



Commission Regular Session

APRIL 28TH, 2026

Commission Meeting Agenda April 28th, 2026

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:** March 10th, March 17th, March 24th, and April 14th 2026
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 March 12th, through April 22nd, 2026.
 - B. Approve the payroll paid & overtime report for the March 19th, April 2nd, and April 16th, 2026, pay dates.
 - C. Approve Annual Salary Increase for Management Staff
 - D. Approve Hiring of Chris Zubich, Procurement Supervisor, anticipated start date June 1st.
 - E. Approve Plant Mechanic Crew Leader (26-02) Mark Trenberth
 - F. Approve to Award Line Crew Lead (26-03) to Chad Adams
 - G. Approve MOU for Materials Risk Coordinator
 - H. Approve Resolution 26-05; Authorizing Hibbing Public Utilities to make application to and accept funds from Source Water Protection Plan Implementation & Competitive Grant.
 - I. Approve Resolution 26-06; Authorizing Hibbing Public Utilities to make application to and accept funds from Natural Gas Distribution Infrastructure Safety and Modernization Grant Program
 - J. Authorize Listed Requests for Contributions
6. **FINANCIALS & RISK MANAGEMENT**
 - A. Approve HPUC Calendar Year 2025 Audit
 - i. Audit Presentation, Bonnie Schwieger, Abdo
 - ii. Financial Metrics, Bethany Ryers, Baker Tilly
 - B. Approve February & March Financials
 - C. (OF0004.2) Beltline Substation Reconstruction
 - i. Approve Prefabricated Modular Block Wall Material Purchase for Beltline Substation Reconstruction from Eull's Manufacturing. \$47,597.50
 - ii. Approve Lake States Construction for Beltline Substation Feeder 1 exit work: excavation, cabinet and cable work in the amount of \$46,500.00.
 - iii. Approve Resco Materials Purchase: Beltline Substation Project in the amount of \$47,939.95.
 - iv. Approve Wesco Materials Purchase: Beltline Substation Project in the amount of \$30,544.18.
 - v. Approve Spill Containment and Filter System Material Purchase for Beltline Substation Reconstruction from Basic Concepts Inc. \$25,580.00.

- D. (OF0009.0) AMI Meters
 - i. Approve Purchase of AMI Gas Meters Project from Groebner in the Amount of, \$423,322.
 - ii. Award Request for Proposals 25-13; AMI Meter Installation for Gas Meters, to Tromco Electric in the Amount of, \$182,968.
 - iii. Award Installation of Electric AMI Meters to Hunt Electric, in the Amount of, \$793,821.60.
- E. (OF0002.2) E 23rd Street Water – Phase 2
 - i. Approve Bids and Award Construction Contract: 23rd St Water and Steam Improvements - Phase 2 to Bougalis Inc. in the amount of \$2,334,675.05
 - ii. Approve Professional Services Agreement with Bolton & Menk Inc. for Construction Phase Services: 23rd Street Water and Steam Improvements - Phase 2 in the amount of \$144,057
- F. (OF0003.2) Lead & Copper Compliance – 2026 Annual Service Line Potholing
 - i. Approve Lease to Own 2024 VA HXX PD 12YD Hydro Vac Truck from MacQueen.
- G. (OF0002.0) Annual Hydrant & Valve Replacement
 - i. Approve Professional Services Agreement for Construction Phase Services: Water Distribution Improvement – Annual Hydrant Replacements in the amount not to exceed \$104,929
- H. (OF0008.1) New Haven – Phase 1 Street Lighting
 - i. Approve Cooperative Construction Agreement: New Haven - Phase 1 Street Lighting in the amount of \$48,107.50

7. POLICY & GOVERNANCE

- A. Approve 2026-2030 Capital Improvement Plan
- B. Approve Annual Revisions of Management Staff Job Descriptions
- C. Approve Summer Students Hiring Policy
- D. Approve Summer Students Job Description & Staffing

8. NEW BUSINESS

9. OLD BUSINESS

10. ADJOURNMENT



Item 3 – Approval of Minutes

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Item 3 – Approval of Minutes: March 10th, March 17th, March 24th, and April 14th, 2026

April 28th, 2026

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

RE: Item 3 - Approval of Minutes: March 10th, March 17th, March 24th, and April 14th, 2026

Dear Commissioners;

Please find attached for your approval draft minutes from the Commission Meetings from March 10th, March 17th, March 24th, and April 14th, 2026.

Sincerely;



Luke J. Peterson

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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 March 10th, 2026. Meeting held at Hibbing City Hall, 401 E. 21st St., Hibbing MN. Commission Vice Chair Sandstede called the meeting to order at 5:00 p.m. In attendance were Commissioner Hart; Commissioner Stokes; Commissioner Sandstede; Commissioner Babich; Legal Counsel, Andy Borland; General Manager, Luke Peterson; Human Resources & Organizational Development Supervisor, Kendra Powers; Engineering Supervisor, Paul Skubinna; and Engagement Specialist Eliot Dixon. Also in attendance was Bolton & Menk rep. Andrew Brotzler; Merjent rep. Andrew Levi; and HPU Employee George Pogachnik. Attending virtually was Jeff Anderson of the Costin Group; Rocky Mountain Institute reps. Matthew Popkin & Tansy Massey-Green; and Eden Renewable Reps. Bob Long and Tom Cosby. Absent was Commission Chair Bayliss.

Item 1. Legislative Update – Jeff Anderson; Costin Group

Commission received Legislative Update and discussed HPU legislative priorities.

Item 2. Financial Updates

Commission received and discussed Financial Updates.

Item 3. Capital Budget Update

Item 3.A. St. Louis County Landfill Solar

Item 3.B. Professional Services Selection Process

Commission received and discussed Capital Budget Updates.

Item 4. 2026 Projects Updates

Item 4.A. AMI Project & Policy Update

Item 4.B. Potholing Project Update – Vactruck

Commission received and discussed 2026 Project Updates.

Closed Session

Item 1. Potential Land Acquisition

Pursuant to MN ST Ann 13D.05 subd. 3c, the Hibbing Public Utilities Commission is allowed to enter closed session to discuss strategy for the negotiation and acquisition of real property.

Motion by Commissioner Stokes, Supported by Commissioner Babich, to enter Closed Session to discuss the acquisition of parcel: 141-004-00060.

Motion Carried unanimously.

MINUTES OF THE PROCEEDINGS

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

Adjournment

Motion by Chair Bayliss, supported by Commissioner Sandstede, to adjourn the meeting at 7:08 p.m.

Motion carried unanimously

Attest:

James Bayliss, Chair

Jeff Hart, Commission Secretary

Meeting materials are available at
The next meeting is a regular meeting scheduled for Tuesday, March 17th, 2026
at 5:00 p.m. at the Hibbing City Hall, 401 E. 21st St., Hibbing MN 55746.

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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 March 17th, 2026. Meeting held at Hibbing City Hall, 401 E. 21st St., Hibbing MN. Third Chair Hart called the meeting to order at 5:04 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; Manager of Operations ; Paul Plombon, Engineering Manager, Paul Skubinna; Customer Communications & Programs Specialist Eliot Dixon. Also in attendance were HPAT Rep. Ron Wirkkula. Absent was Chair Bayliss

Item 2. ADDS/DELETES

Add –

Item 9.A – Approve Commissioners to attend South Water Treatment Plant Ribbon Cutting at 11871 Town Line, Hibbing, MN on April 9th, 2026, 2:15 pm

Item 7.C. – LEA Fund oversight

Item 3. APPROVAL OF MINUTES

Motion by Commissioner Sandstede, supported by Commissioner Stokes, to approve the regular meeting minutes of the February 17th, 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 February 12th – March 11th, 2026

Item 5.B. Approve the payroll paid & overtime report for the February 19th & March 5th, 2026 pay dates.

Item 5.C. Approve Overnight Employee Travel: 2026 Q2 April – June

Item 5.D. Approve Hiring of Tyler Platt, EHS Coordinator; anticipated start date April 6th

Item 5.E. Approve Hiring of Magan Schoeben, Executive Assistant; anticipated start date April 6th

Item 5.F. Approve Hiring of Oren Kero, Accounting Coordinator; anticipated start date April 6th

Item 5.G. Approve Hiring of Chris Zubich, Procurement Supervisor; anticipated start date April 20th

Commissioner Stokes requested separate votes on items 5.D – 5.G

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

MINUTES OF THE PROCEEDINGS

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

Motion carried unanimously.

Motion by Commissioner Stokes, supported by Commissioner Babich, to approve hiring of Tyler Platt as EHS coordinator.

Commission discussed the outstanding issue with the unit clarification. HR Director Kendra Powers provided an update on the performance of the unit clarification being directed through the Bureau of Labor Relations. Commissioner Hart stated that he desired for the item to be resolved before hiring. Commission concurred that hiring items should be returned via Special Meeting as soon as unit clarification is resolved.

Commissioner Stokes withdrew his motion.

Motion by Commissioner Stokes, supported by Commissioner Sandsteede, to table Items 5.D. – 5.G .

Motion carried 3-1.
“No” - Babich

Item 6. FINANCIALS & RISK MANAGEMENT

Item 6.A. Approve January 2026 Financials

Motion by Commissioner Stokes, supported by Commissioner Babich, to approve January 2026 Financials

Motion carried unanimously.

Item 6.B. Material Purchasing for Budgeted Projects

Item 6.B.i. Approve Purchase of Distribution Transformers for Voltage Conversion Project from T&R Electric in the amount of \$34,880.

Motion by Commissioner Hart, supported by Commissioner Stokes, to approve purchase of Distribution Transformers from T&R Electric in the amount of \$34,880.

Motion carried unanimously.

Item 6.B.ii. Approve Purchase of Materials for Beltline Substation Project

Motion by Commissioner Stokes, supported by Commissioner Babich, to approve materials purchase as proposed.

Motion carried unanimously.

Item 6.C. HPU Projects

MINUTES OF THE PROCEEDINGS

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

Item 6.C.i. Approve Call for Public Bid 26-06: Beltline Substation Reconstruction

Motion by Commissioner Stokes, supported by Commissioner Babich, to approve Call for Public Bid 26-06: Beltline Substation Reconstruction

Motion carried unanimously.

Item 6.D. Authorize Resolution for HPU to make application for Loans and Grants from the Drinking Water Revolving Fund of the MN Public Facilities Authority

Item 6.D.i. Resolution 26-04: Lead Service Lines

Motion by Commissioner Stokes, supported by Commissioner Sandstede, to approve Resolution 26-04: Lead Service Lines

Motion carried unanimously.

Item 7. POLICY & GOVERNANCE-

Item 7.A. Approve Customer Policy CUST050: Opt-Out of AMI Installation

Motion by Commissioner Sandstede, supported by Commissioner Babich, to approve Customer Policy CUST050: Opt-Out of AMI Installation.

Motion carried 3-1.

“No” - Stokes

Item 7.B. Approve Architects-Engineers-Surveyors Selection Policy

Motion by Commissioner Stokes, supported by Commissioner Sandstede, to approve Architects-Engineers-Surveyors Selection Policy as proposed.

Motion carried unanimously.

Item 7.C. LEA Fund Oversight

Commissioner Hart stated desire that any activity regarding the remaining LEA Funds require Commission Action. Commissioner Sandstede stated the restrictions on the funds exist within statutes that require the reinvestment of LEA funds into Biomass Operations and/or Economic Development. Commissioner Sandstede requested that the motion be amended to include activity for a 4M accounts.

Motion by Commissioner Hart, supported by Commissioner Stokes, to require Commission approval regarding any activity of the LEA & 4M Funds.

Motion carried unanimously.

Item 8. NEW BUSINESS-

MINUTES OF THE PROCEEDINGS

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

Item 9. OLD BUSINESS –

Item 9.A. Approve Commissioners to attend South Water Treatment Plant Ribbon Cutting at 11871 Town Line, Hibbing, MN on April 9th, 2026, 2:15 pm.

Motion by Commissioner Hart, supported by Commissioner Stokes, to require Commission approval regarding any activity of the 4M Fund.

Motion carried unanimously.

Item 10. CLOSED SESSION -

Item 10.A. Employee Performance Review

Motion by Commissioner Hart, supported by Commissioner Stokes, to approve enter closed session at 6:45 pm for Employee Performance Review and to adjourn immediately following the conclusion of the closed session.

Motion carried unanimously.

Item 11. ADJOURNMENT

Motion by Commissioner Babich, supported by Commissioner Stokes, to adjourn the meeting at 8:45 pm, immediately following the conclusion of the closed session.

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, April 14th, 2026
at 5:00 p.m. at the Hibbing City Hall, 401 E. 21st St., Hibbing MN 55746.

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MINUTES OF THE PROCEEDINGS

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

Minutes of the Special Meeting of the Public Utilities Commission, Hibbing, Minnesota, 1902 E. 6th Ave., Hibbing, MN 55746, held on March 24th, 2026. Meeting held at Hibbing City Hall, 401 E. 21st St., Hibbing MN. Vice Chair Sandstede called the meeting to order at 4:33 p.m. In attendance were Commissioner Sandstede, Commissioner Hart, Commissioner Stokes, Legal Counsel, Andy Borland; OD & HR Manager, Kendra Powers. Absent was Chair Bayliss & Commissioner Babich.

Item 1. Job Descriptions

Item 1.A. Approve revised job description for Environmental, Health, & Safety Coordinator

Motion by Commissioner Stokes, supported by Commissioner Hart, to approve revised job description for Environmental, Health, & Safety Coordinator

Motion carried unanimously.

Item 1.B. Approve revised job description for Executive Assistant

Motion by Commissioner Hart, supported by Commissioner Stokes, to approve revised job description for Executive Assistant

Motion carried unanimously.

Item 1.C. Approve revised job description for Procurement Supervisor

Motion by Commissioner Stokes, supported by Commissioner Hart, to approve revised job description for Executive Assistant

Motion carried unanimously.

Item 2. Hiring

Item 2.A. Approve Hiring of Tyler Platt, EHS Coordinator; anticipated start date April 13th

Motion by Commissioner Stokes, supported by Commissioner Hart, to approve Hiring of Tyler Platt, EHS Coordinator

Motion carried unanimously.

Item 2.B. Approve Hiring of Magan Schoeben, Executive Assistant; anticipated start date April 6th

Motion by Commissioner Stokes, supported by Commissioner Hart, to approve Hiring of Magan Schoeben, Executive Assistant

Motion carried unanimously

MINUTES OF THE PROCEEDINGS

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

Item 2.C. Approve Hiring of Chris Zubich, Procurement Supervisor; anticipated start date April 27th

Motion by Commissioner Sandstede, to approve Hiring of Chris Zubich, Procurement Supervisor. Motion received no second.

Motion failed.

Item 3. ADJOURNMENT

Motion by Commissioner Stokes, supported by Commissioner Hart, to adjourn at 4:40 pm.

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, April 14th, 2026
at 5:00 p.m. at the Hibbing City Hall, 401 E. 21st St., Hibbing MN 55746.

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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 April 14th, 2026. Meeting held at Hibbing City Hall, 401 E. 21st St., Hibbing MN. Commissioner Bayliss called the meeting to order at 5:06 p.m. In attendance were Commissioner Hart, Commissioner Babich, Commissioner Sandstede, Legal Counsel, Andy Borland, General Manager, Luke Peterson, OD & HR Manager, Kendra Powers; Engineering Manager, Paul Skubinna; Customer Service Supervisor, Jill Hietala; Executive Assistant, Magan Schoeben. Also in attendance was HPU Employee George Pogachnick, and HPU Retiree Mark Reger. Attending was Bonnie Schwieger, CPA with Abdo, Bethany Ryers, Baker Tilly rep, Matthew Popkins, Rocky Mountain Institute rep. Absent was Commissioner Stokes.

Item 1. FY25 Audit Discussion

Item 2. Capital Budget Discussion

Item 2.A. Capital Overview

Item 2.B. Project Approval Needed

- 1. Cobb Cook Newhaven**
- 2. 23rd Street**

Item 2.C. Landfill Solar

Item 3. Summer Students Hiring Policy

Item 4. Commission Officers

Action Item

Action Item 1. Approval of the Accounting Coordinator Revised Job Description.

Motion by Commissioner Sandstede, supported by Commissioner Hart, to approve Accounting Coordinator Revised Job Description.

Motion carried unanimously.

Action Item 2 Approve Hiring of Oren Kero, Accounting Coordinator, anticipated start date May 4th

Motion by Commissioner Babich, supported by Commissioner Hart, to approve Hiring of Oren Kero, Accounting Coordinator.

Motion carried unanimously.

Item 3. Closed Session Pursuant to MN St Sect. 13D.03 subdivision 3c, consideration of the purchase of real property located at parcel code 141-0040-00240.

Motion by Commissioner Sandstede, supported by Commissioner Babich, to enter into closed session.

Motion carried unanimously.

MINUTES OF THE PROCEEDINGS

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

Item 4. ADJOURNMENT

Motion by Commissioner Sandstede, supported by Commissioner Hart, to adjourn at 7:17 pm.

Motion carried unanimously.

Attest:

James Bayliss, Chair

Jeff Hart, Commission Secretary

Meeting materials are available at
The next meeting is a regular meeting scheduled for Tuesday, April 28th, 2026
at 5:00 p.m. at the Hibbing City Hall, 401 E. 21st St., Hibbing MN 55746.

