WHEREAS, MCE was formed, among other reasons, to acquire secure, reliable and adequate long-term supplies of gas for resale to its members and to other governmentally owned wholesale customers for ultimate delivery to the residential, commercial, institutional, and industrial consumers in their areas of service, both inside and outside the State of Minnesota, and to achieve cost savings, economies of scale and reliability of supply; and

WHEREAS, MCE has planned and developed a project to acquire long-term gas supplies from a transaction-specific Delaware limited liability company and special purpose entity created by J.P. Morgan Ventures Energy Corporation pursuant to a Prepaid Natural Gas Sales Agreement to meet a portion of the requirements of the Hibbing Public Utilities Commission (the "Gas Purchaser") and other public gas distribution systems and joint action agencies that elect to participate (each, a "Project Participant") through a prepayment (the "Prepaid Project"); and

WHEREAS, MCE will issue its Gas Project Revenue Bonds, Series 2026, or such other series of bonds used to finance the acquisition of gas supplies for the Prepaid Project (the "Bonds"); and

WHEREAS, Gas Purchaser is a Statutory Municipal Utility and Local Government Unit authorized under Article XII of the Minnesota Constitution, its own Enabling Statute and operating under chapter 412 of the laws of the State of Minnesota; and

WHEREAS, Gas Purchaser has determined that it is in the best interest of its customers to be a Project Participant and thereby purchase a portion of Gas Purchaser's natural gas requirements from MCE pursuant to a natural gas sales contract to be entered into by MCE and Gas Purchaser (the "Gas Supply Agreement"); and

WHEREAS, under the Gas Supply Agreement, Gas Purchaser will agree to purchase from MCE the amounts of gas specified in the Gas Supply Agreement, at the prices specified in the Gas Supply Agreement, for a term specified in the Gas Supply Agreement; and

WHEREAS, the Bonds will be issued pursuant to a Trust Indenture between MCE and a corporate trustee (the "Indenture") and purchased by the underwriters or original purchasers of the Bonds (the "Underwriters") pursuant to one or more bond purchase agreements or similar agreements; and

WHEREAS, MCE will pledge to the payment of the Bonds certain assets of MCE, including the Gas Supply Agreement between MCE and Gas Purchaser; and

WHEREAS, Gas Purchaser shall have no financial liability with respect to the Bonds, and Gas Purchaser's only obligations relating to the Prepaid Project shall be set forth in the Gas Supply Agreement; and

WHEREAS, in order to authorize the purchase of natural gas from MCE and the execution of the Gas Supply Agreement, to consent to the assignment of the Gas Supply Agreement to secure the Bonds, to authorize the sale of the gas purchased from MCE, and to authorize and take such other necessary and appropriate action in furtherance of the Prepaid Project, the Hibbing Public Utilities Commission adopts this Resolution.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Hibbing Public Utilities Commission, Minnesota (the "Governing Body"), as follows:

SECTION 1: The Gas Purchaser is authorized, but not obligated, to enter into a Gas Supply Agreement with MCE, pursuant to which Gas Purchaser will purchase natural gas from MCE as provided in the Gas Supply Agreement. The Gas Supply Agreement shall (a) have a delivery period of not greater than 366 months, (b) provide for the purchase by Gas Purchaser of not more than an annual average over the term of the Gas Supply Agreement of 2,195 MMBtu per day, and (c) provide for a projected minimum net savings to Gas Purchaser through monthly and annual discounts of not less than \$0.32 per MMBtu to Gas Purchaser for the Initial Discount Period, and not less than \$0.20 per MMBtu to Gas Purchaser in each successive Reset Period, unless the Gas Purchaser elects to purchase gas at a lesser discount during any Reset Period, as set forth in the Gas Supply Agreement.

SECTION 2: The Gas Supply Agreement shall be in substantially the form submitted and attached hereto as Exhibit A, which such form is hereby approved, to include such completions, deletions, insertions, revisions, and other changes as may be approved by the officers executing same with the advice of counsel, their execution to constitute conclusive evidence of their approval of any such changes.

SECTION 3: The gas purchased by Gas Purchaser from MCE shall be sold by Gas Purchaser to retail customers of Gas Purchaser pursuant to published tariffs or pursuant to qualified requirements contracts approved by tax counsel to MCE, under terms approved by tax counsel to MCE.

SECTION 4: The Chair of the Hibbing Public Utilities Commission (the "Authorized Officer") is hereby authorized to execute and deliver the Gas Supply Agreement and the Secretary of the

Hibbing Public Utilities Commission (the "Attesting Officer") is hereby authorized to attest the signature of the executing official.

SECTION 5: The officers, employees, and agents of Gas Purchaser are hereby authorized and directed to take such actions and do all things necessary to cause the purchase of said gas to take place, including the payment of all amounts required to be paid in order to purchase the gas in accordance with the Gas Supply Agreement.

SECTION 6: The Governing Body consents to the assignment and pledge of all of MCE's right, title and interest under the Gas Supply Agreement, including the right to receive performance by Gas Purchaser of its obligations thereunder, to secure the payment of principal of and interest on the Bonds.

