

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 February 17th, 2026. Meeting held at Hibbing City Hall, 401 E. 21st St., Hibbing MN. Vice Chair Sandstede called the meeting to order at 5:02 p.m. In attendance were Commissioner Hart, Commissioner Stokes, Commissioner Babich, Commissioner Sandstede, Legal Counsel, Andy Borland; General Manager Luke Peterson, OD & HR Manager, Kendra Powers; Engineering Manager, Paul Skubinna; Customer Communications & Programs Specialist Eliot Dixon. Also in attendance were MMUA reps. Karleen Koss and Shelly Dau, Bolton & Menk rep. Andy Brotzler, HPU Employee George Pogachnik, and HPAT Rep. Ron Wirkkula.

Item 2. ADDS/DELETES

Delete – Item 5.D from consent agenda

Item 3. APPROVAL OF MINUTES

Motion by Commissioner Stokes, supported by Commissioner Hart, to approve the regular meeting minutes of the January 20th & February 10th, 2026 Commission Meetings.

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 January 15th – February 11th, 2026

Item 5.B. Approve the payroll paid & overtime report for the January 22nd & February 5th, 2026 pay dates.

Item 5.C. Ratify Emergency Purchase of 2,000 tons of Coal from DTE

Item 5.E. Authorize listed Requests for Contributions

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

Motion carried unanimously.

Item 6. FINANCIALS & RISK MANAGEMENT

Item 6.A. Energy Market Update – January 2026

HPU General Manager Luke Peterson provided an update and report on January 2026 Energy Markets.

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Item 6.B. Approve Material Purchasing for Budgeted Projects

Item 6.B.i. Approve Resolution 26-01 Deferral of 2025 Debt Issuance Cost

Item 6.B.ii. Approve Resolution 26-02 Deferral of 2025 Vegetation Management

Motion by Commissioner Hart, supported by Commissioner Stokes, to approve Resolution 26-01 Deferral of 2025 Debt Issuance Cost and Resolution 26-02 Deferral of 2025 Vegetation Management

Motion carried unanimously.

Item 6.C. Approve Material Purchasing for Budgeted Projects

Item 6.C.i. Approve Purchase of 24" Valves for Steam Repairs from Hecimovich Mechanical in the amount of \$34,288.72

Motion by Commissioner Stokes, supported by Commissioner Babich, to approve Purchase of 24" Valves for steam Repairs from Hecimovich Mechanical in the amount of \$34,288.72

Motion carried unanimously.

Item 6.C.ii. Approve Purchase of Poly Duct from Border States Electric in the amount of \$24,958.74.

Motion by Commissioner Stokes, supported by Commissioner Babich, to approve Purchase of Poly Duct from Border States Electric in the amount of \$24,958.74

Motion carried unanimously.

Item 6.C.iii. Approve Purchase of 3 reels of 15kV Distribution Cable from Stuart Irby in the amount of \$34,848

Motion by Commissioner Hart, supported by Commissioner Stokes, to approve Purchase 3 reels of 15kV Distribution Cable from Stuart Irby in the amount of \$34,848.

Motion carried unanimously.

Item 6.C.iv. Approve Purchase of 15kV 750 MCM AL Distribution Cable from Stuart Irby in the amount of \$108,972

Motion by Commissioner Hart, supported by Commissioner Stokes, to approve Purchase 3 reels of 15kV Distribution Cable from Stuart Irby in the amount of \$34,848.

Motion carried unanimously.

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Item 6.D. HPU Lead Projects

Item 6.D.i. Approve Bolton & Menk Design & Engineering Scope of Work for Corrosion Control in the amount not to exceed \$38,750.

Motion by Commissioner Stokes, supported by Commissioner Sandstede to Approve Bolton & Menk Design & Engineering Scope of Work for Corrosion Control in the amount not to exceed \$38,750.

Motion carried unanimously.

Item 6.D.ii. Approve Bolton & Menk Design & Engineering for 2026 Lead Service Line Removal Projects in the amount not to exceed \$240,000.