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Item 5.A

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Item 5.A – Approve Invoices >\$10,000 and bills & ACH transfers dated March 12th, 2026 – April 22nd, 2026

April 28th, 2026

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

RE: Item 5.A – Approve Invoices >\$10,000 and bills & ACH transfers dated March 12th, 2026 – April 22nd, 2026

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 March 17th, 2026.

Sincerely;



Luke J. Peterson

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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
ABDO LLP	520374	Certified Audit Svcs for YE 2025	03/14/2026	03/24/2026	18,472.00	63691	04/09/2026
Total ABDO LLP:					18,472.00		
ABSG Consulting In	5701740	Maximo License Renewal 2025-2026	02/03/2026	03/03/2026	90,325.25	63521	03/12/2026
Total ABSG Consulting Inc:					90,325.25		
BAKER TILLY VIRC	BT3482898	Prof services through JAN 31 2026; Mo compilation of accounting services, reconciliation of long term debt and interest accrued expense, annual OPEB entry for GASB 75, prepare resolution for use of regulatory accounting for debt issuance costs, etc	01/31/2026	02/05/2026	10,360.00	63527	03/12/2026
Total BAKER TILLY VIRCHOW KRAUSE, LLP:					10,360.00		
BCBS RETIREE	2602274314	RETIREE ACTIVE COVERAGE 04/01/26-04/30/26	03/20/2026	03/23/2026	12,629.00	3232026	03/23/2026
Total BCBS RETIREE:					12,629.00		
Belanger, Inc	19094	furnish and install roller shade systems to administration new windows - 15778/product; 2080 installation, 1406.32 tax	02/26/2026	02/27/2026	17,858.00	63615	03/24/2026
Total Belanger, Inc:					17,858.00		
BOLTON & MENK, I	0386956	Addtl; 2025 Lead Water service Line Admin professional services	01/30/2026	02/09/2026	15,685.00	63529	03/12/2026
	0386960	PH.2 for E 23rd ST Water Services 12/6/25-1/16/26	01/30/2026	02/09/2026	81,597.00	63529	03/12/2026
	0386960	PH.2 for E 23rd ST Steam Services 12/6/25-1/16/26	01/30/2026	02/09/2026	17,447.50	63529	03/12/2026
	0388276	WATER TREATMENT FACILITY IMPROVEMENTS / CAREY VALLEY; Prof svcs Jan 17th to Feb 13th 2026	02/02/2026	03/02/2026	25,036.25	63529	03/12/2026
	0388830	PH.2 for E 23rd ST Water Services--Jan 17th to Feb 13 2026	03/03/2026	03/09/2026	18,239.50	63701	04/09/2026
	0388844	2026 Lead Service Line & Watermain Replacement Project--Oct 5 2025- Feb 13 2026, Design Survey, Plan Review, Design,	03/03/2026	03/09/2026	31,543.00	63701	04/09/2026
	0390372	WATER TREATMENT FACILITY IMPROVEMENTS / CAREY VALLEY 2/14-3/13/26	03/23/2026	03/24/2026	22,410.50	63701	04/09/2026
Total BOLTON & MENK, INC:					211,958.75		
BOUGALIS INC	9105	2026 Construction Services--3RD AVE E: Mobilization, Equipment (Vac Truck, Excavator, Dump Trucks), Washed Rock, Generator, Pump, Chop Saw	02/24/2026	02/27/2026	15,312.00	63617	03/24/2026
	9109	2026 Construction Services--41st ST-Moblization, Equipment (Excavators, Dump Trucks, Wheel Loader) Sand application, Traffic Control	02/24/2026	02/27/2026	14,992.50	63617	03/24/2026
	9157	2026 Construction Services; Kelly Lake Repair-Sat Rates-Mobilization, Equipment (Excavator, Vac and Dump Trucks), Washed Rock, Generator, Pump, Jump Jack, Traffic Control	02/24/2026	02/27/2026	13,460.50	63617	03/24/2026
	9192	41ST--Sun--Mobilization, Equipment (Excavator, Vac Truck, Wheel Loader, Quad Dump), washed rock, chop saw, generator, pump, small trench box	02/27/2026	02/27/2026	16,661.25	63617	03/24/2026
	PAY APP# 7 (2025 Water distribution 17th, 18th St, 5th, 6th and 12th Avenue (FINAL Payment)	02/19/2026	02/20/2026	28,979.33	63577	03/18/2026
Total BOUGALIS INC:					89,405.58		

Name	Invoice Number	Description	Vendor Invoice Date	Invoice Approval Date	Invoice Amount	Check Number	Check Issue Date
CEMSOURCE	5040	CEM MX Qtrly 1st Qtr 2026--Stack Sampling	03/09/2026	03/10/2026	28,537.50	63704	04/09/2026
Total CEMSOURCE:					28,537.50		
CHEMTREAT INC.	CIN0109734	BL2450.55, BL1581.55, RL124.55, & CL6832.55	02/03/2026	02/03/2026	10,128.47	63579	03/18/2026
Total CHEMTREAT INC.:					10,128.47		
CORE & MAIN	Y367089	sensus annual RNI SAAS FEE	01/12/2026	03/06/2026	24,500.00	63582	03/18/2026
	Y429789	Electric meters for AMI project- Stratus 1Q+ CL200 120V	01/26/2026	01/27/2026	148,195.44	63531	03/12/2026
Total CORE & MAIN:					172,695.44		
Crum Energy Law	CRUM.FEB2	FEB 2026- Meetings/Review Storm Fern/NNG, EPE, Merjent, land discussions, MISO updates, Hitachi and VTC review, filings, mapping and communications	02/28/2026	03/10/2026	24,045.00	63619	03/24/2026
Total Crum Energy Law:					24,045.00		
DOWCO VALVE CO	46303	Emergency Repair; 2 Dowco techs repair on 4 leaking pilot valves	02/11/2026	02/11/2026	11,378.00	63584	03/18/2026
Total DOWCO VALVE COMPANY:					11,378.00		
DTE	90427970	1000 Ton Coal Purchase for 2025-2026 Planning Year	02/10/2026	02/10/2026	24,239.51	63585	03/18/2026
	90427970	Emergency Purchase of Coal 2000 Tons	02/10/2026	02/10/2026	131,151.39	63585	03/18/2026
	90429283	Purchase of Coal	03/10/2026	03/10/2026	37,161.11	63711	04/09/2026
Total DTE:					192,552.01		
ELECTRIC POWER	45025	2026 Q1 Projected Costs-EPCM billed through FEB 2026	02/27/2026	03/02/2026	53,317.00	63621	03/24/2026
Total ELECTRIC POWER ENGINEERS LLC:					53,317.00		
GPM INC	PSRVI-00783	FEMA- Sump replacement Qty-7 power plant	03/02/2026	03/04/2026	21,248.01	63725	04/09/2026
Total GPM INC:					21,248.01		
GROEBNER & ASS	146889-00	PIPE PLASTIC GAS 4" (40 FT LG) For HRA housing project 9th Ave. W.	03/23/2026	03/24/2026	10,632.00	63728	04/09/2026
Total GROEBNER & ASSOCIATES:					10,632.00		
HECIMOVIICH MEC	4679	RO Room Water Line/Pumps, Softener Room Water Lines, Boiler Feed Pump, Urea System Boiler 4, Shower Faucet Cartridge (Plant Locker Room)	02/23/2026	03/10/2026	22,066.46	63628	03/24/2026
	4680	Meters, manhole frames, MB Interior Condensate, 7th AVE and 19th ST, Salv Army, 24th St, Salv Army Steam WTR HTRS, Materials	02/27/2026	03/10/2026	70,608.25	63628	03/24/2026
	4681	(2) Powell 24" Gate Valves	03/12/2026	03/16/2026	34,288.72	63730	04/09/2026
Total HECIMOVIICH MECHANICAL CONTRACTING INC:					126,963.43		
HIBBING ACH. CIT	000238-FEB	February Stormwater	03/18/2026	03/24/2026	27,631.47	33020262	03/30/2026
	000238-FEB	February Sewer	03/18/2026	03/24/2026	324,135.40	33020262	03/30/2026
	000238-FEB	February Garbage	03/18/2026	03/24/2026	190,372.45	33020262	03/30/2026
Total HIBBING ACH. CITY OF:					542,139.32		

Name	Invoice Number	Description	Vendor Invoice Date	Invoice Approval Date	Invoice Amount	Check Number	Check Issue Date
IRON RANGE ENGI	143	Electrical Engineering Consulting for Hull Rust/Mahoning As Builts, Sub-Bellline review and onsite visits, pole drafting, Subs Bellline B&M, drafting and drawings	03/01/2026	03/02/2026	52,248.93	63735	04/09/2026
Total IRON RANGE ENGINEERING AND CONSULTING:					52,248.93		
KINECT ENERGY I	407448	Purchased Gas for February 2026	03/05/2026	03/10/2026	1,101,462.67	31620261	03/16/2026
	408720	Purchased Gas for March 2026	04/08/2026	04/09/2026	811,856.69	42220261	04/22/2026
Total KINECT ENERGY INC ACH DO NOT MAIL:					1,913,319.36		
LAKE STATES CON	11880	Hull Rust substation overhead distribuiton demo & reconstruction of east alley 3-5 days, 4 man crew	03/03/2026	03/16/2026	18,000.00	63743	04/09/2026
Total LAKE STATES CONSTRUCTION LLC:					18,000.00		
MEDICARE BLUE	003028601	MEDIARE RX COVERAGE MAR 2026	02/05/2026	02/25/2026	30,147.50	63544	03/12/2026
	003100005	MEDIARE RX COVERAGE APR 2026	04/01/2026	04/09/2026	15,949.00	63744	04/09/2026
Total MEDICARE BLUE RX:					46,096.50		
MERJENT INC	0051186	HIB Southern Interconnect Project--Services for JAN 26	02/20/2026	02/23/2026	17,780.86	63636	03/24/2026
	0052023	HIB Southern Interconnect Project--Services for FEB 26	03/13/2026	03/23/2026	30,893.44	63746	04/09/2026
Total MERJENT INC:					48,674.30		
MINNESOTA POWE	0761708624	Purchased Power for February 2026	03/17/2026	03/18/2026	582,980.90	40620261	04/06/2026
Total MINNESOTA POWER ACH DO NOT MAIL:					582,980.90		
MN DEPT HEALTH	1690022 Q1	Service Connection Fee 1st Quarter 2026	02/18/2026	02/18/2026	21,627.00	63548	03/12/2026
Total MN DEPT HEALTH DRINKING WATER:					21,627.00		
MN PEIP	1614054	ACTIVE EMPLOYEE HEALTH COVERAGE 04/01/26-04/30/26	03/10/2026	04/07/2026	190,610.16	40720262	04/07/2026
Total MN PEIP:					190,610.16		
MN REVENUE SAL	03232026	MONTHLY SALES TAX FEB 2026	03/23/2026	04/06/2026	148,878.00	32320263	03/23/2026
Total MN REVENUE SALES TAX:					148,878.00		
MPCA	1000022856	AQ Annual Fee 13700027 Air Emmissions Tonnage	03/16/2026	03/24/2026	17,681.39	63754	04/09/2026
Total MPCA:					17,681.39		
RICE LAKE CONTR	PAY APP# 23	South Water Treatment Plant Rehab Project--General Conditions, F.O. 34 & 35 Novaspect, F.O. 29 Flooring, F.O. Pump Station	03/02/2026	03/06/2026	59,451.13	63766	04/09/2026
	PAY APP# 23	Well Concrete and Building Shell	03/02/2026	03/06/2026	25,000.00	63766	04/09/2026
Total RICE LAKE CONTRACTING CORP:					84,451.13		
SAVANNA PALLET	INV170145	2026 Wood Supply--Shipped 2/7	02/07/2026	02/12/2026	49,706.07	63606	03/18/2026
	INV170304	2026 Wood Supply--Shipped 2/14	02/14/2026	02/20/2026	50,454.13	63606	03/18/2026
	INV170588	2026 Wood Supply shipped 2/21	02/21/2026	02/27/2026	31,342.32	63643	03/24/2026
	INV170851	2026 Wood Supply--Shipped 2/28	02/28/2026	03/06/2026	51,413.75	63643	03/24/2026

Name	Invoice Number	Description	Vendor Invoice Date	Invoice Approval Date	Invoice Amount	Check Number	Check Issue Date
	INV171094	2026 Wood Supply--Shipped 3/6	03/06/2026	03/16/2026	33,006.94	63768	04/09/2026
	INV171257	2026 Wood Supply--Shipped 3/14	03/14/2026	03/23/2026	24,330.00	63768	04/09/2026
	INV171538	2026 Wood Supply--Shipped 3/20	03/20/2026	03/27/2026	55,320.65	63768	04/09/2026
Total SAVANNA PALLETS:					295,573.86		
STINSON LLP	43688857	Contract Negotiations through Jan. 31, 2026	02/09/2026	02/18/2026	20,523.00	63562	03/12/2026
Total STINSON LLP:					20,523.00		
STUART C IRBY C	S014502609	AlumaForm 2EHD2PAL-18 Double extra heavy duty platform 18' for Beltline Substation Modernization Project	03/19/2026	03/23/2026	16,241.00	63772	04/09/2026
Total STUART C IRBY CO:					16,241.00		
TAMMY MATTONE	JANUARY.20	JAN 2026 Accounting Services; Maintain accurate records by monitoring, reconciling, allocating and correcting records. YE balance reconciliations, Asset schedule creation, Capital Budget Report, Inventory corrections/support, Audit request responses	03/23/2026	03/24/2026	14,960.00	63645	03/24/2026
Total TAMMY MATTONEN CONSULTING LLC:					14,960.00		
ULINE	203027748	ULINE PALLET RACKING FOR SERVICE CENTER	01/19/2026	01/26/2026	12,996.05	63566	03/12/2026
Total ULINE:					12,996.05		
WESCO RECEIVAB	673028	6 reels 4", 8 reels 6" poly for Beltline Substation Modernization Project + Shurlocks	03/12/2026	03/17/2026	15,739.20	63780	04/09/2026
Total WESCO RECEIVABLES CORP:					15,739.20		
Grand Totals:					5,145,245.54		

Report Criteria:

Detail report type printed
 [Report].Invoice Amount = {>}10000
 Check.Voided = No



Item 5.B

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Item 5.B – Approval of Payroll Paid and Overtime Report for the
March 19th & April 2nd, & April 16th, 2026 Payroll Dates

April 28th , 2026

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

RE: Item 5.B – Approval of Payroll Paid and Overtime Report for the March 19th & April
2nd, & April 16th, 2026 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 March 17th, 2026.

Sincerely;



Luke J. Peterson

Report Criteria:

Employee Transaction.Check Issue Date = 03/19/2026
Pay Code.Pay Code = 1-19, 25

Payroll Type	Amount
Total REGULAR WAGES:	194,192.34
Total REGULAR WAGES - FOREMAN:	1,736.84
Total REGULAR WAGES - LEAD:	240.00
Total OVERTIME WAGES:	16,034.27
Total OVERTIME WAGES - FOREMAN:	394.59
Total OVERTIME WAGES - LEAD:	857.70
Total SUNDAY PREMIUM:	2,823.30
Total VACATION PAY:	9,912.25
Total SICK LEAVE - REGULAR:	9,476.14
Total UNEXCUSED SICK LEAVE:	.00
Total COMP FROM STADBY:	.00
Total COMP TIME EARNED:	.00
Total COMP TIME USED:	1,185.36
Total PERSONAL HOLIDAY:	4,250.88
Total SHIFT DIFFERENTIAL .75/HR:	400.88
Total LONGEVITY:	2,992.66
Total STANDBY:	3,435.00
Total RETRO PAY:	36.00
Total CERTIFICATE/LICENSE:	1,082.85
Grand Totals:	249,051.06

Report Criteria:

Employee Transaction.Check Issue Date = 04/02/2026
Pay Code.Pay Code = 1-19, 25

Payroll Type	Amount
Total REGULAR WAGES:	199,927.58
Total REGULAR WAGES - FOREMAN:	1,664.84
Total REGULAR WAGES - LEAD:	285.25
Total OVERTIME WAGES:	11,224.93
Total OVERTIME WAGES - FOREMAN:	999.78
Total OVERTIME WAGES - LEAD:	459.27
Total SUNDAY PREMIUM:	2,808.48
Total VACATION PAY:	7,392.52
Total SICK & SAFE LEAVE:	136.00
Total SICK LEAVE - REGULAR:	12,103.46
Total UNEXCUSED SICK LEAVE:	.00
Total COMP FROM STADBY:	.00
Total COMP TIME EARNED:	.00
Total COMP TIME USED:	234.24
Total PERSONAL HOLIDAY:	2,365.56
Total SHIFT DIFFERENTIAL .75/HR:	397.88
Total LONGEVITY:	2,992.66
Total STANDBY:	4,001.09
Total RETRO PAY:	36.00
Total CERTIFICATE/LICENSE:	1,082.85
Grand Totals:	<u>248,112.39</u>

Report Criteria:

Employee Transaction.Check Issue Date = 04/16/2026
Pay Code.Pay Code = 1-19, 25

<u>Payroll Type</u>	<u>Amount</u>
Total REGULAR WAGES:	184,886.50
Total REGULAR WAGES - FOREMAN:	1,564.92
Total REGULAR WAGES - LEAD:	262.60
Total OVERTIME WAGES:	11,927.78
Total OVERTIME WAGES - FOREMAN:	146.50
Total OVERTIME WAGES - LEAD:	131.22
Total SUNDAY PREMIUM:	2,838.12
Total VACATION PAY:	11,144.91
Total SICK & SAFE LEAVE:	136.00
Total SICK LEAVE - REGULAR:	4,303.33
Total UNEXCUSED SICK LEAVE:	.00
Total COMP FROM STADBY:	.00
Total PERSONAL HOLIDAY:	1,787.36
Total HOLIDAY PAY:	21,185.00
Total SHIFT DIFFERENTIAL .75/HR:	400.50
Total HOLIDAY WORKED:	5,848.38
Total LONGEVITY:	2,945.81
Total STANDBY:	5,963.78
Total LEAVE PAYOUT (NO RETIREMENT):	468.12
Total RETRO PAY:	36.00
Total CERTIFICATE/LICENSE:	1,082.85
 Grand Totals:	 <u>257,059.68</u>



Item 5.C

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Item 5.C – Request approval for Annual Salary Increase for Management Staff

4/28/2026

James Baylis, Commission Chair
Hibbing Public Utilities Commission
1902 E. 6th Avenue
Hibbing, MN 55746

RE: Item 5.C - Request approval for annual salary increase for management staff

Following the completion of our recent performance review cycle, I am requesting approval to issue annual salary increases that align with our approved compensation philosophy. I am also requesting that any approved adjustments be made retroactive to January 1, 2026.