SECTION 7: The officers and employees of Gas Purchaser, as well as any other agent or representative of Gas Purchaser, are hereby authorized and directed to cooperate with and provide MCE, the underwriters of the Bonds, and their agents and representatives with such information relating to Gas Purchaser as may be necessary for use in the preparation and distribution of a preliminary official statement or other disclosure document used in connection with the sale of the Bonds. After the Bonds have been sold, any officer or employee of Gas Purchaser, or any agent or representative designated by Gas Purchaser, shall make such completions, deletions, insertions, revisions, and other changes in the preliminary official statement relating to Gas Purchaser not inconsistent with this Resolution as are necessary or desirable to complete it as a final official statement for purposes of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). The Governing Body hereby covenants and agrees that Gas Purchaser will cooperate with MCE in the discharge of MCE's obligations to provide annual financial and operating information and notification as to material events with respect to Gas Purchaser as may be required by the Rule. Any officer or employee of Gas Purchaser, or such other agent or representative of Gas Purchaser as shall be appropriate, is hereby authorized and directed to provide such information as shall be required for such compliance, and such officer or employee may execute a continuing disclosure agreement with respect to the provision of such information if requested to do so by the underwriters of the Bonds.

SECTION 8: The Bonds are not obligations of Gas Purchaser but are limited obligations of MCE payable solely from the revenues and receipts pledged by MCE under the Indenture, including the revenues and receipts arising from the sale of gas to Project Participants. By consenting to the assignment of the Gas Supply Agreement and agreeing to provide information for inclusion in the official statement, Gas Purchaser is not incurring any financial liability with respect to the Bonds.

SECTION 9: All acts and doings of the officers and employees of Gas Purchaser or any other agent or representative of Gas Purchaser which are in conformity with the purposes and intent of this Resolution and in furtherance of the execution and delivery of and performance under the Gas Supply Agreement, and in furtherance of the issuance and sale of the Bonds, shall be and the same hereby are in all respects approved and confirmed, including without limitation

the execution and delivery by the officers of Gas Purchaser of all certificates and documents as they shall deem necessary in connection with the Gas Supply Agreement and the Bonds.

SECTION 10: If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

SECTION 11: All other resolutions or orders, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed and this Resolution shall be in immediate effect from and after its adoption.

SECTION 12: This Resolution shall take effect immediately upon its adoption.

Adopted and approved this ____ day of December, 2025.

Hibbing Public Utilities Commission, Minnesota

James Bayliss, Chair

Attest:

Jeff Hart, Commission Secretary

EXHIBIT A
FORM OF GAS SUPPLY AGREEMENT

[Attached]



Item 6.D

Item 6.D – Approve CO#3 with Geislinger for 30” Water Main Slip Lining not to exceed \$999,240.01

December 16th, 2025

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

RE: Item 6.D – Approve CO#3 with Geislinger for 30” Water Main Slip Lining not to exceed \$999,240.01

Dear Commissioners;

Due to the age, number of breaks, and importance to system operation, HPU’s 30” Water Main Supply Line was identified as a priority for replacement in HPU’s Water Main Capital Improvement Plan. In 2025 alone, HPU, through its contract with Geislinger, rehabilitated 2 major sections of this known vulnerability to protect Hibbing’s drinking distribution system.

A leak was identified on the final section of ductile pipe during this fall. HPU would like to pursue the rehabilitation of the final section of the ductile 30” water distribution from E 41st St. north to E 39th St. under the current Geislinger Contract. This additional scope and work would be funded through Mineral Article Funds available through the IRRR. Please review the attached correspondence from Bolton & Menk Project Manager Andy Brotzler.

Sincerely;



Luke J. Peterson



**BOLTON
& MENK**

Real People. Real Solutions.

301 E Howard Street
Suite 26
Hibbing, MN 55746

Phone: (218) 231-0018
Bolton-Menk.com

December 16, 2025

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

RE: Change Order No. 3 – 30-inch Watermain Slip-lining Project
Town Line Road to Wegener Road
Hibbing Public Utilities Commission

Dear Mr. Peterson:

Following substantial completion of the 30-inch watermain slip-lining and prior to final project completion and payment, a leak was discovered on the existing 30-inch ductile iron pipe north of 41st Street, adjacent to the project area. This is the second leak on this section of pipe between 39th Street and 41st Street in the past seven years, with the first occurring in January 2018.

The approximately 1,300 linear feet segment remains the last portion of the 30-inch main distribution line from the Town Line Road water treatment facility that has not been upgraded to HDPE or PVC. To address this issue, we propose slip-lining the remaining 1,300 feet with 18-inch fusible PVC C900. This method is the most cost-effective solution and will minimize disruption within the Hwy 37 and MN 169 corridors.

Completing this work will also provide a reliable connection to the 18-inch watermain serving residents and businesses on Hibbing's east side, improving overall system reliability. This replacement is not expected to result in any long-term service interruptions for businesses or residences.

Based on the need to complete the repairs to facilitate and an emergency restoration to the public water system, the attached Change Order No. 3 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 39th Street and 41st Street by slip-lining the existing 30" DIP.

The proposed Change Order No. 3 amount is \$999,240.01 and includes the completion of all noted items. The current estimated project cost is \$4,345,611.40; Change Order No. 3 will increase the total contract value to \$5,344,851.41. The change order also revises the completion dates to June 19, 2026 and July 17, 2026, for substantial and final completion, respectively.