Commission discussed the scope of work for the 2026 Lead Service Line Removal Projects and Bolton & Menk's service proposal. Commission discussed bidding strategy for projects. Commissioner Hart stated a preference that BMI would bid each project with a base bid.

Motion by Commissioner Hart, supported by Commissioner , to approve Bolton & Menk Design & Engineering for 2026 Lead Service Line Removal Projects in the amount not to exceed \$240,000 with the requirement of that the projects be bid separately.

Motion carried unanimously.

Item 6.C.iii. Approve Call for RFQ 26-03: 2026 Potholing Services

Motion by Commissioner Hart, supported by Commissioner Stokes, to approve Call for RFQ 26-03: 2026 Potholing Services.

Motion carried unanimously.

Item 6.C.iv. Approve to Solicit for price for Vactruck Lease related to Potholing.

Motion by Commissioner Stokes, supported by Commissioner Babich, to approve Solicit for price for Vactruck Lease related to Potholing.

Motion carried unanimously.

Item 6.E. Approve Crane Engineering for Feedwater Pump #4 Inspection in the amount of \$54,600

Motion by Commissioner Stokes, supported by Commissioner Babich, to approve Crane Engineering for Feedwater Pimp #4 Inspection.

Motion carried unanimously.

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Item 6.F. Approve to Surplus Traffic System Inventory to City of Hibbing

Motion by Commissioner Hart, supported by Commissioner Stokes, to Surplus Traffic System Inventory to City of Hibbing.

Motion carried unanimously.

Item 7. POLICY & GOVERNANCE-

Item 7.A. Approve Internal Posting and backfill of Line Crew Leader and Assistant Line Crew Leader

Motion by Commissioner Stokes, supported by Commissioner Hart, to approve Internal Posting and backfill of Line Crew Leader and Assistant Line Crew Leader.

Motion carried unanimously.

Item 7.B. Approve Internal Posting and backfill for Plant Mechanic Foreman

Motion by Commissioner Stokes, supported by Commissioner Babich, to approve Internal Posting and backfill for Plant Mechanic Foreman.

Motion carried unanimously.

Chair Bayliss arrived to meeting at 5:35 pm.

Item 7.C. Approve Proposed Compensation Philosophy

Motion by Commissioner Stokes, supported by Commissioner Hart, to approve Compensation Philosophy as proposed.

Motion carried unanimously.

Item 7.D. Approve Customer Policy for:

Item 7.D.i CUST049: Access to Customer Property – Updated

Motion by Commissioner Hart, supported by Commissioner Babich, to approve CUST049: Access to Customer Property update as proposed.

Motion carried unanimously.

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Item 7.D.ii CUST116: Home Inspection with Gas Service

The Commission discussed the process of these inspections. Chair Bayliss stated that he would talk with City staff regarding the purpose and process of permits. The Commission requested more information. Commission stated

Motion by Commissioner Hart, supported by Commissioner Stokes, to reject CUST116: Home Inspection with Gas Service as proposed.

Motion carried unanimously.

Item 8. NEW BUSINESS–

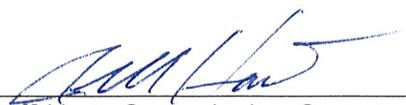
Item 9. OLD BUSINESS –

Item 10. ADJOURNMENT

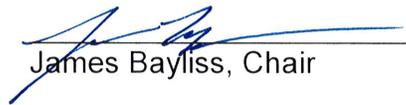
Motion by Commissioner Hart, supported by Commissioner Stokes, to adjourn the meeting at 6:43 p.m.

Motion carried unanimously

Attest:



Jeff Hart, Commission Secretary



James Bayliss, Chair

Meeting materials are available at
The next meeting is a working meeting scheduled for Tuesday, March 10th, 2026
at 5:00 p.m. at the Hibbing City Hall, 401 E. 21st St., Hibbing MN 55746.

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