These recommendations are the result of a structured evaluation process. Each proposed increase reflects a combination of factors, including individual performance outcomes, evolving responsibilities, and market competitiveness. Care has also been taken to ensure internal consistency with our compensation framework.

The intent of these adjustments is to appropriately recognize contributions and reinforce a performance-driven culture while maintaining alignment with organizational compensation principles.

Thank you for your consideration,



Kendra Powers
Senior Director of Human Resources and Organizational Development
Hibbing Public Utilities Commission

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Item 5.D

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Item 5.D – Request approval to hire Mr. Zubich in the Procurement Supervisor position

4/28/2026

James Baylis, Commission Chair
Hibbing Public Utilities Commission
1902 E. 6th Avenue
Hibbing, MN 55746

RE: Item 5.D Request approval to hire Mr. Zubich in the Procurement Supervisor position

Dear Commissioners;

The position of Procurement Supervisor within the Energy & Operations department was approved by the Commission on January 20, 2026. Following that authorization, the recruitment and selection process was performed in accordance with established hiring policies and procedures.

After completing the review of applications, interviews, and candidate evaluations, the selection panel has identified Chris Zubich as the finalist for this position. The candidate's qualifications, experience, and demonstrated ability meet the requirements of the role.

I respectfully request approval from the Commission to proceed with hiring Mr. Zubich contingent upon completion of all standard pre-employment requirements; anticipated start date is June 1, 2026.

Thank you for your consideration,



Kendra Powers
Sr. Director of Human Resources and Organizational Development
Hibbing Public Utilities

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Item 5.E

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Item 5.E – Request approval to award Plant Mechanic (26-02) to Mark Trenberth

4/28/2026

James Baylis, Commission Chair
Hibbing Public Utilities Commission
1902 E. 6th Avenue
Hibbing, MN 55746

RE: Item 5.E Request approval to award Plant Mechanic (26-02) to Mark Trenberth

Dear Commissioners;

Approval to backfill the Plant Mechanic Crew Leader was granted by the Commission on February 17, 2026.

Following a thorough review of applications, interviews, and candidate evaluations, the selection panel has determined that Mr. Trenberth meets the criteria established in the collective bargaining agreement. His qualifications, experience, and demonstrated abilities align well with the requirements of the role.

I respectfully request the Commission's approval to proceed with awarding the Plant Mechanic position to Mr. Trenberth.

Thank you for your consideration,



Kendra Powers
Sr. Director of Human Resources and Organizational Development
Hibbing Public Utilities

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Item 5.F

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Item 5.F – Request approval to award Line Crew Leader (26-03) to Chad Adams

4/28/2026

James Baylis, Commission Chair
Hibbing Public Utilities Commission
1902 E. 6th Avenue
Hibbing, MN 55746

RE: Item 5.F -Request approval to award Line Crew Leader (26-03) to Chad Adams

Dear Commissioners;

Approval to backfill Line Crew Leader was granted by the Commission on February 17, 2026.

Following a thorough review of applications, interviews, and candidate evaluations, the selection panel has determined that Mr. Adams meets the criteria established in the collective bargaining agreement. His qualifications, experience, and demonstrated abilities align well with the requirements of the role.

I respectfully request the Commission's approval to proceed with awarding the Line Crew Leader position to Mr. Adams.

Thank you for your consideration,



Kendra Powers
Sr. Director of Human Resources and Organizational Development
Hibbing Public Utilities

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Item 5.G

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Item 5.G – Approval of MOU for Materials Risk Coordinator

4/28/26

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

RE: Item 5.G – Approval of MOU for Materials Risk Coordinator

Dear Commissioners,

I am writing to request formal approval of a Memorandum of Understanding (MOU) to document and authorize a wage adjustment for the Materials Risk Coordinator Position.

This position was originally posted in February 2022. Shortly after the employee was hired, a wage increase was implemented to better align with market conditions of job duties. However, this adjustment was made without a formally executed MOU at that time.

To ensure proper documentation and compliance with organizational policies, we are seeking approval to formalize this wage adjustment. This will provide clarity and ensure all records accurately reflect the agreed-upon terms.

The proposed MOU outlines:

- The position and grade
- Current wage
- Wages for each year for the remainder of the collective bargaining agreement (CBA)

I kindly request approval of this MOU so that we can proceed with proper documentation.

Sincerely,



Kendra Powers
Sr. Director of Human Resources and Organizational Development
Hibbing Public Utilities

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Item 5.H

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Item 5.H – Approve Resolution 26-05; authorizing Hibbing Public Utilities to make application to and accept funds from Source Water Protection Plan Implementation & Competitive Grant.

April 28th , 2026

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

RE: Item 5.H – Approve Resolution 26-05; authorizing Hibbing Public Utilities to make application to and accept funds from Source Water Protection Plan Implementation & Competitive Grant.

Dear Commissioners,

For your consideration I have attached a grant resolution request which will allow us to make application to and accept funding from the Minnesota Department of Health to help protect our drinking water supply.

Please see attached Resolution.

Thank you for your consideration.

Sincerely,



Paul Plombon
Energy & Operations Manager

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RESOLUTION NO. 26-05

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

RESOLUTION AUTHORIZING HIBBING PUBLIC UTILITIES TO MAKE APPLICATION TO AND ACCEPT FUNDS FROM SOURCE WATER PROTECTION PLAN IMPLEMENTATION & COMPETITIVE GRANT

WHEREAS, the “Source Water Protection Plan Implementation & Competitive Grant” is a funding opportunity authorized by the Minnesota Session Laws 2025, Regular Session, Chapter 36: administered by the MN Department of Health, to distribute ~\$205,000 for implementation and ~\$170,000 for competitive of funding to improve and protect community, non-community, and non-transient public water systems, 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 “Source Water Protection Plan Implementation & Competitive Grant” fund and any other sub-fund thereof; and,

WHEREAS, HPU is an eligible applicant to the “Source Water Protection Plan Implementation & Competitive Grant” Program seeking to develop a project to protect Hibbing’s supply of drinking water.

NOW BE IT RESOLVED that the Commission as the Approving Authority adopts this Resolution to apply and accept funding for the “Source Water Protection Plan Implementation Grant” Program.

Upon vote taken, the following voted:

For:

Against:

Whereupon said Resolution No.26-05 was declared duly passed and adopted this 28th day of April, 2026.

James Bayliss
Chairman

Jesse Babich
Commission Secretary

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Item 5.1

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Item 5.I – Approve Resolution 26-06: Authorizing Hibbing Public Utilities to make application to and accept funds from Natural Gas Distribution Infrastructure Safety and Modernization Grant Program

April 28th , 2026

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

RE: Item 5.I – Approve Resolution 26-06: Authorizing Hibbing Public Utilities to make application to and accept funds from Natural Gas Distribution Infrastructure Safety and Modernization Grant Program

Dear Commissioners;

Attached for your consideration is Resolution 26-06. This resolution will authorize HPU staff to apply to receive funds from this federal program. If awarded, program funds will be used to support Capital Improvements to HPU's Natural Gas Distribution System in order to improve system efficiency and operations.

Sincerely;



Luke J. Peterson

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RESOLUTION NO. 26-06

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

RESOLUTION AUTHORIZING HIBBING PUBLIC UTILITIES TO MAKE APPLICATION TO AND ACCEPT FUNDS FROM NATURAL GAS DISTRIBUTION INFRASTRUCTURE SAFETY AND MODERNIZATION GRANT PROGRAM

WHEREAS, the “Natural Gas Distribution Infrastructure Safety and Modernization Grant Program” (NGDISM) is a funding opportunity authorized by Division J of the Infrastructure Investment and Jobs Act (IIJA), to distribute \$200 Million per year, totaling \$1 billion in grant funding, to improve the safety of high-risk, actively leaking, or leak-prone natural gas distribution infrastructure, 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 “Natural Gas Distribution Infrastructure Safety and Modernization Grant Program” fund and any other sub-fund thereof; and,

WHEREAS, HPU is an eligible applicant to the “Natural Gas Distribution Infrastructure Safety and Modernization Grant Program” seeking funds to support projects that improve the efficient and safe operation of the HPU natural gas distribution system,

NOW BE IT RESOLVED that the Commission, as the Approving Authority, adopts this Resolution to apply and accept funding for the “Natural Gas Distribution Infrastructure Safety and Modernization Grant Program”.

Upon vote taken, the following voted:

For:

Against:

Whereupon said Resolution No.26-06 was declared duly passed and adopted this 28th day of April, 2026.

James Bayliss
Chairman

Jesse Babich
Commission Secretary

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Item 5.J

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Item 5.J – Authorize listed Requests for Contribution

April 28th , 2026

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

RE: Item 5.J – 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 applications for contributions were submitted since the last commission meeting.

Organization	Sector of Support	Request Amount
Blessed Sacrament Church, Hibbing for Assumption Catholic School	Recreation	\$500
Hibbing Chisholm Breakfast Rotary	Recreation	\$500

Sincerely;



Luke J. Peterson

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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: Blessed Sacrament Church, Hibbing for Assumption Catholic School

CHECK PAYABLE TO: Blessed Sacrament Church, Hibbing

CONTACT NAME: Susie Marchetti PHONE NO. 218-262-5541

ADDRESS: Attn: Spring Centennial Gala, 2310E. 7th ave., Hibbing, MN 55746

DATE: 5/16/2026

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

Project Title: Assumption Catholic School – 100 Years of Catholic Education Centennial Gala

Project Overview and Scope: Blessed Sacrament Church and Assumption Catholic School will host a Centennial Gala to celebrate 100 years of Catholic education in Hibbing. The event serves as both a commemorative community celebration and a fundraising initiative to support continued educational excellence and critical school improvements, including enhanced campus security.

The project includes planning, promotion, and execution of a large-scale community gala that brings together current families, alumni, educators, community leaders, and guests—many traveling from outside the Hibbing area—to celebrate a century-long educational institution that has contributed to the city's social, workforce, and economic stability.

Event Location: The gala will be held in Hibbing, Minnesota, at a local event venue capable of accommodating 188 attendees. We have sold 99 tickets to date. Event planning intentionally prioritizes local vendors and service providers, ensuring that project dollars circulate within the local economy.

Schedule:

- **Project Planning & Promotion:** Dec -May 2026
- **Event Date:** May 16, 2026 (Centennial Year)
- **Post-Event Follow-Up and Reporting:** May 20, 2026

Marketing and promotion is occurring regionally and statewide through digital platforms, alumni communications, and community networks to encourage attendance and raise awareness of Hibbing as a community that values education and family life.

Estimated Project Costs: Total estimated project costs range is **\$30,000**, including:

- Event logistics & production
 - Catering and experience services
- April 28th, 2026

- Promotional and advertising expenses

Funds raised beyond event expenses will directly support school operations and targeted Fund a need security enhancements, developed in coordination with local law enforcement.

Community and Economic Impact:

The Centennial Gala functions as a high-visibility community event that promotes Hibbing as a place to live, work, and raise a family. By attracting out-of-area alumni and guests, the event generates economic activity while reinforcing the city's reputation for educational stability and civic pride. Investment in Assumption Catholic School supports long-term workforce development by strengthening a K-12 education option that prepares students to contribute to Hibbing's commercial, industrial, and service sectors. In addition, the project's focus on school security enhances community confidence, safety, and family stability—key elements in maintaining Hibbing's quality of life and residential appeal.

HPUC sponsorship support will be recognized through event site and materials, and public acknowledgment during the gala, reinforcing the utility's role as a long-standing community partner in Hibbing's growth and vitality.

AMOUNT OF REQUEST: \$500

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

The 100th Anniversary Celebration of Catholic education at Assumption Catholic School directly supports the improvement and development of the City of Hibbing's community, workforce, and quality-of-life resources, consistent with the statutory purposes governing HPUC contributions.

For a century, Assumption Catholic School—supported by Blessed Sacrament Church—has served as an educational and community anchor in Hibbing. As one of the city's longest-standing institutions, the school has helped educate generations of residents who live, work, raise families, and contribute to Hibbing's commercial, industrial, and civic life. The continued strength of Assumption directly impacts Hibbing's ability to attract and retain families, a stable workforce, and long-term economic vitality.

Advertising and Community Promotion

The Centennial Gala is a high-visibility civic event drawing alumni, families, and community members—many of whom travel from outside the Hibbing area—back to the city. Event promotion includes regional advertising, digital outreach, and alumni networks reaching across Minnesota and beyond, generating increased recognition of Hibbing as a community that values education, family life, and long-term investment in its people.

Workforce, Vocational, and Community Development

Quality K-12 education is foundational to workforce readiness and long-term economic stability. Assumption Catholic School contributes to Hibbing's workforce pipeline by preparing students with academic skills, civic responsibility, and values that support local employers, service industries, and public institutions. Supporting this milestone celebration helps sustain an educational resource that strengthens Hibbing's human capital and future workforce.

Recreational, Social, and Quality-of-Life Impact

The Centennial Gala functions as a major community gathering and cultural event, reinforcing Hibbing as a welcoming place to live and raise a family. Strong schools are consistently identified as a key factor in relocation, housing stability, and community satisfaction—elements critical to Hibbing's recreational and residential appeal.

Public Safety and Stability Investment

One component of the gala's Fund-a-Need supports targeted school security enhancements developed in coordination with local law enforcement. These investments contribute to the broader sense of safety and stability for families with children in Hibbing, reinforcing community confidence and resilience.

Long-Standing Partnership with HPUC

Blessed Sacrament Church and Assumption Catholic School have been customers of the Hibbing Public Utilities Commission since the school's inception 100 years ago. A sponsorship recognizes this historic relationship and reflects a shared commitment to sustaining the institutions that make Hibbing a strong, desirable, and enduring community. Through sponsorship of the Centennial Gala—whether via partial table sponsorship, event recognition, or targeted support—HPUC's contribution functions as community advertising, workforce support, and long-term quality-of-life investment, fully consistent with the statutory purpose of promoting Hibbing's civic and economic resources.



REQUEST FOR CONTRIBUTION

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

Commission Secretary

Date

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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 Chisholm Breakfast Rotary _____

CHECK PAYABLE TO: _____ Hibbing Chisholm Breakfast Rotary _____

CONTACT NAME: _____ Celia Cameron, Treasurer _____ PHONE NO. (218) 733-5727

ADDRESS: _____ PO Box 135, Hibbing, MN 55746 _____

DATE: _____ April 20, 2026 _____

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

This year, the Fishing Raffle Fundraiser is Thursday, May 05, 2026. Fishing Raffle tickets are sold for the raffle event and there are drawings for a variety of large and small raffle prizes. The drawings and raffles generate a lot of excitement and enthusiasm in Hibbing and surrounding communities

AMOUNT OF REQUEST: _____ \$500.00 _____

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

Locally, the Hibbing Chisholm Breakfast Rotary donates to and is involved in many local projects to improve the area and serve others in this community. Internationally, Rotary is intensely involved in the eradication of polio worldwide. Rotary International values service above self and promotes altruism in its members actions and deeds.

Please see attached letter.



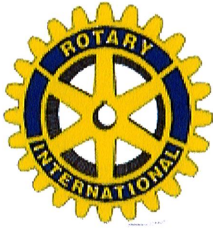
REQUEST FOR CONTRIBUTION

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

Commission Secretary

Date

p/forms/admin/Request for Contribution.doc



Hibbing Chisholm Breakfast Rotary
P.O.Box 135
Hibbing, MN 55746

“Service Above Self”

April 20, 2026

Luke Peterson
General Manager
HPU - Hibbing Public Utilities Commission
1902 6th Ave E
Hibbing, MN 55746-2154

Dear Luke -

My name is Celia Cameron and I represent the Hibbing Chisholm Breakfast Rotary. Today, I am writing with a request for a sponsorship donation to our largest fundraiser called the Fishing Raffle Fundraiser. Our large sponsors are called our “Big Fish” sponsors. Sponsors are listed on all advertising flyers, tickets and at the fundraiser with a minimum of \$150.00 donation.