Name: 30" Watermain Rehabilitation Slip-lining Project

Date: December 16, 2025

Page: 2

We will be present at the Commission meeting on December 16, 2025 to address any questions that you or the Commission may have.

Sincerely,

Bolton & Menk, Inc.



Andrew Brotzler, P.E. (MN)

Municipal Senior Project Manager

Attachments: Change Order No. 3
Unit pricing
Exhibit

CHANGE ORDER FORM

NO.: 3

Owner: Hibbing Public Utilities Commission

Engineer: Bolton and Menk, Inc.

Contractor: Geislinger and Sons, Inc.

Project: 30" Sliplining - 41st Street to Wegener Road

Contract Name:

Date Issued: 12/16/2025

Owner's Project No.:

Engineer's Project No.: 24X.136442.000

Contractor's Project No.:

Effective Date of Change Order: 12/16/2025

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

Description:

Substantial completion date is extended to June 19, 2026. Final completion date is extended to July 17, 2026.

Materials are being added for Phase III of the project.

Attachments:

Phase III Schedule of Quantities from Geislinger and Sons, Inc.
Change Order NO3 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	
Increase from previously approved Change Order No. 2:		Contract Times prior to this Change Order:	
\$ 2,001,118.89		Substantial Completion: September 5, 2025	
		Ready for final payment: October 3, 2025	
Increase this Change Order:		Increase this Change Order:	
\$ 999,240.01		Substantial Completion: June 19, 2026	
		Ready for final payment: July 17, 2026	
Contract Price incorporating this Change Order:		Contract Times with all approved Change Orders:	
\$ 5,344,851.41		Substantial Completion: June 19, 2026	
		Ready for final payment: July 17, 2026	

Recommended by Engineer (if required)

By:

Signed by:

Andy Bratzler

SECRETARY

Title: Sr. Project Manager

Date: December 9, 2025

Accepted by Contractor

By:

Signed by:

Gunnar Smith

SECRETARY

Title: project manager

Date: December 9, 2025

	Authorized by Owner	Approved by Funding Agency (if applicable)
By:		
Title:		
Date:		