This year, the Fishing Raffle Fundraiser is Thursday, May 05, 2026. Fishing Raffle tickets are sold for the raffle event and there are drawings for a variety of large and small raffle prizes. The drawings and raffles generate a lot of excitement and enthusiasm in Hibbing and surrounding communities.

Locally, the Hibbing Chisholm Breakfast Rotary donates to and is involved in many local projects to improve the area and serve others in this community. Internationally, Rotary is intensely involved in the eradication of polio worldwide. Rotary International values service above self and promotes altruism in its members actions and deeds.

Thank you, from all of us in Rotary, for your consideration of this donation request.

Sincerely,

Celia Cameron

Celia Cameron
Hibbing Chisholm Breakfast Rotary
Cell: (218) 929-2047

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Item 6.A

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Item 6.A – Approve HPU FY 2025 Audit Report

April 28th, 2026James Bayliss
Commission Chair
1902 E. 6th Avenue
Hibbing, MN 55746

RE: Item 6.A – Approve HPU HY 2025 Audit Report

Dear Commissioners;

As previously discussed at the Commission Meeting April 14th, 2026, please find attached for your reviewal and formal approval HPU's CY 2025 Audit Report. This report was completed in line with HPU's annual financial requirements by Abdo Services. The auditing process and report had no significant compliance or control findings. Bonnie Schwieger, with Abdo Services will be presenting the Audit findings and is available to take questions from the Commission.

Bethany Ryers, with Baker Tilly will be presenting 2025 financial metrics.

Notes on the presentation:

- Electric and water returns are declining, as significant infrastructure investments are being made while rates have not kept pace.
- Data from 2021 was not included, as the previous chart of accounts did not allow for a clear distinction of revenue and expenses by utility.
- As noted during the meeting, capital assets are currently financed with only 17% debt, indicating additional borrowing capacity. It is also understood that PFA loans have not yet been fully drawn, which will affect this position as funds are utilized.
- Cash reserves have decreased due to the use of available funds to support capital improvements. As of the end of 2025, the utility maintains more than seven months of unrestricted cash on hand. While the Government Finance Officers Association (GFOA) recommends a minimum of three months for emergency purposes, rating agencies typically prefer to see between nine and twelve months to achieve the highest bond ratings.

Sincerely;



Luke J. Peterson

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Item 6.A.i - Audit Presentation

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**INDEPENDENT AUDITOR'S REPORT
ON MINNESOTA LEGAL COMPLIANCE**

To the Members of the Commission
Public Utilities Commission
Hibbing, Minnesota

We have audited the accompanying financial statements of the single-enterprise proprietary fund activity of the Public Utilities Commission (the Commission), a component unit of the City of Hibbing, Minnesota, as of and for the year ended December 31, 2025, and the related notes to the financial statements which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated April 20, 2026.

In connection with our audit, nothing came to our attention that caused us to believe that the Commission failed to comply with the provisions of the contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions of the Minnesota Legal Compliance Audit Guide for Cities, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Commission's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

This report is intended solely for the information and use of those charged with governance and management of the Commission and the State Auditor and is not intended to be, and should not be, used by anyone other than these specified parties.



Abdo
Minneapolis, Minnesota
April 20, 2026

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2025 Financial Statement Audit

Hibbing Public Utilities Commission



Introduction

- Audit Opinion and Responsibility
- General Fund Results
- Other Governmental Funds
- Key Performance Indicators



Audit Results

Auditor's Opinion

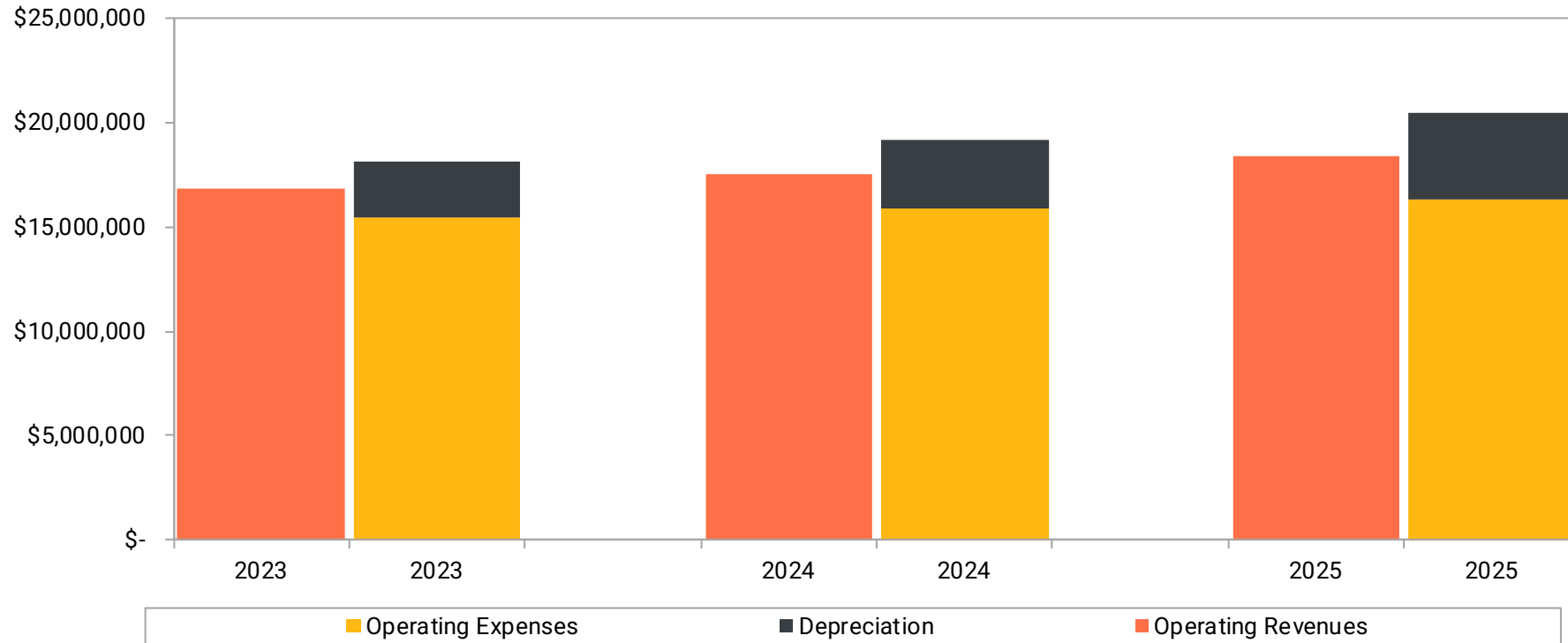
unmodified
opinion

Minnesota Legal Compliance

No instances
of
noncompliance

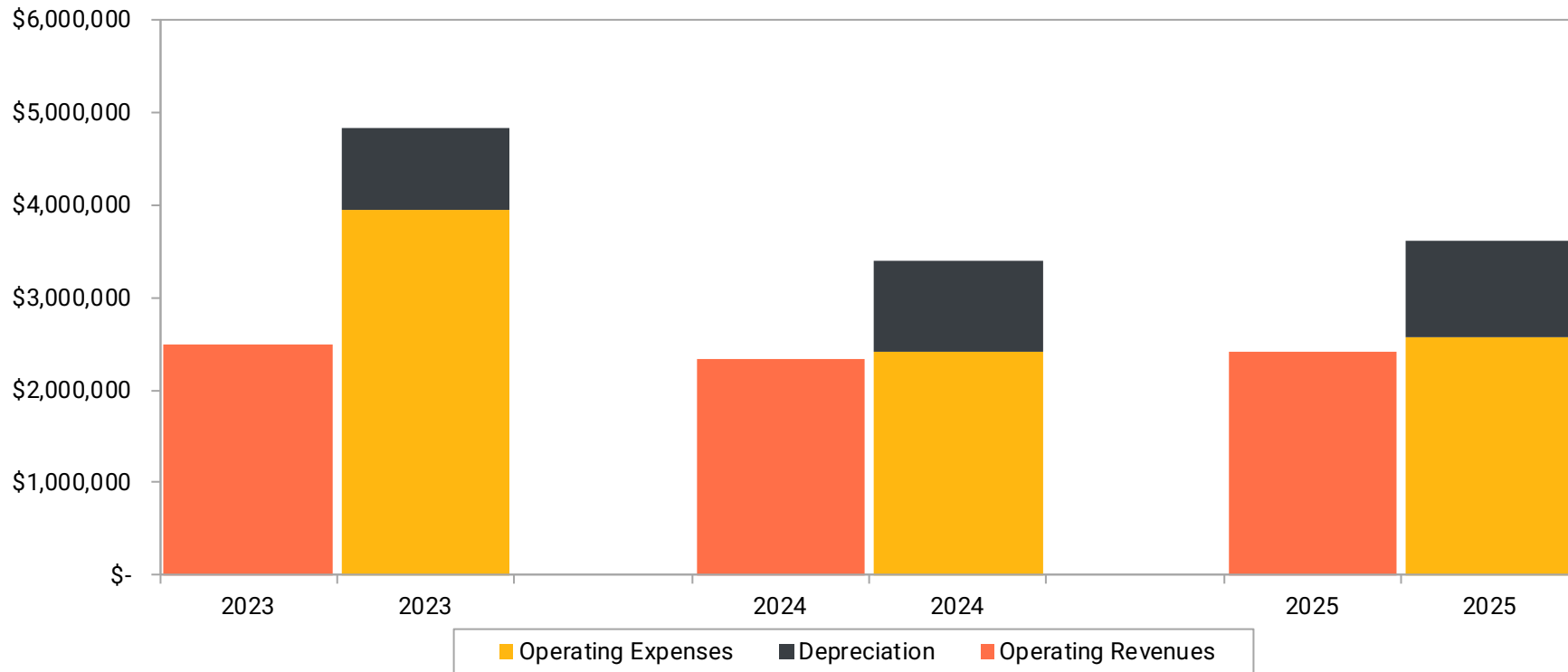
Electric

Cash Flows from Operations and Cash Balances



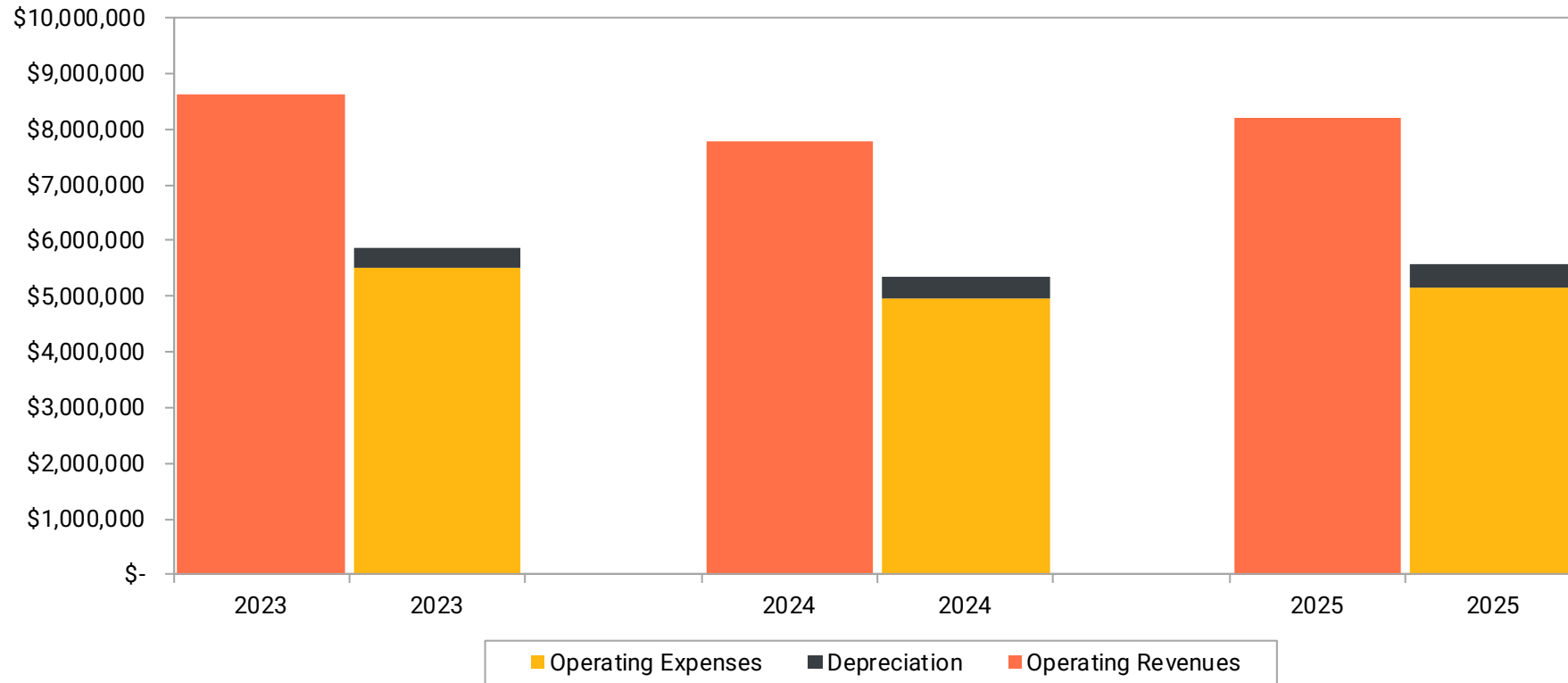
Steam

Cash Flows from Operations and Cash Balances



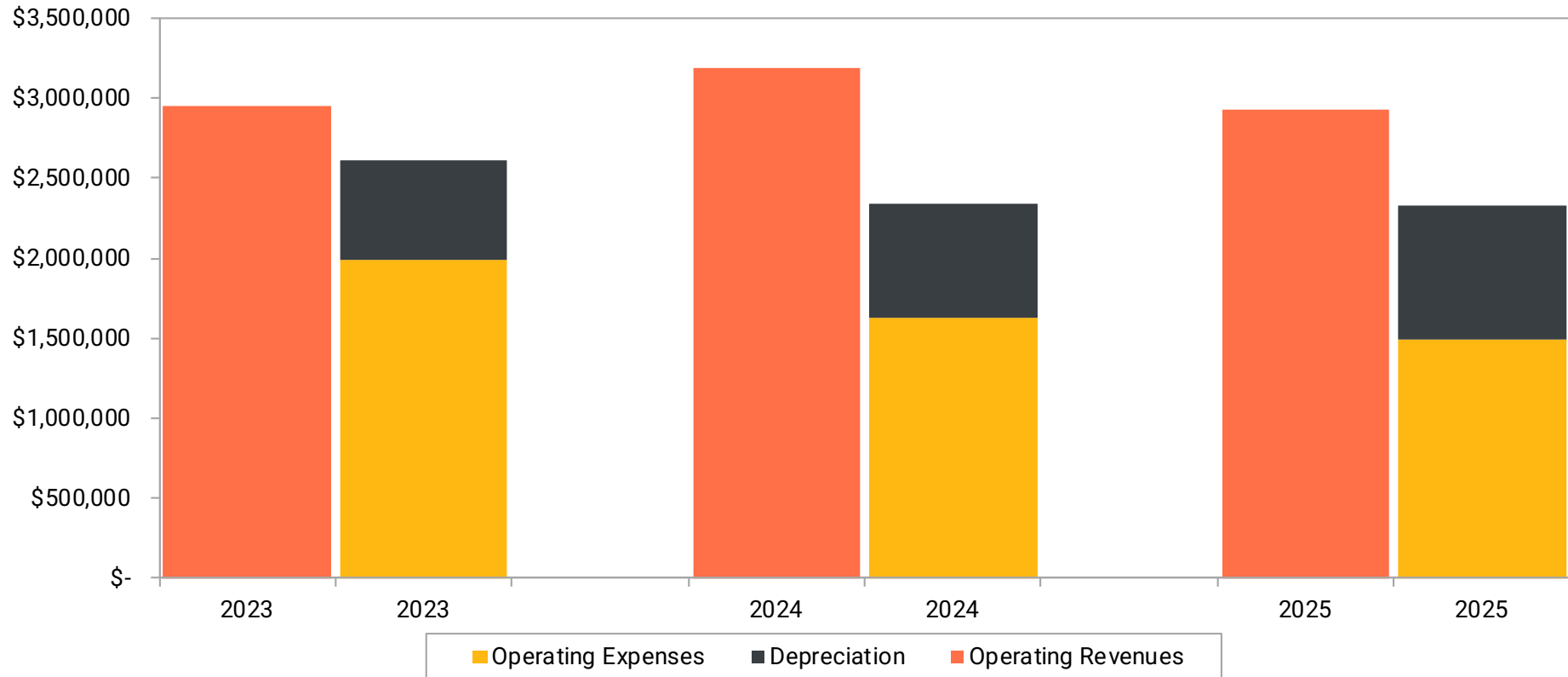
Gas

Cash Flows from Operations and Cash Balances



Water

Cash Flows from Operations and Cash Balances



Your Abdo Team



Bonnie
SCHWIEGER
CPA - Partner



Jason
FAGAN
Senior Associate



Jacob
SPINDLER
Associate



Alex
WITTWER
Associate



Executive Governance Summary

Hibbing Public Utilities

Hibbing, Minnesota

For the year ended December 31, 2025



Lighting the path forward
April 28th, 2026

5201 Eden Avenue, Ste 250
Edina, MN 55436

P 952.835.9090

Hibbing Public Utilities Commission

100 Warren Street, Ste 600
Mankato, MN 56001

P 507.625.2727

14500 N Northsight Blvd, Ste 321
Scottsdale, AZ 85260

P 480.864.5579

Page 93 of 292

April 20, 2026

Management and Public Utilities Commission
Public Utilities Commission
Hibbing, Minnesota

We have audited the financial statements of the Hibbing Public Utilities Commission (the Commission) of the City of Hibbing, Minnesota, as of and for year ended December 31, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter dated April 6, 2026. Professional standards require that we provide you with the following information related to our audit.

Significant Audit Findings

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Utilities' internal control. Accordingly, we do not express an opinion on the effectiveness of the Utilities' internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instance of noncompliance or other matters which is required to be reported under *Government Auditing Standards*.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Commission are described in Note 1 to the financial statements. The Commission did not change accounting policies during the year ended December 31, 2025. We noted no transactions entered into by the Utilities during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were as follows:

- Management's estimate of depreciation is based on estimated useful lives of the assets. Depreciation is calculated using the straight-line method.
- Allocations of gross wages and payroll benefits are approved by the Commission within the Utilities' budget and are derived from each employee's estimated time to be spent servicing the respective functions of the Utilities. These allocations are also used in allocating accrued compensated absences payable.
- Management's estimate of its pension liability is based on several factors including, but not limited to, anticipated investment return rate, retirement age for active employees, life expectancy, salary increases and form of annuity payment upon retirement.
- Management's estimates of its lease receivable and lease liability are based on several factors including, but not limited to, a discount rate based on the estimated incremental borrowing rate.
- Management's estimate of its compensated absences liability is partially based on estimate of how much time employees will use prior to termination.

We evaluated the key factors and assumptions used to develop these accounting estimates in determining that it is reasonable in relation to the financial statements taken as a whole. The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in aggregate, to each opinion unit's financial statements taken as a whole.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 20, 2026.



Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Utilities' auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information (RSI) (Management's Discussion and Analysis, the Schedules of Employer's Share of the Net Pension Liability, the Schedules of Employer's Contributions, Schedule of changes in the City's OPEB Liability and related ratios), which is information that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information (Schedule of Operating Revenues and Expense and schedule of federal awards), which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory section or statistical sections, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information, and we do not express an opinion or provide any assurance on them.

* * * * *



Restriction on Use

This communication is intended solely for the information and use of the Public Utilities Commission, City Council, management, and the Minnesota Office of the State Auditor and is not intended to be and should not be used by anyone other than these specified parties.

The comments and recommendations in this report are purely constructive in nature, and should be read in this context. Our audit would not necessarily disclose all weaknesses in the system because it was based on selected tests of accounting records and related data.

If you have any questions or wish to discuss any of the items contained in this letter, please feel free to contact us at your convenience. We wish to thank you for the opportunity to be of service and for the courtesy and cooperation extended to us by your staff.



Abdo
Minneapolis, Minnesota
April 20, 2026



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INDEPENDENT AUDITOR'S REPORT

To the Members of the Commission
Public Utilities Commission
Hibbing, Minnesota

Opinions

We have audited the accompanying financial statements of the single-enterprise proprietary fund activity of the Public Utilities Commission (the Commission), a component unit of the City of Hibbing, Minnesota, as of and for the years ended December 31, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Commission as of December 31, 2025 and 2024, and the respective changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis starting on page 4 and the Schedules of Employer's Share of the Net Pension Liability, the Schedules of Employer's Contributions, the related notes disclosures, and the Schedule of Changes in the Commission's OPEB Liability and Related Ratios starting on page 36 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information in the annual report. The other information comprises the introductory section and schedule of department revenues and expenses but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statement do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 20, 2026, on our consideration of the Commission’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission’s internal control over financial reporting and compliance.



Abdo
Minneapolis, Minnesota
April 20, 2026



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Members of the Commission
Public Utilities Commission
Hibbing, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the single-enterprise proprietary fund activity of the Public Utilities Commission (the Commission), a component unit of the City of Hibbing, Minnesota, as of and for the years ended December 31, 2025 and December 31, 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated Need Date.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Utilities' internal control. Accordingly, we do not express an opinion on the effectiveness of the Utilities' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters which are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Abdo
Minneapolis, Minnesota
April 20, 2026





Item 6.A.ii - Financial Metrics Presentation

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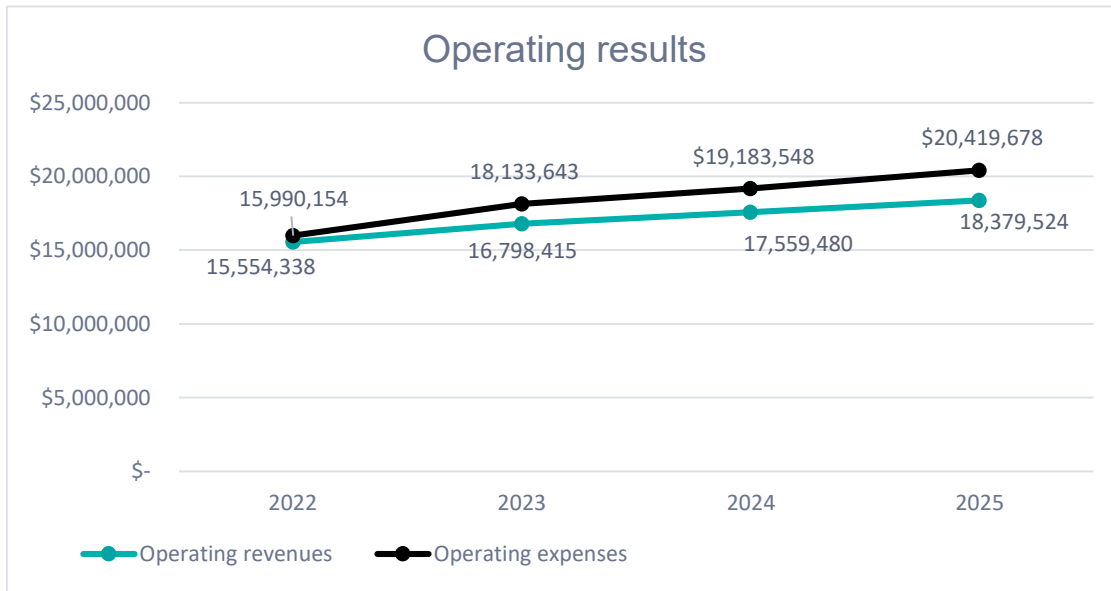
Hibbing Public Utilities

Utility Results

Electric

	2022	2023	2024	2025
Actual Rate of Return	-1.25%	-3.48%	-3.42%	-3.50%

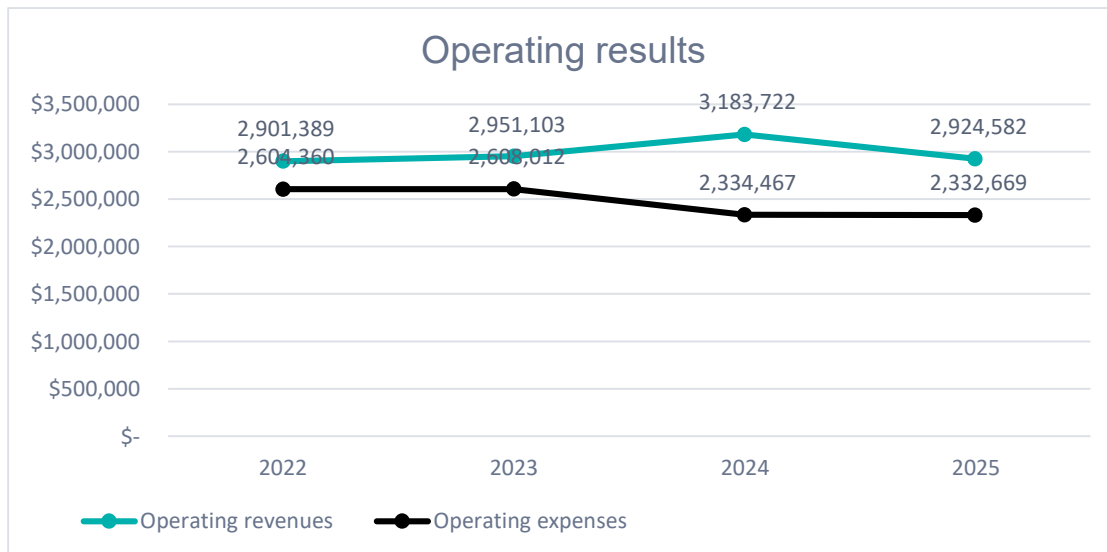
Latest rates were designed using a 5% rate of return.



Water

	2022	2023	2024	2025
Actual Rate of Return	1.85%	1.81%	3.31%	1.55%

Latest rates were designed using a 5% rate of return.



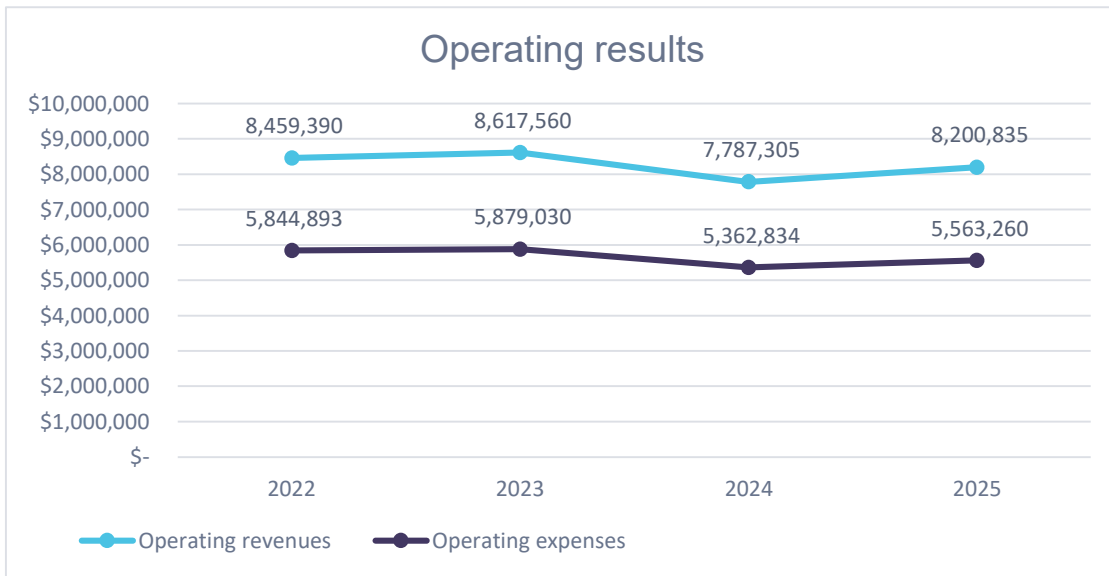
Hibbing Public Utilities

Utility Results

Gas

	2022	2023	2024	2025
Actual Rate of Return	104.72%	77.59%	73.11%	76.09%

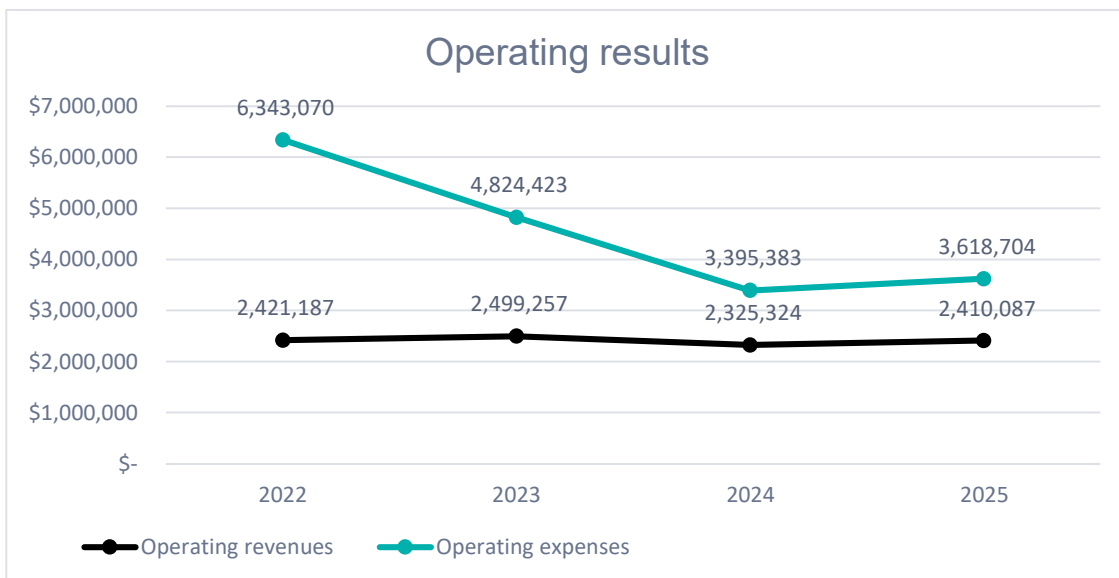
Latest rates were designed using a 5% rate of return.



Steam

	2022	2023	2024	2025
Actual Rate of Return	-125.41%	-88.52%	-45.65%	-45.92%

Latest rates were designed using a 5% rate of return.



Hibbing Public Utilities

Utility Results

HPU Total

	2022	2023	2024	2025
Actual Rate of Return	-2.56%	-0.91%	0.74%	-0.02%

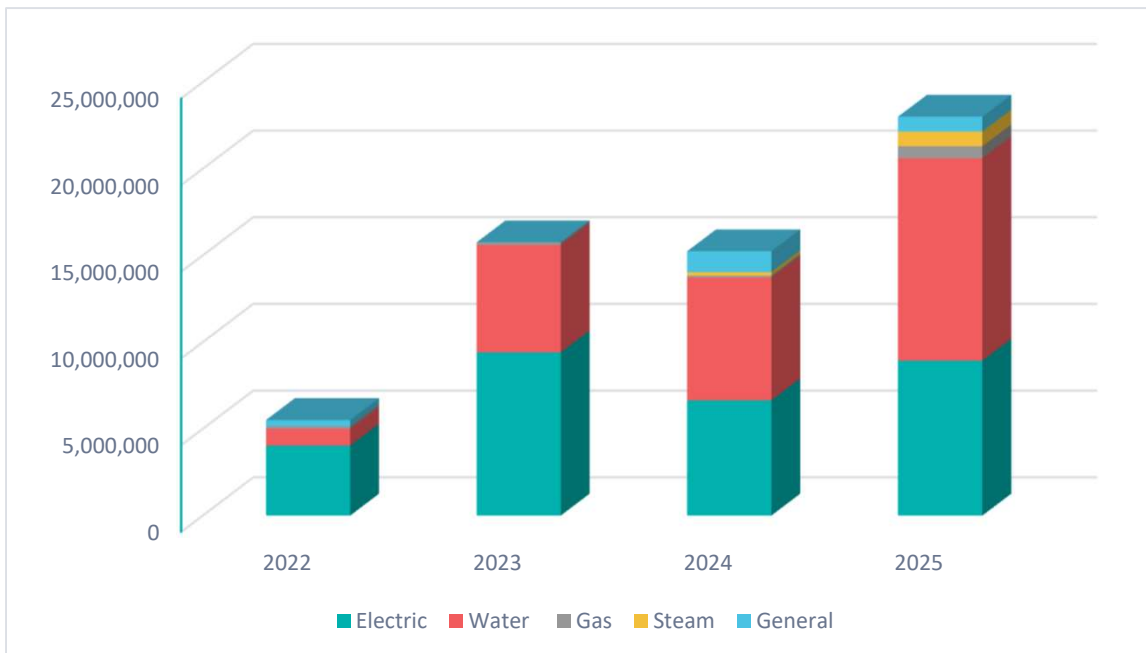
Unrestricted Reserves

	2021	2022	2023	2024	2025
Year end balance	\$ 40,109,236	\$ 44,106,373	\$ 37,677,146	\$ 30,649,112	\$ 19,308,845
Months on hand	16.49	18.04	14.65	11.92	7.26

Investment in Capital



Annual Capital Expenditures



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Item 6.B

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Item 6.B – Approve February and March 2026 Interim Financials

April 22, 2026

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

RE: Item 6.B – Approve February and March 2026 Interim Financials

Dear Commissioners;

Please find enclosed financials as of February 2026 and March 2026.

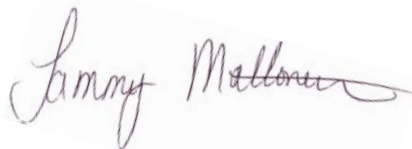
The year to date ended March 31, 2026, operating revenue totals \$10.9 million compared to \$11 million for the same period last year. Increases in revenue from the electric utility of \$434K were offset by a decrease of \$625K in gas revenue resulting in a net \$100K decrease in revenue year over year. In addition to the decrease in gas rates in 2026, a purchase gas adjustment generated \$464K in the 1st quarter of 2025. The PGA was not in place in 2026.

Operating expenses total \$10.8 million which compares to \$8.7 million in 2025. The increase of \$2.1M in expense is primarily due to an increase in fuel costs and purchase power expense due to changing dynamics in the MISO Market.