ENGINEER'S ESTIMATE

2025 Capital Watermain Improvements

Sliplining PHASE III

Hibbing Public Utilities Commission

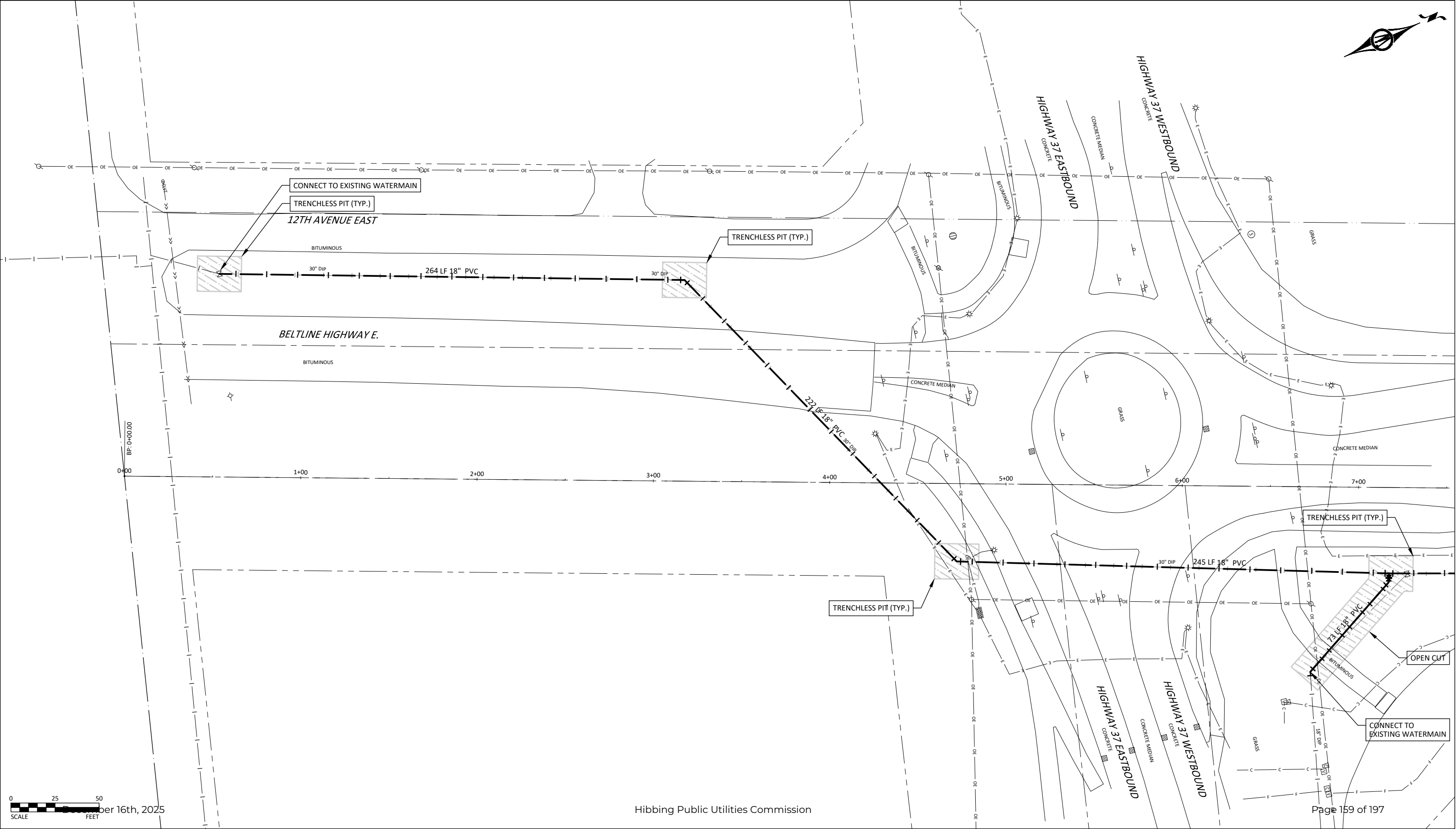
BMI PROJECT NO. 24X.136442.000

**BOLTON
& MENK**

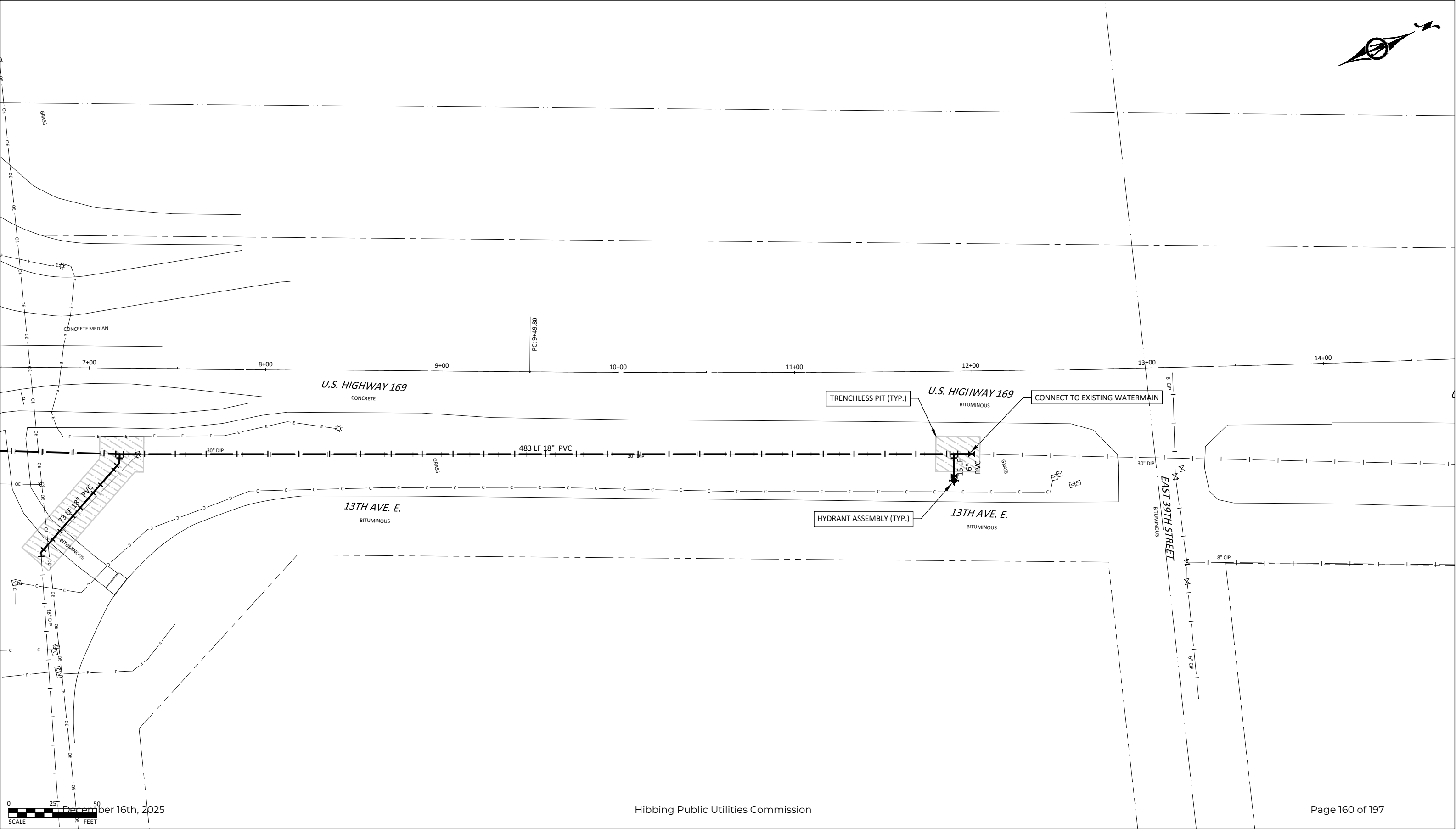
Real People. Real Solutions.