Operating income (operating revenues-minus operating expenses) is 100K compared to \$2.5M one year ago.

Total change in net position stands at \$100K compared to \$2.5M for the same period last year.

Sincerely;



Tammy Mattonen

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Public Utilities Commission

Financial Statements and
Supplementary Information

February 28, 2026 and December 31, 2025

Public Utilities Commission

Table of Contents

February 28, 2026 and December 31, 2025

	<u>Page</u>
Accountants' Compilation Report	1
Financial Statements	
Statements of Net Position	3
Statements of Revenues, Expenses and Changes in Net Position	5
Other Information	
Schedules of Departmental Revenues and Expenses	6
Budget to Actual Comparison	7

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 February 28, 2026 and December 31, 2025 and the related statements of revenues, expenses and changes in net position for the two 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.

A statement of cash flows for the two months ended February 28, 2026 and year ended December 31, 2025 has not been presented. Account principals generally accepted in the United States of America require that such a statement of cash flows be presented when financial statements purport to present financial position and results of operation.

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 February 28, 2026 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 Schedule 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
April 3, 2026

Public Utilities Commission

Statements of Net Position

February 28, 2026 and December 31, 2025

	<u>February 28, 2026</u>	<u>December 31, 2025</u>
Assets and Deferred Outflows of Resources		
Current Assets		
Cash	\$ 1,613,203	\$ 4,198,490
Investments	14,720,761	15,086,906
Restricted assets:		
Cash held for fuel assistance recipients	25,419	75,978
Cash held for customer deposits	476,362	478,301
Accounts receivable, net of allowance for doubtful accounts of \$62,917 and \$126,896, respectively	3,233,866	2,503,020
Unbilled revenues	2,268,507	2,268,507
Other receivable	4,147	173,279
Current maturities notes receivable, steam conversion program	34,000	35,000
Current portion of lease receivable	9,811	9,778
Inventories	1,434,591	1,419,670
Prepaid expense	1,068,701	822,066
	<u>24,889,368</u>	<u>27,070,995</u>
Noncurrent Assets		
Restricted assets:		
Bond reserve account	1,104,617	641,300
Notes receivable, Steam conversion program	125,957	133,203
Lease receivable	428,248	429,896
Investment in joint venture	717,159	731,444
Regulatory assets	3,325,526	3,493,964
Capital assets:		
Plant in service	197,417,744	197,115,783
Accumulated depreciation/amortization	(101,538,403)	(100,584,292)
Construction work in progress	22,923,163	20,044,239
	<u>124,504,011</u>	<u>122,005,537</u>
Total noncurrent assets	<u>124,504,011</u>	<u>122,005,537</u>
Total assets	<u>149,393,379</u>	<u>149,076,532</u>
Deferred Outflows of Resources		
Related to net pension liability	740,024	740,024
Related to postemployment benefits liability	121,611	121,611
Related to the purchase of LEA	119,678	126,902
	<u>981,313</u>	<u>988,537</u>
Total deferred outflows of resources	<u>981,313</u>	<u>988,537</u>
Total assets and deferred outflows of resources	<u>\$ 150,374,692</u>	<u>\$ 150,065,069</u>

Public Utilities Commission

Statements of Net Position

February 28, 2026 and December 31, 2025

	<u>February 28, 2026</u>	<u>December 31, 2025</u>
Liabilities, Deferred Inflows of Resources and Net Position		
Current Liabilities		
Accounts payable	\$ 6,276,553	\$ 6,063,852
Accrued interest	35,410	89,267
Accrued expenses	248,275	272,675
Due to City of Hibbing	-	571,889
Accrued vacation	475,839	401,319
Current portion of lease liability	208,164	207,161
Current portion of long-term debt, bonds and notes payable	755,000	755,000
Current liabilities payable from restricted assets:		
Third-party advances for fuel assistance	25,419	75,978
Customer deposits payable	476,362	478,301
	<u>8,501,022</u>	<u>8,915,442</u>
Total current liabilities		
Noncurrent Liabilities		
Accrued sick leave	966,988	978,224
Total post employment liability	13,690,202	13,690,202
Net pension liability	2,232,991	2,232,991
Long-term debt, bonds and notes payable	19,874,720	19,278,970
Lease liability	68,885	103,999
	<u>36,833,786</u>	<u>36,284,386</u>
Total noncurrent liabilities		
	<u>45,334,808</u>	<u>45,199,828</u>
Total liabilities		
Deferred Inflows of Resources		
Related to net pension liability	1,423,602	1,423,602
Related to postemployment benefits liability	2,329,319	2,329,319
Related to leases	438,059	439,674
	<u>4,190,980</u>	<u>4,192,595</u>
Total deferred inflows of resources		
Net Position		
Net investments in capital assets	97,895,735	96,230,600
Restricted for debt service	1,104,617	641,300
Unrestricted	1,848,552	3,800,746
	<u>100,848,904</u>	<u>100,672,646</u>
Total net position		
	<u>\$ 150,374,692</u>	<u>\$ 150,065,069</u>
Total liabilities, deferred inflows of resources and net position		

Public Utilities Commission

Statements of Revenues, Expenses and Changes in Net Position
Two Months Ended February 28, 2026 and Year Ended December 31, 2025

	February 28, 2026	December 31, 2025
Operating Revenue		
Charges for services	\$ 7,503,927	\$ 31,334,132
Other	103,145	580,896
Total operating revenues	<u>7,607,072</u>	<u>31,915,028</u>
Operating Expenses		
Operation and maintenance	6,316,683	25,548,799
Depreciation and amortization	1,146,223	6,250,070
Total operating expenses	<u>7,462,906</u>	<u>31,798,869</u>
Operating income (loss)	<u>144,166</u>	<u>116,159</u>
Nonoperating Revenues (Expenses)		
Investment income	113,351	1,767,355
Miscellaneous nonoperating income (expense)	6,336	(317,916)
Equity in net income of joint venture	(14,285)	(81,438)
Interest expense	(73,310)	(219,161)
Total nonoperating revenues (expenses)	<u>32,092</u>	<u>1,148,840</u>
Income before contributions	176,258	1,264,999
Capital Contributions	<u>-</u>	<u>4,030,723</u>
Change in net position	176,258	5,295,722
Net Position, Beginning	<u>100,672,646</u>	<u>95,376,924</u>
Net Position, Ending	<u>\$ 100,848,904</u>	<u>\$ 100,672,646</u>

OTHER INFORMATION

Public Utilities Commission

Schedules of Departmental Revenues and Expenses
 Periods Ended February 28, 2026 and December 31, 2025

	Two Months Ended February 28, 2026				
	Electric	Steam	Gas	Water	Total
Operating Revenue					
Charges for services	\$ 3,590,297	\$ 804,275	\$ 2,593,259	\$ 516,096	\$ 7,503,927
Other operating revenues	58,335	17,445	10,567	16,798	103,145
Others					
Total operating revenues	<u>3,648,632</u>	<u>821,720</u>	<u>2,603,826</u>	<u>532,894</u>	<u>7,607,072</u>
Operating Expenses					
Operation and maintenance	3,228,102	725,366	2,059,193	304,022	6,316,683
Depreciation and amortization	708,756	179,375	70,434	187,658	1,146,223
Total operating expenses	<u>3,936,858</u>	<u>904,741</u>	<u>2,129,627</u>	<u>491,680</u>	<u>7,462,906</u>
Operating (loss) income	<u>\$ (288,226)</u>	<u>\$ (83,021)</u>	<u>\$ 474,199</u>	<u>\$ 41,214</u>	<u>\$ 144,166</u>
	Year Ended December 31, 2025				
	Electric	Steam	Gas	Water	Total
Operating Revenue					
Charges for services	\$ 18,068,907	\$ 2,311,812	\$ 8,125,800	\$ 2,827,613	\$ 31,334,132
Other operating revenues	310,617	98,275	75,035	96,969	580,896
Total operating revenues	<u>18,379,524</u>	<u>2,410,087</u>	<u>8,200,835</u>	<u>2,924,582</u>	<u>31,915,028</u>
Operating Expenses					
Operation and maintenance	16,340,911	2,564,532	5,155,677	1,487,679	25,548,799
Depreciation	3,943,325	1,054,172	407,583	844,990	6,250,070
Total operating expenses	<u>20,284,236</u>	<u>3,618,704</u>	<u>5,563,260</u>	<u>2,332,669</u>	<u>31,798,869</u>
Operating (loss) income	<u>\$ (1,904,712)</u>	<u>\$ (1,208,617)</u>	<u>\$ 2,637,575</u>	<u>\$ 591,913</u>	<u>\$ 116,159</u>

Public Utilities Commission

Budget to Actual Comparison

Two Months Ended February 28, 2026

	<u>Actual</u>	<u>Budget</u>	<u>Difference</u>
Operating Revenue			
Electric revenue	\$ 3,648,632	\$ 3,429,412	\$ 219,220
Steam revenue	821,720	841,625	(19,905)
Gas revenue	2,603,826	3,012,407	(408,581)
Water revenue	532,894	480,178	52,716
Total operating revenues	<u>7,607,072</u>	<u>7,763,622</u>	<u>(156,550)</u>
Operating Expenses			
Electric:			
Operation and maintenance	3,228,102	2,435,779	792,323
Depreciation	708,756	746,985	(38,229)
Total electric	<u>3,936,858</u>	<u>3,182,764</u>	<u>754,094</u>
Steam:			
Operation and maintenance	725,366	448,469	276,897
Depreciation	179,375	180,000	(625)
Total steam	<u>904,741</u>	<u>628,469</u>	<u>276,272</u>
Gas:			
Operation and maintenance	2,059,193	1,651,595	407,598
Depreciation	70,434	69,114	1,320
Total gas	<u>2,129,627</u>	<u>1,720,709</u>	<u>408,918</u>
Water:			
Operation and maintenance	304,022	189,289	114,733
Depreciation	187,658	183,333	4,325
Total water	<u>491,680</u>	<u>372,622</u>	<u>119,058</u>
Total operating expenses	<u>7,462,906</u>	<u>5,904,564</u>	<u>1,558,342</u>
Operating Income (Loss)			
Electric	(288,226)	246,648	(534,874)
Steam	(83,021)	213,156	(296,177)
Gas	474,199	1,291,698	(817,499)
Water	41,214	107,556	(66,342)
Total operating income (loss)	<u>\$ 144,166</u>	<u>\$ 1,859,058</u>	<u>\$ (1,714,892)</u>

Public Utilities Commission

Financial Statements and
Supplementary Information

March 31, 2026 and December 31, 2025

Public Utilities Commission

Table of Contents

March 31, 2026 and December 31, 2025

	<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 March 31, 2026 and December 31, 2025 and the related statements of revenues, expenses and changes in net position for the three 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 March 31, 2026 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 Schedule 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
April 22, 2026

Public Utilities Commission

Statements of Net Position

March 31, 2026 and December 31, 2025

	<u>March 31,</u> <u>2026</u>	<u>December 31,</u> <u>2025</u>
Assets and Deferred Outflows of Resources		
Current Assets		
Cash	\$ 713,943	\$ 4,198,490
Investments	14,734,187	15,086,906
Restricted assets:		
Cash held for fuel assistance recipients	22,784	75,978
Cash held for customer deposits	474,479	478,301
Accounts receivable, net of allowance for doubtful accounts of \$69,546 and \$132,790, respectively	2,965,584	2,503,020
Unbilled revenues	2,268,507	2,268,507
Other receivable	4,147	173,279
Current maturities notes receivable, steam conversion program	34,000	35,000
Current portion of lease receivable	9,827	9,778
Inventories	1,455,492	1,419,670
Prepaid expense	958,537	822,066
	<u>23,641,487</u>	<u>27,070,995</u>
Noncurrent Assets		
Restricted assets:		
Bond reserve account	1,107,998	641,300
Notes receivable, Steam conversion program	122,961	133,203
Lease receivable	427,421	429,896
Investment in joint venture	705,576	731,444
Regulatory assets	3,228,072	3,493,964
Capital assets:		
Plant in service	197,543,466	197,115,783
Accumulated depreciation/amortization	(102,015,521)	(100,584,292)
Construction work in progress	23,973,604	20,044,239
	<u>125,093,577</u>	<u>122,005,537</u>
Total noncurrent assets	<u>125,093,577</u>	<u>122,005,537</u>
Total assets	<u>148,735,064</u>	<u>149,076,532</u>
Deferred Outflows of Resources		
Related to net pension liability	740,024	740,024
Related to postemployment benefits liability	121,611	121,611
Related to the purchase of LEA	116,066	126,902
	<u>977,701</u>	<u>988,537</u>
Total deferred outflows of resources	<u>977,701</u>	<u>988,537</u>
Total assets and deferred outflows of resources	<u>\$ 149,712,765</u>	<u>\$ 150,065,069</u>

Public Utilities Commission

Statements of Net Position

March 31, 2026 and December 31, 2025

	<u>March 31, 2026</u>	<u>December 31, 2025</u>
Liabilities, Deferred Inflows of Resources and Net Position		
Current Liabilities		
Accounts payable	\$ 5,228,076	\$ 6,063,852
Accrued interest	70,127	89,267
Accrued expenses	147,245	272,675
Due to City of Hibbing	541,581	571,889
Accrued vacation	485,628	401,319
Current portion of lease liability	208,668	207,161
Current portion of long-term debt, bonds and notes payable	755,000	755,000
Current liabilities payable from restricted assets:		
Third-party advances for fuel assistance	22,784	75,978
Customer deposits payable	474,479	478,301
	<u>7,933,588</u>	<u>8,915,442</u>
Total current liabilities		
Noncurrent Liabilities		
Accrued sick leave	969,968	978,224
Total post employment liability	13,690,202	13,690,202
Net pension liability	2,232,991	2,232,991
Long-term debt, bonds and notes payable	19,874,720	19,278,970
Lease liability	51,263	103,999
	<u>36,819,144</u>	<u>36,284,386</u>
Total noncurrent liabilities		
	<u>44,752,732</u>	<u>45,199,828</u>
Total liabilities		
Deferred Inflows of Resources		
Related to net pension liability	1,423,602	1,423,602
Related to postemployment benefits liability	2,329,319	2,329,319
Related to leases	437,248	439,674
	<u>4,190,169</u>	<u>4,192,595</u>
Total deferred inflows of resources		
Net Position		
Net investments in capital assets	98,611,898	96,230,600
Restricted for debt service	1,107,998	641,300
Unrestricted	1,049,968	3,800,746
	<u>100,769,864</u>	<u>100,672,646</u>
Total net position		
	<u>\$ 149,712,765</u>	<u>\$ 150,065,069</u>
Total liabilities, deferred inflows of resources and net position		

Public Utilities Commission

Statements of Revenues, Expenses and Changes in Net Position
Three Months Ended March 31, 2026 and Year Ended December 31, 2025

	March 31, 2026	December 31, 2025
Operating Revenue		
Charges for services	\$ 10,705,751	\$ 31,334,132
Other	155,011	580,896
Total operating revenues	<u>10,860,762</u>	<u>31,915,028</u>
Operating Expenses		
Operation and maintenance	9,044,645	25,548,799
Depreciation and amortization	1,719,396	6,250,070
Total operating expenses	<u>10,764,041</u>	<u>31,798,869</u>
Operating income (loss)	<u>96,721</u>	<u>116,159</u>
Nonoperating Revenues (Expenses)		
Investment income	134,330	1,767,355
Miscellaneous nonoperating income (expense)	10,631	(317,916)
Equity in net income of joint venture	(25,868)	(81,438)
Interest expense	(118,596)	(219,161)
Total nonoperating revenues (expenses)	<u>497</u>	<u>1,148,840</u>
Income before contributions	97,218	1,264,999
Capital Contributions	-	4,030,723
Change in net position	97,218	5,295,722
Net Position, Beginning	<u>100,672,646</u>	<u>95,376,924</u>
Net Position, Ending	<u>\$ 100,769,864</u>	<u>\$ 100,672,646</u>

Public Utilities Commission

Statements of Cash Flows

Three Months Ended March 31, 2026 and Year Ended December 31, 2025

	March 31, 2026	December 31, 2025
Cash Flows From Operating Activities		
Receipts from customers	\$ 10,405,007	\$ 31,884,969
Principal collected from steam conversion loan program	11,242	45,856
Payments to suppliers	(6,605,749)	(21,140,183)
Payments for payroll and benefits	(1,497,188)	(6,840,616)
	<u>2,313,312</u>	<u>3,950,026</u>
Net cash from operating activities	<u>2,313,312</u>	<u>3,950,026</u>
Cash Flows From Capital and Related Financing Activities		
Payments for additions to property, plant and equipment	(6,424,704)	(34,606,997)
Capital contributions received	169,132	4,432,716
Principal and interest paid on leases	(53,362)	(213,447)
Proceeds from debt issue	595,750	14,122,533
Principal paid	-	(596,939)
Interest paid	(162,042)	(257,409)
	<u>(5,875,226)</u>	<u>(17,119,543)</u>
Net cash from capital and related financing activities	<u>(5,875,226)</u>	<u>(17,119,543)</u>
Cash Flows From Investing Activities		
Investments income received	201,793	1,255,155
Investments matured	(67,463)	17,617,568
Investments purchased	(113,979)	(5,930,318)
	<u>20,351</u>	<u>12,942,405</u>
Net cash from investing activities	<u>20,351</u>	<u>12,942,405</u>
Net change in cash	(3,541,563)	(227,112)
Cash, Beginning	<u>4,752,769</u>	<u>4,979,881</u>
Cash, Ending	<u>\$ 1,211,206</u>	<u>\$ 4,752,769</u>
Cash is Presented on the Statements of Net Position		
Cash	\$ 713,943	\$ 4,198,490
Restricted assets	1,605,261	1,195,579
	<u>2,319,204</u>	<u>5,394,069</u>
Total cash and restricted assets	<u>2,319,204</u>	<u>5,394,069</u>
Less noncash equivalents included in restricted assets	(1,107,998)	(641,300)
	<u>\$ 1,211,206</u>	<u>\$ 4,752,769</u>