Date: 12/16/2025

Item No.	MnDOT Spec No.	Item	Notes	Estimated Quantity	Unit	Unit Price	Total Amount
CO3.01	2021.501	MOBALIZATOIN		1	EACH	\$50,000.00	\$50,000.00
CO3.02	2104.502	REMOVE WATER MANHOLE & VALVE		1	EACH	\$1,500.00	\$1,500.00
CO3.03	2104.502	REMOVE WATERMAIN		193	LIN FT	\$5.00	\$965.00
CO3.04	2104.502	SALVAGE & INSTALL WATERMAIN FITTING - 30X18 REDUCER		1	EACH	\$4,000.00	\$4,000.00
CO3.05	2106.507	EXCAVATION - EXPLORATORY		250	CU YD	\$15.00	\$3,750.00
CO3.06	2106.604	DEWATERING		1	LUMP SUM	\$0.01	\$0.01
CO3.07	2231.604	BITUMINOUS TRAIL PATCH - 4" THICKNESS		24	SQ YD	\$185.00	\$4,440.00
CO3.08	2504.601	TRENCHLESS PITS	5 ESTIMATED	1	LUMP SUM	\$524,000.00	\$524,000.00
CO3.09	2504.601	WATERMAIN TRACING SYSTEM		1	LUMP SUM	\$30,000.00	\$30,000.00
CO3.10	2504.603	TELEWISE 30" WATERMAIN		1287	LIN FT	\$10.00	\$12,870.00
CO3.11	2504.602	6" GATE VALVE & BOX		1	EACH	\$5,000.00	\$5,000.00
CO3.12	2504.602	INSTALL OWNER PROVIDED 18" GATE VALVE & BOX		1	EACH	\$10,000.00	\$10,000.00
CO3.13	2504.602	18" GATE VALVE & BOX		1	EACH	\$35,000.00	\$35,000.00
CO3.14	2504.602	CONNECT TO EXISTING WATER MAIN		3	EACH	\$40,000.00	\$120,000.00
CO3.15	2504.602	HYDRANT (9.0' BURY)		1	EACH	\$23,000.00	\$23,000.00
CO3.16	2504.603	6" WATERMAIN		15	LIN FT	\$100.00	\$1,500.00
CO3.17	2504.603	18" C900 PVC WATERMAIN, DR 21 - OPEN-CUT		73	LIN FT	\$195.00	\$14,235.00
CO3.18	2504.603	18" FUSIBLE PVC WATERMAIN, DR 21 - SLIP LINED		1214	LIN FT	\$100.00	\$121,400.00
CO3.19	2504.608	WATERMAIN FITTINGS		2110	POUND	\$10.00	\$21,100.00
CO3.20	2554.602	GUIDE POST TYPE SPECIAL		3	EACH	\$150.00	\$450.00
CO3.21	2563.601	TRAFFIC CONTROL		1	LUMP SUM	\$10,000.00	\$10,000.00
CO3.22	2573.503	SEDIMENT CONTROL LOG, TYPE ROCK		400	LIN FT	\$5.00	\$2,000.00
CO3.23	2575.501	TURF ESTABLISHMENT		806	SQ YD	\$5.00	\$4,030.0
ESTIMATED BASE BID TOTAL:							\$999,240.01



H:\HIBBING_MU_MN\25X141322\000\CAD\C3D\141322_PHASE_III_FIGURE.dwg 12/5/2025 10:54:46 AM





Item 7.A

Item 7.A – Approve Job Description & External Posting for
Environmental, Health & Safety Coordinator

December 16th, 2025

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

RE: Item 7.A – Approve Job Description & External Posting for Environmental, Health
& Safety Coordinator

Dear Commissioners;

I am requesting approval to initiate the recruitment of an Environmental, Health & Safety Coordinator. With the Commission's approval of the new Organizational Chart, we intend to transition Travis Marsh from the current Health and Safety position to the new Business Analyst role.

The Environmental, Health & Safety job description has been reviewed and approved by senior HPU Management. Please find the current job description attached.

Thank you for your consideration,



Kendra Powers
Senior Human Resources Director
Hibbing Public Utilities Commission

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: 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: Non-mandate

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 etc.).
- 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.
- Maintain records for contractor safety compliance.
- Update and maintain compliance for Safety Data Sheets.

- Designated Employee Representative (DER) responsible for administration of HPU's Drug and Alcohol Policy.
- Administers HPU's apprentice program ensuring on the job safety hours are properly reported.

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 50%, Standing 25%, Walking 25%, Lifting up to 25lbs



Item 7.B

Item 7.B – Approve Job Description & External Posting for Executive Assistant

December 16th, 2025

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

RE: Item 7.B – Approve Job Description & External Posting for Executive Assistant

Dear Commissioners;

I am requesting approval to initiate the recruitment of an Executive Assistant. With the Commission's approval of the new Organizational Chart, we intend to transition Eliot Dixon from the Executive Assistant position to the new Grant Writer and Engagement Specialist role.

The Executive Assistant job description has been reviewed and approved by senior HPU Management. Please find the current job description attached.

Thank you for your consideration,



Kendra Powers
Senior Human Resources Director
Hibbing Public Utilities Commission

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: Non-mandate

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
- Assist with preparation of internal and external communications, presentations, and reports
- Draft, proofread, and format correspondence and documentation
- Organize and support commission meetings, including preparing agendas, meeting packets, notices, and public postings in compliance with open-meeting laws
- Record, transcribe, and maintain minutes of commission meetings and hearings.
- Organize logistics for public hearings, workshops, and regulatory sessions
- Serve as point of contact for the public, utilities, state agencies, and stakeholders.
- 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 confidential records and commission documents
- Support event planning and community outreach as needed
- Respond to inquiries via phone, email, and in-person visits.
- Assist with preparing public notices, press releases, and regulatory filings.