Public Utilities Commission

Statements of Cash Flows

Three Months Ended March 31, 2026 and Year Ended December 31, 2025

	March 31, 2026	December 31, 2025
Reconciliation of Operating Income to Net Cash From Operating Activities		
Operating income (loss)	\$ 96,721	\$ 116,159
Adjustments to reconcile operating income (loss) to net cash from operating activities:		
Other nonoperating income (loss)	10,631	(317,916)
Depreciation and amortization	1,719,396	6,250,070
Change in operating assets, deferred outflows or resources, liabilities and deferred inflows of resources:		
Accounts receivable	(462,564)	(44,060)
Unbilled revenue	-	119,057
Other receivable	-	196,558
Inventories	(35,822)	(93,174)
Prepaid expenses	(136,471)	(74,621)
Receivable for steam conversion loan program	11,242	45,856
Lease receivable	2,426	82,014
Regulatory assets	15,000	(495,056)
Accounts payable	1,223,851	868,954
Accrued vacation and sick leave	76,053	(97,674)
Accrued expenses	(117,401)	(1,619)
Due to City of Hibbing	(30,308)	(591,015)
Third-party advances for fuel assistance	(53,194)	5,190
Customer deposits payable	(3,822)	16,302
Accrued post employment benefits	-	(850,864)
Net pension liability	-	(1,102,121)
Deferred inflows of resources	(2,426)	(82,014)
Net cash from operating activities	<u>\$ 2,313,312</u>	<u>\$ 3,950,026</u>
Noncash Capital and Related Financing Activities		
Unrealized gain on investments	<u>\$ 67,463</u>	<u>\$ 512,200</u>
Regulatory capitalized interest - net with interest expense	<u>\$ 26,439</u>	<u>\$ 30,215</u>

OTHER INFORMATION

Public Utilities Commission

Schedules of Departmental Revenues and Expenses

Periods Ended March 31, 2026 and 2025

	Three Months Ended March 31, 2026				
	Electric	Steam	Gas	Water	Total
Operating Revenue					
Charges for services	\$ 5,260,094	\$ 1,098,922	\$ 3,580,402	\$ 766,333	\$ 10,705,751
Other operating revenues	80,386	28,014	17,138	29,473	155,011
Others					
Total operating revenues	<u>5,340,480</u>	<u>1,126,936</u>	<u>3,597,540</u>	<u>795,806</u>	<u>10,860,762</u>
Operating Expenses					
Operation and maintenance	4,886,461	921,285	2,801,852	435,047	9,044,645
Depreciation and amortization	1,063,201	269,059	105,918	281,218	1,719,396
Total operating expenses	<u>5,949,662</u>	<u>1,190,344</u>	<u>2,907,770</u>	<u>716,265</u>	<u>10,764,041</u>
Operating (loss) income	<u>\$ (609,182)</u>	<u>\$ (63,408)</u>	<u>\$ 689,770</u>	<u>\$ 79,541</u>	<u>\$ 96,721</u>
	Three Months Ended March 31, 2025				
	Electric	Steam	Gas	Water	Total
Operating Revenue					
Charges for services	\$ 4,820,343	\$ 1,148,241	\$ 4,178,752	\$ 699,325	\$ 10,846,661
Other operating revenues	88,667	24,778	17,579	26,920	157,944
Others					
Total operating revenues	<u>4,909,010</u>	<u>1,173,019</u>	<u>4,196,331</u>	<u>726,245</u>	<u>11,004,605</u>
Operating Expenses					
Operation and maintenance	4,083,103	744,823	2,196,507	339,706	7,364,139
Depreciation	818,132	232,783	85,698	232,046	1,368,659
Total operating expenses	<u>4,901,235</u>	<u>977,606</u>	<u>2,282,205</u>	<u>571,752</u>	<u>8,732,798</u>
Operating (loss) income	<u>\$ 7,775</u>	<u>\$ 195,413</u>	<u>\$ 1,914,126</u>	<u>\$ 154,493</u>	<u>\$ 2,271,807</u>

Public Utilities Commission

Budget to Actual Comparison

Three Months Ended March 31, 2026

	<u>Actual</u>	<u>Budget</u>	<u>Difference</u>
Operating Revenue			
Electric revenue	\$ 5,340,480	\$ 4,992,633	\$ 347,847
Steam revenue	1,126,936	1,172,995	(46,059)
Gas revenue	3,597,540	4,202,626	(605,086)
Water revenue	795,806	726,039	69,767
	<u>10,860,762</u>	<u>11,094,293</u>	<u>(233,531)</u>
Operating Expenses			
Electric:			
Operation and maintenance	4,886,461	3,819,352	1,067,109
Depreciation	1,063,201	1,123,636	(60,435)
	<u>5,949,662</u>	<u>4,942,988</u>	<u>1,006,674</u>
Steam:			
Operation and maintenance	921,285	689,362	231,923
Depreciation	269,059	270,000	(941)
	<u>1,190,344</u>	<u>959,362</u>	<u>230,982</u>
Gas:			
Operation and maintenance	2,801,852	2,251,891	549,961
Depreciation	105,918	103,671	2,247
	<u>2,907,770</u>	<u>2,355,562</u>	<u>552,208</u>
Water:			
Operation and maintenance	435,047	337,469	97,578
Depreciation	281,218	275,000	6,218
	<u>716,265</u>	<u>612,469</u>	<u>103,796</u>
	<u>10,764,041</u>	<u>8,870,381</u>	<u>1,893,660</u>
Operating Income (Loss)			
Electric	(609,182)	49,645	(658,827)
Steam	(63,408)	213,633	(277,041)
Gas	689,770	1,847,064	(1,157,294)
Water	79,541	113,570	(34,029)
	<u>\$ 96,721</u>	<u>\$ 2,223,912</u>	<u>\$ (2,127,191)</u>



Item 6.C.i

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Item 6.C.i – Approve Prefabricated Modular Block Wall Material Purchase for Beltline Substation Reconstruction from Eull’s Manufacturing. \$47,597.50

April 28th, 2026

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

RE: Item 6.C.i – Approve Prefabricated Modular Block Wall Material Purchase for Beltline Substation Reconstruction from Eull’s Manufacturing. \$47,597.50

Dear Commissioners;

Staff is requesting approval to purchase prefabricated modular block wall materials from Eull's Manufacturing for use in the Beltline Substation Reconstruction project.

Quotes were received from three suppliers. While two quotes were slightly lower, they did not include pricing for all specified design details. Eull's Manufacturing provided a complete and comprehensive quote and is therefore recommended by staff, in the amount of \$47,597.50.

The materials will be used as part of the substation structure and site improvements.

This purchase is within the approved project budget and construction schedule.

Staff respectfully requests the Commission’s authorization to proceed with the purchase.

Sincerely;



Luke J. Peterson

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3187 LaBeaux Ave NE
 St. Michael, MN 55376
 P: 763-497-2742
www.eullsmfg.com

Confidential Estimate
Redi Rock Wall

Date 3/9/2026
Project Hibbing, MN - Hibbing Beltline Substation Improvements
Face Style Redi Rock Limestone
Appr. Project Size (SF) 1371.26
Specification Type: Commercial/Residential

Contractor to unload.

Number of Units	Description	Price Per Unit	Total Price
25	28" Bottom	\$139.00	\$ 3,475.00
160	28" Middles	\$139.00	\$ 22,240.00
4	28" Half Block	\$80.50	\$ 322.00
5	Free Standing Middle	\$149.00	\$ 745.00
22	Free Standing Full Cap	\$149.00	\$ 3,278.00
1	F/S Corner Half Full Cap	\$80.50	\$ 80.50
9	F/S Corner Full Cap	\$149.00	\$ 1,341.00
32	Capstones	\$133.00	\$ 4,256.00
18	Geo Grid - 1' x 200' Roll Mirafi 5XT	\$73.00	\$ 1,314.00
9	Geo Grid - 1' x 200' Roll Mirafi 8XT	\$94.00	\$ 846.00
8	Freight	\$900.00	\$ 7,200.00
1	Engineering Fee		\$ 2,500.00
Total			\$ 47,597.50

<u>Price Per Square Foot</u>	
Block	\$ 26.06
Freight	\$ <u>5.25</u>
Subtotal Block & Freight	\$ 31.31
Geo Grid	\$ 1.58
Engineering	\$ 1.82
Total	\$ 34.71

ANY APPLICABLE SALES TAX WHICH WILL BE CHARGED WHEN INVOICED**

- 1.) Estimate does not include staining or sealing.
- 2.) Quantities are estimated based on preliminary project designs and are not guaranteed to be correct. Final cost will be based on actual quantities shipped and actual number of deliveries and may be different from the above estimate.
- 3.) Freight price is not guaranteed and may be adjusted based on actual freight expense. Freight may also be subject to fuel surcharges.
- 4.) Unloading at job site is not guaranteed. Customer may be responsible for unloading.
- 5.) This estimate is valid for 30 days from the date above. Prices quoted are valid only for face style indicated and only for shipments made within 9 months of the date above. Shipments made beyond 9 months will be subject to surcharge.
- 6.) Product sales and freight will be invoiced at the time of shipment on a per-shipment basis. Payment will be due 30 days following invoice date for each invoice. Eull's Manufacturing, LLC retains all liens or bond claim rights available under applicable law in the event of non-payment.
- 7.) Any Product returns will be subjected to return freight charges.
- 8.) Wooden pallets are included in prices quoted. Eull's may accept returned pallets in good condition, and this may result in a return freight charge.
- 7.) This estimate is confidential and is intended only for the party to which it was sent directly by a representative of Eull's Manufacturing, LLC. It may not be shared with any other party without the express written consent of Eull's Manufacturing, LLC.

u for the opportunity to quote this project

nce of the terms of this estimate and authorization to begin production:

 Name

 Company

 Date



Item 6.C.ii

Item 6.C.ii- Approve Lake States Construction for Beltline Substation Feeder 1 exit work: excavation, cabinet and cable work in the amount of \$46,500.00.

April 28th, 2026

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

RE: Item 6.C.ii- Approve Lake States Construction for Beltline Substation Feeder 1 exit work: excavation, cabinet and cable work in the amount of \$46,500.00.

Dear Commissioners,

Staff is requesting authorization to hire a contractor to complete excavation, cabinet replacement and cable pulling for feeder exit work required for Beltline Substation reconstruction.

Materials for this portion of the project have already been procured. Quotes were requested from multiple excavation contractors with qualified electrical workers. Sourcing a contractor at this time is necessary to maintain the project schedule for the Beltline Substation project.

The feeder exit work will replace existing cable that has experienced multiple faults and is beyond its expected service life. As part of this replacement, aged equipment currently rated at 200 amps will be upgraded to 600 amps, improving reliability and increasing service capacity within this critical load area serving Hibbing's hospital and other medical facilities.

To date, this proposed approval would bring total project expenditures to approximately \$1,246,500.00 of the \$2 million project budget.

Staff respectfully requests the Commission's authorization to proceed with hiring this contractor and to begin work as soon as spring road limits allow.

Sincerely;



Luke J. Peterson

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April 1, 2026

To: Joe Peterson
Hibbing PUC

From: Patrick Galligan
Lake States Construction

Hospital Underground Work

Summary of Cost

Lake States Construction proposes to perform the work described below on a T&E basis. The total cost for this work shall not exceed **\$46,500** without written approval from Hibbing PUC.

Included in Proposal:

- 1) Install New PME-10 Switchgear
- 2) Install 3X6" and 1X4' HDP poly duct from new substation pullbox to new padmount PME-10 switchgear.
- 3) Replace existing 200A 12-way near hospital with 600A 12-way.
- 4) Install new 1X6" HDPE poly duct from new PME-10 switchgear to replace 12-way and pull 3X 750MCM AL 15KV URD.
- 5) Termination will be completed on cabled pulled by Lake States Construction.

Assumptions & Clarifications

- 1) Hibbing PUC will supply materials for this job.

If you have any questions or concerns, please feel free to contact me.

Thank you,
Patrick Galligan
Lake States Construction
715-209-1814
pgalligan@lakestatesconstruction.com

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Item 6.C.iii

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Item 6.C.iii – Approve Resco Materials Purchase: Beltline Substation Project in the amount of \$47,939.95.

April 28th, 2026

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

RE: Item 6.C.iii – Approve Resco Materials Purchase: Beltline Substation Project (OF0004.2) in the amount of \$47,939.95.

Dear Commissioners,

Staff is requesting Commission approval to purchase materials for our Beltline Substation Reconstruction Project. Quotes for substation materials were obtained from multiple vendors.

The proposed procurement is within the approved project budget, and current lead times support the project construction schedule.

Staff respectfully requests the Commission's authorization to proceed with material procurement of the Beltline Substation reconstruction materials from Resco in the amount of \$47,939.95

Thank you for your consideration.

Sincerely,



Paul Skubinna

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Item	Part Number	Quantity Total	Qty needed	Qty Quoted	Resco unit	Resco total
Wire	1/0 6/1 Raven ACSR, feet	5000	5000	6095	\$0.48	\$2,925.60
Wire	4/0 CU 7-Strand Covered, feet	1000	1000	1000	\$2.04	\$2,040.00
Ground Rods	5/8" x 10' Copper Clad Ground Rod	50	50	50	\$19.60	\$980.00
25kV LB Cutout	Aluma-Form CSG-27-LD-100A-125-CB-12KA	15	15	15	\$184.50	\$2,767.50
Crossarm - Fiberglass 8' Deadend	Aluma-Form FDA30-2-96-EB-IP-FG	18	18	25	\$316.75	\$7,918.75
Crossarm - Fiberglass 8' Tangent	Aluma-Form FTA20-6-96-A-IP	8	8	28	\$187.35	\$5,245.80
Hot Line Clamp	Blackburn HLC3974AP	56	56	56	\$16.55	\$926.80
15kV 600A Solid Blade Disconnects (crossarm mount)	Chance M3C156X	15	15	15	\$309.00	\$4,635.00
Crossarm 3-3/4 x 4-3/4 x 10'	Crossarm 3-3/4 x 4-3/4 x 10'	15	15	15	\$115.55	\$1,733.25
Crossarm 3-3/4 x 4-3/4 x 8'	Crossarm 3-3/4 x 4-3/4 x 8'	8	8	8	\$97.35	\$778.80
15kV 600A Dummy Caps	Elastimold 160DRG	30	30	30	\$35.95	\$1,078.50
Elbow Arresters-12kV 200A LB	Elastimold 167ESA-12	15	15	15	\$145.55	\$2,183.25
25kV 600A Elbow Kit - 350MCM 35kV	Elastimold K656LR-M0300	3	3	3	\$241.00	\$723.00
15kV 600A Elbow Kit - 750MCM 15kV	Elastimold K656LR-M0380	48	48	48	\$241.00	\$11,568.00
15kV Pin Insulators	Hendrix HPI-55-5-01	25	25	24	\$8.65	\$207.60
15kV Deadend Insulators	Hubbell/Ohio Brass 4010150215	70	70	60	\$16.75	\$1,005.00
Oval Eye Nut 5/8"	Maclean J1092	30	30	30	\$2.05	\$61.50
Oval Eye Nut 3/4"	Maclean J1093	50	50	50	\$2.35	\$117.50
Angled Thimble eye bolt 3/4" x 18"	Maclean J8165	20	20	20	\$25.00	\$500.00
Ground Wire Clamps	NSI 500T	4	4	12	\$8.05	\$96.60
Shackle, 5/8"	Preformed Line Products AS-5L	20	20	20	\$13.50	\$270.00
Ground wire staples - large 1/4"	Staples - 1/4"	1000	1000	25	\$7.10	\$177.50
					Total	\$47,939.95

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Item 6.C.iv

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Item 6.C.iv – Approve Wesco Materials Purchase: Beltline Substation Project in the amount of \$30,544.18.

April 28th, 2026

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

RE: Item 6.C.iv – Approve Wesco Materials Purchase: Beltline Substation Project in the amount of \$30,544.18.

Dear Commissioners,

Staff is requesting Commission approval to purchase materials for our Beltline Substation Reconstruction Project. Quotes for substation materials were obtained from multiple vendors.

The proposed procurement is within the approved project budget, and current lead times support the project construction schedule.

Staff respectfully requests the Commission's authorization to proceed with material procurement of the Beltline Substation reconstruction materials from Wesco in the amount of \$30,544.18.

Thank you for your consideration.