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 80%, Standing 10%, Walking 10%, Lifting up to 25lbs



Item 7.C

Item 7.C – Approve Job Description & Internal/External Posting for Fuel Handler

December 16th, 2025

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

RE: Item 7.C – Approve Job Description & Internal/External Posting for Fuel Handler

Dear Commissioners;

I am requesting approval to initiate the recruitment and posting for a recently vacated Fuel Handler position. We desire to post internally and externally with preference given to internal candidates.

This Fuel Handler position became vacant due to the resignation of Mr. Fabish; his last day with HPU was November 28th. This position is critical to the operation of the plant as this department unloads solid fuel, removes and hauls ash, provides general utility wide labor, and snow and lawn care.

The job description has been reviewed and approved by management and the union. Please find the current job description attached.

Thank you for your consideration,



Kendra Powers
Senior Human Resources Director
Hibbing Public Utilities Commission

Hibbing Public Utilities

Job Description

Title	Fuel Handler/Utility Worker
Classification	Non-exempt
Department	Power Plant
Job Class	11

Date of last evaluation 12/8/25

Commission Approved

Supervisor: Fuel Handler Crew Leader (Fuel Handlers)

Supervisor Responsibility: None

Work Environment: Occasionally works from heights on ladders or man lifts. Will wear fall arrest equipment while working from a man lift or in areas where a fall hazard exists. Frequently exposed to conveyors, heavy machinery and other equipment with moving parts and loud noise. Frequently exposed to hazardous dusts where respiratory protection is required. Frequently exposed to extreme weather / temperature conditions.

Work hours: 8-hr day shifts including weekends and holidays when assigned as Fuel Handler. When transferred on a weekly basis - 8-hr weekday dayshifts.

Equipment, Including but not limited to:

- Fuel product conveying systems
- ash removal systems
- ash unloaders
- dump truck
- loader
- sweeper truck
- water truck
- plow truck
- skid steer
- forklifts
- JLG man lift
- snow blower
- lawn mowers
- chain saws
- chippers
- various tools (hand, power and pneumatic)
- Operates a computer for fuel and ash delivery documentation, occasionally operates a computer for communications.
- Uses telephone for fuel delivery scheduling.

Overview: Unloads solid fuels, removes and hauls ash. Conveys solid fuels to storage bins and uses rolling equipment to transfer from stockpiles. Ground and yard maintenance; snowplowing, sanding, and salting. General utility-wide labor.

Note: This job position is not subject to or part of the Plant Operations job progression.

GENERAL DUTIES:

- Receives directions from their supervisor and performs work-related tasks as assigned by their supervisor.
- Make reports for fuel product inventory and ash disposal (wood and coal). Completes solid fuel monthly delivery reports and ensures delivery tickets are provided. Completes ash log. Checks and records visible emissions from material handling baghouses.
- Investigates and takes action for Fire Alarm System alarms.

- Installs and removes appropriate locks and tags per HPU's lockout/tagout safety program. Test starts conveyors and rotating equipment as needed to ensure lockout.
- Remove snow, remove ice buildup; salt and sand as needed with equipment or shovel all HPU property, roads, parking lots, sidewalks. Maintain salt supply at Power Plant and Administration Building Doorways
- Daily equipment checks on rolling equipment (fluids, air systems, and general condition). Troubleshoot and
- Perform minor maintenance on Fuel Handling equipment and machinery.
- Grounds maintenance consisting of snow removal, vacuum truck operations such as street sweeping, and scheduling vacuum truck for dust and woodchips. Lawn mowing, tree branch removal and vegetation control in non-hazardous areas/conditions.
- Perform Best Management Practices (BMPs) as listed in the HPU Stormwater Pollution Prevention Plan (SWPPP).
- Coordinates solid fuel deliveries with trucking companies.
- Spots coal trucks, unloads coal into pocket using front-end loader, operates conveying systems to move product into holding bins, unjam and unplug chutes and conveyors as needed. Periodically jog the north coal elevator's operation during below zero temperatures to ensure it can operate. Unloads wood into hopper, operates conveying systems to move product into wood barn. Assist with checking wood barn for auger problems and wood rat holes. Assist with checking operation and maintain material handling baghouse dust collectors.
- Test coal scale alarms and lights. On a daily basis, keep Coal pocket, conveyor 1, bucket elevator, and tripper conveyor work areas in clean and orderly conditions. Utilize HEPA vacuum in the tripper room.
- Pull fly ash, removes ash. Operate ash removal systems, remove clinkers, and unplug line/system as needed, unload ash into trucks; haul ash as needed to designated locations/landfill or schedule for pickup.
- Unplug all wood handling areas including spike roller, belt 1-belt 2 transfer chute, wood barn augers. Assist with unplugging accumulator belt, belt #3, bucket elevator, belt #4, metering bin, and screw feeder. Clean-up around all conveyors.
- Paints and cleans HPU grounds and building sites.
- Assists in inventory check-in, receives inventory, and distributes inventory.
- Assists with annual inventory of parts and supplies.
- Assists with custodial functions.
- Assists Power Plant operations and maintenance crews in planned and emergency repairs.
- Other duties as assigned within scope of Utility Worker/Plant Operations-Fuel Handling.

Note: this utility worker duty section is not designed to cover or contain a comprehensive listing of utility worker activities, duties, or responsibilities that are required of the employee for this job. Other duties may be assigned.

Required Education and Experience

- High School Diploma or equivalent
- Drivers' License Class B w/ airbrake
- One-year work experience

Preferred Education and Experience:

- State Boiler License – Special (no minimum boiler operating experience required)

- 2-year technical program, associate's degree, or military training program
- 1-year of industrial operations/maintenance experience
- CPR and First Aid training
- 1-year of heavy equipment work experience
- 1-year of industrial work experience

Additional Eligibility Qualifications:

Minimum Qualifications:

Drivers' License Class B

Physical Requirements:

- Occasionally lifts and carries materials weighing up to 50 pounds and up to 75 pounds when necessary.
- Occasionally lifts materials or tools overhead of up to 25 pounds.
- Frequently moving to perform physical labor requiring climbing, twisting, pushing, pulling, bending, kneeling and crawling movements.
- Occasionally travels to job sites and operates heavy equipment
- Occasionally traversing equipment and/or entering confined spaces to perform work.
- Frequently ascends/descends ladders.
- Frequently grips and grasps tools and equipment to perform work.
- Occasionally works with a computer or tablet.
- Frequently communicates via radio or phone while performing work.

Safety:

Responsible for compliance with all OSHA, Utility, and regulatory agency safety regulations and requirements, as applicable to the duties of the job.

Signatures

This job description has been approved by all levels of management.

Sr. Human
Resources Director

Signature

Date

Employee signature below constitutes employee's understanding of the requirements, essential functions and duties of the position.

Employee

Signature

Date



Item 7.D

Item 7.D – Approve Job Description & Internal/External Posting for
Journeyman Line Worker

December 16th, 2025

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

RE: Item 7.D – Approve Job Description & Internal/External Posting for Journeyman
Line Worker

Dear Commissioners;

I am requesting approval to post internally and externally for a Journeyman Line Worker. With the pending retirement of the Lines Crew foreman, the Lines Crew will need a lines worker position backfilled in anticipation of posting the Foreman position after Mr. Savela retires.

The Journeyman Line Worker job description has been reviewed by HPU Management and the union. Please find the current job description attached.

Thank you for your consideration,



Kendra Powers
Senior Human Resources Director
Hibbing Public Utilities Commission

Hibbing Public Utilities

Position Description

Title	Line Worker
Classification	Non-Exempt
Department	Electric Distribution
Job Class	13

Date of last evaluation

Points Total

Commission Approved

Supervisor: Director of Electrical Systems, Line Crew Leader, Assistant Line Crew Leader

Supervisory Responsibility: Line Apprentices, Utility Workers

Work Environment Regularly works outdoors in all weather conditions on energized equipment and lines up to 23 kV. Occasionally exposed to chemical hazards. Required to be on stand-by duty rotation.

Equipment: Drives, rides in, operates and works around utility fleet: aerial bucket line truck, digger derrick, dump truck, pick-up, backhoe, trencher, forklift, and other heavy equipment. Also, frequently uses test equipment & hand or power tools.

Work Hours: Monday to Friday, 7:00 am to 3:30 p.m. with standby duty rotation

Overview: Installs, repairs, and maintains overhead and underground transmission and distribution power lines, related system equipment, substations and street lighting systems in areas served by the Public Utilities.

Duties:

- Receives instructions from supervisor, line crew leaders, occasionally office staff.
- May assume duties of Line Crew Leader or Assistant Line Crew leader during absences.
- Receives and interprets wiring diagrams, construction standards, specifications, and instructions to perform emergency repair, installation, relocations, removals or inspection work.
- Determines and applies needs with a logical approach during troubleshooting and repair work.
- Plans and coordinates working procedures for line operations.
- Observes all safety precautions and the proper isolation of circuits to cause minimum interference to operations and the utility system.
- Determines necessary tools and materials for work.
- Performs work that requires knowledge of electrical principles & properties for various materials, wiring specifications, construction + safety codes.
- Locates sources of trouble by tracing, inspection and testing circuits with identified or reported faulty operations. Isolates circuits, dismantles, inspects, repairs, and adjusts or replaces faulty equipment, material, wiring on transmission and distribution lines.
- Works in close proximity to live high-tension lines up to 23kV with appropriate PPE. Works overhead on poles by climbing or from aerial buckets.
- Operates utility fleet to perform overhead and underground line operations.
- Installs underground conductor, equipment, conduit, fitting, fixtures, etc.
- Installs street lighting. Digs trenches, lays or pulls cable, installs bases & poles, connects leads and terminates for power. Troubleshoots and resolves lighting complaints or interruptions of service.
- Maintains and rebuilds substations.
- Operates line equipment to assist other crews.
- Draws oil samples from transformers or equipment with no PCB records. If contaminated, plan and coordinate work to dispose of according to EPA guidelines.
- Vegetation management: tree trimming or removal from energized lines during planned or unplanned work. Identifying maintenance areas for trimming on an annual basis.
- Instrument-rated metering maintenance, installation, & replacement.

- Snow removal and general grounds or landscaping duties.
- Public Relations & Engagement.
- Keeps work area in a clean and orderly condition.

Other Duties:

Please note this job description is not designed to cover or contain a comprehensive listing of activities, duties or responsibilities that are required of the employee for this job. Other duties may be assigned.

Required Education and Experience

- Graduate from an accredited Line School and completion of a State of MN recognized and accepted 4-year apprenticeship program.
- Qualified per OSHA Standard 1910.269 including but not limited to CPR/First Aid training, pole top and bucket rescue, pole climbing to Level 3, etc.
- Demonstrated excellent interpersonal communication skills.

Preferred Education and Experience

- journeyman-level experience in distribution construction and maintenance
- journeyman-level experience in transmission construction and maintenance
- journeyman-level experience in substation construction and maintenance

Additional Eligibility Qualifications

Minimum qualifications

- Class A Driver license with air brake endorsement
- Qualified in pole climbing, pole top rescue/bucket rescue
- Competent person for excavating
- CPR and First Aid Certified
- Forklift Certified

Physical Requirements

- Regularly travels to job sites and operates heavy equipment while being exposed to vehicular traffic.
- Frequently lifts material weighing up to 70 pounds.
- Occasionally lifts and carries materials weighing up to 50 pounds and up to 75 pounds while in a truck bucket.
- Occasionally lifts materials or tools overhead of up to 25 pounds.
- Frequently performs physical labor requiring twisting, pushing, pulling, bending, kneeling and crawling movements.
- Occasionally positioning self in awkward positions while in a truck bucket.
- Occasionally climbs on equipment and trucks, uses a bucket truck and climbs utility poles with belt and hooks, exposed to heights.
- Frequently grips and grasps tools and equipment to perform field duties. Significant force is exerted on occasion for crimping connectors/objects.
- Regularly exposed to heavy equipment machinery and other equipment with moving parts + loud noise.
- Occasionally operates vibrating tools such as chain saws for extended periods.
- Frequently works with computers or other technology for receiving and viewing work orders, service orders, map, and other job aids.
- Frequently communicates via radio or phone while performing work.

Safety

Responsible for compliance that adheres to all OSHA, Utility, and other regulatory agency safety regulations and requirements, as applicable to the duties of the job.

- Frequently in the vicinity of high voltage electricity.
- Must wear FR protective clothing and footwear.
- Frequently works from heights on ladders or in a bucket truck; must wear fall arrest equipment while working from a truck bucket.
- Occasionally exposed to heavy equipment machinery and other equipment with moving parts and loud noise.
- Occasionally exposed to various hazardous chemicals.
- Travels to job sites and frequently exposed to vehicular traffic while working near roads.
- Frequently exposed to extreme weather and temperature conditions.

Signatures

This job description has been approved by all levels of management.

Sr.; Human
Resources Director

Signature

Date

Employee signature below constitutes employee's understanding of the requirements, essential functions and duties of the position.

Employee

Signature

Date

•



Item 7.E

Item 7.E – Approve Job Description & External Posting for Procurement Supervisor

December 16th, 2025

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

RE: Item 7.E – Approve Job Description & External Posting for Procurement Supervisor

Dear Commissioners;

I am requesting approval to initiate the recruitment of a Procurement Supervisor. This position was approved with the new Organizational Chart. Filling this position is necessary to ensure that all procurement activities are conducted in full compliance with established organizational policies, regulatory requirements, and procurement standards. This position will also handle contracts, ensuring proper preparation, negotiation, monitoring, and administration of all contractual agreements related to procurement activities.

The Procurement Supervisor job description has been reviewed and approved by senior HPU Management. Please find the current job description attached.

Thank you for your consideration,



Kendra Powers
Senior Human Resources Director
Hibbing Public Utilities Commission

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: Non-mandate

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 the warehouse 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 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.
- Ensure all procurement activities comply with Minnesota Statutes, Minnesota Administrative Rules, and the State's Procurement Policy and Procedures Manual.
- Oversee competitive bidding processes in accordance with MN public buying requirements, including sealed bids, RFPs, quotes, and cooperative purchasing.

- Review and approve solicitations, specifications, and contracts to ensure compliance with state rules and transparency standards.
- Maintain documentation required for audits under MN public purchasing guidelines.
- Manage the disposition of surplus property in accordance with Minnesota surplus property statutes.
- Coordinate, schedule, and facilitate public auctions, online auctions, or other approved sale methods.
- Ensure proper advertising, public notification, and documentation of auction activities.
- Work with auction vendors, internal departments, and the public to ensure fair and compliant sale processes.

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 operations' 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 travel for vendor meetings, site visits, or emergency procurement.
- Physical Requirements:
 - Sitting 60%, Standing 20%, Walking 20%, Lifting up to 25lbs



Item 10.A

Item 10.A – Employee Performance Review

December 16th, 2025

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

RE: Item 10.A – Employee Performance Review

Dear Commissioners;

I am requesting a closed session to be held immediately following the regular Commission meeting scheduled for 12/16/25

The closed session will be conducted in accordance with applicable policies and governing regulations and will be limited to authorized participants only. The purpose of this session is to provide General Manager, Luke Peterson with his quarterly performance review.

Thank you for your consideration,



Kendra Powers
Senior Human Resources Director
Hibbing Public Utilities Commission