Sincerely,



Paul Skubinna

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Item	Part Number	Quantity Total	Qty needed	Qty Quoted	Wesco Unit	Wesco total
Ground Wire	#2 7-strand SD Copper Ground wire, feet	1000	1000	1000	\$1.62	\$1,623.00
Ground Wire	4/0 19-strand SD Copper Ground wire, feet	2250	2250	2250	\$5.21	\$11,718.00
Wire	336.4 18/1 Merline ACSR, feet	2500	2500	2500	\$1.38	\$3,440.00
Straight Thimble eye bolt 3/4" x 12"	Allied 5814	20	20	30	\$15.65	\$469.50
Crossarm brace 60" x 18" drop	Aluma-Form RA 6018	20	20	20	\$29.08	\$581.60
336.4 ACSR Deadend Strain Clamp	Anderson ASOD6841N	50	50	50	\$18.39	\$919.50
Wedge Clamp - 336.4 ACSR to 4/0 CU	Burndy WCY56PB	30	30	30	\$35.97	\$1,079.10
2-hole lug - 1/0 AL	Burndy YA252N	10	10	10	\$6.73	\$67.30
2-hole lug - 350 MCM AL	Burndy YA312N	6	6	6	\$11.43	\$68.58
2-hole lug - 750 MCM AL	Burndy YA392N	36	36	36	\$23.04	\$829.44
15kV 200A Elbow Kit - 1/0 SOL AL 15kV	Elastimold 162LRJSB5230S	6	6	6	\$59.42	\$356.52
Elbow Arresters-10kV 200A LB	Elastimold 167ESA-10	15	15	15	\$110.70	\$1,660.50
Terminator Kit - 750 MCM AL 15kV	Elastimold R2T15J4	24	24	24	\$77.45	\$1,858.80
Terminator Kit - 1/0 MCM AL 35kV	Elastimold R2T35J2	2	2	2	\$108.21	\$216.42
Terminator Kit - 350 MCM AL 35kV	Elastimold R2T35J4	3	3	3	\$117.32	\$351.96
7/16" Preform	Hubbell FWDE1108	40	40	40	\$5.61	\$224.40
25kV Deadend Insulators	Hubbell/Ohio Brass 4010280215	40	40	40	\$17.97	\$718.80
Riser Arrester - 30kV	MacLean ZRP030-0000000	8	8	8	\$138.22	\$1,105.76
Strandwise - 7/16"	Maclean 5203	20	20	20	\$44.37	\$887.40
Riser Arresters-10kV	MacLean ZRP010-0000100	40	40	40	\$49.94	\$1,997.60
Ground wire staples - small 1/2"	Staples - 1/2"	1000	1000	1000	\$0.37	\$370.00
					Total	\$30,544.18

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Item 6.C.v

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Item 6.C.V – Approve Materials Purchase for Beltline Substation
Project Basic Concepts Inc. \$25,580.00

April 28th, 2026

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

RE: Item 6.C.V– Approve Materials Purchase for Beltline Substation Project Basic
Concepts Inc. \$25,580.00

Dear Commissioners;

Staff is requesting authorization to purchase spill containment and filtration component materials for oil filled equipment(voltage regulators + transformers) as part of the Beltline Substation Reconstruction Project.

The spill containment materials being procured are custom-engineered and designed to match the containment systems installed at our two substations constructed last year. Maintaining consistency across substation sites supports standardization of equipment, simplifies maintenance, and ensures uniform environmental protection across our system.

These materials are custom-fabricated and specified by professional engineering as part of the project design. Due to the specialized nature of this equipment and to duplicate existing installations, only one quote was obtained. The proposed procurement is from BCI (Basic Concepts, Inc.), the same vendor used on our previously constructed substation sites.

The spill containment and filtration systems will help ensure compliance with environmental requirements, improve operational reliability, and maintain internal system standards.

This procurement will bring us to \$1.3M of our \$2M project budget.

Staff respectfully requests the Commission’s authorization to proceed with the purchase.

Sincerely;



Luke J. Peterson

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Product Order Form

Justrite Safety Group

Date: 4/10/2026
 Sales Rep: Thom White
 Email: twhite@basicconcepts.com
 Cell: 812.525.0512

Purchase Order#

Bill To:		Ship To:	
Company:		Company:	Hibbing Public Utilities
Address:		Address:	TBD
C/S/ZIP:		C/S/ZIP:	
Rep:		Rep Phone #:	

Project:	Beltline Substation	QUOTE # 132-26045 LEAD TIME: 6 weeks from receipt of PO **QUOTATION ONLY--VALID FOR 30 DAYS**
Utility:	Hibbing Public Utilities	
Terms:	Net 30 upon approved credit, or payment in full at time of order by credit card (CC purchase subject to 4% fee).	

Qty	Item #	Description	Container Size	Weight	Unit Price	Extended
4	HFF4X12M	HFF Oil Stop Valve- 4" x 12"			\$ 1,576.00	\$ 6,304.00
2	BCI-PVL-BB	BCI Custom Polyvinyl/BB System	11' x 13' x 18"		\$ 6,322.00	\$ 12,644.00
1	BCI-PVL-BB	BCI Custom Polyvinyl/BB System	11' x 15' x 18"		\$ 6,632.00	\$ 6,632.00
NOTE-->	:::On-site supervision or installation is not included in this quote:::					
NOTE-->	:::HFF comes with a male NPT adaptor and two (2) pre-filters for maintenance needs:::					
NOTE-->	:::Containments will come as 1-piece units with no field seams required:::					

Subtotal	25,580.00
Shipping Estimate	TBD
TOTAL	TBD

Shipping Instructions/Notes:	
	Freight determined at the time of shipment by weight.
	Freight to be added to the final invoice.

Payment Method:	
VISA MC AmEx	**Please remit payment to the following mailing address: Basic Concepts, Inc. PO Box 207000 Dallas, TX 75320-7000
Card #	3 Digit Code:
Name	Billing zip:
Exp. Date	

NOTICE: CREDIT CARD PURCHASES WILL HAVE A 4% FEE ADDED TO THE INVOICE TOTAL.

Thank you for the opportunity to quote your project's needs!

We look forward to sewing you in the future!

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Item 6.D.i

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Item 6.D.i – Approve Purchase of AMI Gas Meters from Groebner in the Amount of, \$423,322.

April 28th, 2026

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

RE: Item 6.D.i - Approve Purchase of AMI Gas Meters from Groebner in the Amount of, \$423,322.

Dear Commissioners;

For your consideration we presenting a quote from Groebner for the purchase of 1534 gas meters for the remainder of our AMI project. This purchase would complete our inventory and allow us to finish the project by fall of 2026. The total amount for meters and associated supplies comes to \$432322.32. Groebner is a sole source supplier for these AMI meters. Please note lead time for these meters is up to 26 weeks.

Please see attached quote.

Thank you for your consideration.

Sincerely,



Paul Plombon
Energy & Operations Manager

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GROEBNER
 21801 INDUSTRIAL BLVD
 ROGERS, MN 55374-9575
 800-638-8322
www.groebner.com

Entered Date	Taken By	Sales In	Customer #	Order #
3/16/26	STD	106	242	146935-00
PO #		Sales Out	Expiration Date	Page #
		34	4/15/26	1 of 2

Bill To	Ship To
Hibbing Public Utilities 1902 6TH AVE E HIBBING, MN 55746-2154	Hibbing Public Utilities 1716 5TH AVE E HIBBING, MN 55746

Instructions

Ship Point	Via	Freight Terms	Terms	Ordered By
GROEBNER - MN Division	BEST WAY	Freight Added to Invoice	Net 30 Days	Steve Jespersen

Notes

Line	Product and Description	Order Qty	BO Qty	Qty UM	Unit Price	Price UM	Amount(Net)
1	QSS23R00XXXM SONIX IQ P2 250CF 10PSI RS/R FLXNT 20LT 1/4" PLG 1/4" Pipe Plug, VENDOR# QSS23R00XXXM00 ORDER SPEC ID 21090, CONFIG ID 27818 . * 163 IN STOCK AT THE KS WAREHOUSE, 1237 WOULD BE ON BACKORDER FOR AN ESTIMATED 24-26 WEEKS LEAD TIME, FROM THE MANUFACTURER *	1,400.00	0.0	EA	263.18	EA	368,452.00
2	QFS33R00XXXM SONIX IQ P2 425CF 10PSI RS/R FLXNT 30LT 1/4" PLG 1/4" Pipe Plug QFS33R00XXXM00 PRODUCT SPEC ID: 21092 CONFIG ID: 27820 * NOT IN STOCK WITH GROEBNER, 12-14 WEEK ESTIMATED LEAD TIME FROM THE MANUFACTURER *	134.00	0.0	EA	393.20	EA	52,688.80
3	015657 GASKET 30LT * 120 IN STOCK, REMAINING AMOUNT HAS A LEAD TIME OF 5-7 DAYS FROM THE MANUFACTURER *	536.00	0.0	EA	0.53	EA	284.08
4	SG30LT-NUT NUT SWIVEL 30LT BMI * 18 IN STOCK AT THE MN WAREHOUSE, 250 ON BACKORDER FROM THE MANUFACTURER FOR AN ESTIMATED 1-2 WEEKS *	268.00	0.0	EA	2.79	EA	747.72
5	SG30LT-NON SWIVEL 30LT x 1.25"MPT BMI NON-INS * 14 IN STOCK WITH GROEBNER, 254 WOULD BE ON BACKORDER FROM THE MANUFACTURER FOR 3-5 WEEKS AFTER RECEIVING THE ORDER * . * PLUS FREIGHT *	268.00	0.0	EA	4.29	EA	1,149.72

5	Lines Total	Total Order Quantity	2,606.00	Subtotal	423,322.32
				Taxes	0.00
				Total	423,322.32



Terms and Conditions governing this document can be found at:
www.groebner.com/terms-of-use



Item 6.D.ii

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Item 6.D.ii – Approve Request for Proposals 25-13; AMI Meter Installation for Gas Meters, to Tromco Electric in the Amount of, \$182,698

April 28th, 2026

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

RE: Item 6.D.ii - Approve Request for Proposals 25-13; AMI Meter Installation for Gas Meters, to Tromco Electric in the Amount of, \$182,698

Dear Commissioners,

For your consideration we presenting a proposal from Tromco Electric, LLC for the Request for Proposals 25-13 titled AMI Meter Installation for Gas Meters. Tromco was the sole bidder on the project with a total project cost of \$182,968.00. We are recommending to award RFP 25-13 to Tromco Electric for this amount.

Please see attached RFP documentation.

Thank you for your consideration.

Sincerely,



Paul Plombon
Energy & Operations Manager

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BID SECURITY FORM

Respondent Name: Address (<i>principal place of business</i>):	Surety Name: Address (<i>principal place of business</i>):
Owner Name: Hibbing Public Utilities Commission Address (<i>principal place of business</i>): 1902 E, 6th Avenue Hibbing, MN 55746	Proposal Project (<i>name and location</i>): AMI METER INSTALLATION FOR GAS METERS REQUEST FOR PROPOSAL #: 25-13 Proposal Due: April 07, 2026
Bond Penal Sum: Date of Bond:	
Surety and Respondent, intending to be legally bound hereby, subject to the terms set forth in this Proposal Bond, do each cause this Proposal Bond to be duly executed by an authorized officer, agent, or representative.	
Respondent _____ (<i>Full formal name of Respondent</i>)	Surety _____ (<i>Full formal name of Surety</i>) (<i>corporate seal</i>)
By: _____ (<i>Signature</i>)	By: _____ (<i>Signature</i>) (<i>Attach Power of Attorney</i>)
Name: _____ (<i>Printed or typed</i>)	Name: _____ (<i>Printed or typed</i>)
Title: _____	Title: _____
Attest: _____ (<i>Signature</i>)	Attest: _____ (<i>Signature</i>)
Name: _____ (<i>Printed or typed</i>)	Name: _____ (<i>Printed or typed</i>)
Title: _____	Title: _____
Notes: (1) Note: Addresses are to be used for giving any required notice. (2) Provide execution by any additional parties, such as joint ventures, if necessary.	

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1. Respondent and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to pay to Owner upon default of Respondent the penal sum set forth on the face of this Bond. Payment of the penal sum is the extent of Respondent's and Surety's liability. Recovery of such penal sum under the terms of this Bond will be Owner's sole and exclusive remedy upon default of Respondent.
2. Default of Respondent occurs upon the failure of Respondent to deliver within the time required by the Proposal Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Proposal Documents and any performance and payment bonds required by the Proposal Documents.
3. This obligation will be null and void if:
 - 3.1. Owner accepts Respondent's Proposal and Respondent delivers within the time required by the Proposal Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Proposal Documents and any performance and payment bonds required by the Proposal Documents, or
 - 3.2. All Proposals are rejected by Owner, or
 - 3.3. Owner fails to issue a Notice of Award to Respondent within the time specified in the Proposal Documents (or any extension thereof agreed to in writing by Respondent and, if applicable, consented to by Surety when required by Paragraph 5 hereof).
4. Payment under this Bond will be due and payable upon default of Respondent and within 30 calendar days after receipt by Respondent and Surety of written notice of default from Owner, which notice will be given with reasonable promptness, identifying this Bond and the Project and including a statement of the amount due.
5. Surety waives notice of any and all defenses based on or arising out of any time extension to issue Notice of Award agreed to in writing by Owner and Respondent, provided that the total time for issuing Notice of Award including extensions does not in the aggregate exceed 120 days from the Proposal due date without Surety's written consent.
6. No suit or action will be commenced under this Bond prior to 30 calendar days after the notice of default required in Paragraph 4 above is received by Respondent and Surety, and in no case later than one year after the Proposal due date.
7. Any suit or action under this Bond will be commenced only in a court of competent jurisdiction located in the state in which the Project is located.
8. Notices required hereunder must be in writing and sent to Respondent and Surety at their respective addresses shown on the face of this Bond. Such notices may be sent by personal delivery, commercial courier, or by United States Postal Service registered or certified mail, return receipt requested, postage pre-paid, and will be deemed to be effective upon receipt by the party concerned.
9. Surety shall cause to be attached to this Bond a current and effective Power of Attorney evidencing the authority of the officer, agent, or representative who executed this Bond on behalf of Surety to execute, seal, and deliver such Bond and bind the Surety thereby.
10. This Bond is intended to conform to all applicable statutory requirements. Any applicable requirement of any applicable statute that has been omitted from this Bond will be deemed to be included herein as if set forth at length. If any provision of this Bond conflicts with any applicable statute, then the provision of said statute governs and the remainder of this Bond that is not in conflict therewith continues in full force and effect.

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11. The term "Proposal" as used herein includes a Proposal, offer, Bid or proposal as applicable.

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Hibbing Public Utilities
December 2025

BID SECURITY FORM
PAGE 00 43 13-3

April 28th, 2026

Hibbing Public Utilities Commission

Page 177 of 292

RESPONSIBLE CONTRACTOR VERIFICATION AND CERTIFICATION OF COMPLIANCE

PRIME CONTRACTOR BID FORM ATTACHMENT

PROJECT NUMBER: 25-13

This form includes changes by statutory references from the Laws of Minnesota 2015, chapter 64, sections 1-9. This form must be submitted with the bid form submitted for this project. A bid form received without this form, may be rejected.

	Minn. Stat. § 16C.285, Subd. 7. IMPLEMENTATION. ... any prime contractor or subcontractor or motor carrier that does not meet the minimum criteria in subdivision 3 or fails to verify that it meets those criteria is not a responsible contractor and is not eligible to be awarded a construction contract for the project or to perform work on the project...
	Minn. Stat. § 16C.285, Subd. 3. RESPONSIBLE CONTRACTOR, MINIMUM CRITERIA. "Responsible contractor" means a contractor that conforms to the responsibility requirements in the solicitation document for its portion of the work on the project and verifies that it meets the following minimum criteria:
(1)	<p>The Contractor:</p> <ul style="list-style-type: none"> (i) is in compliance with workers' compensation and unemployment insurance requirements; (ii) is in compliance with Department of Revenue and Department of Employment and Economic Development registration requirements if it has employees; (iii) has a valid federal tax identification number or a valid Social Security number if an individual; and (iv) has filed a certificate of authority to transact business in Minnesota with the Secretary of State if a foreign corporation or cooperative.
(2)	<p>The contractor or related entity is in compliance with and, during the three-year period before submitting the verification, has not violated section 177.24, 177.25, 177.41 to 177.44, 181.03, 181.101, 181.13, 181.14, or 181.722, and has not violated United States Code, title 29, sections 201 to 219, or United States Code, title 40, sections 3141 to 3148. For purposes of this clause, a violation occurs when a contractor or related entity:</p> <ul style="list-style-type: none"> (i) repeatedly fails to pay statutorily required wages or penalties on one or more separate projects for a total underpayment of \$25,000 or more within the three-year period, provided that a failure to pay is "repeated" only if it involves two or more separate and distinct occurrences of underpayment during the three-year period; (ii) has been issued an order to comply by the commissioner of Labor and Industry that has become final; (iii) has been issued at least two determination letters within the three-year period by the Department of Transportation finding an underpayment by the contractor or related entity to its own employees; (iv) has been found by the commissioner of Labor and Industry to have repeatedly or willfully violated any of the sections referenced in this clause pursuant to section 177.27; (v) has been issued a ruling or findings of underpayment by the administrator of the Wage and Hour Division of the United States Department of Labor that have become final or have been upheld by an administrative law judge or the Administrative Review Board; or (vi) has been found liable for underpayment of wages or penalties or misrepresenting a construction worker as an independent contractor in an action brought in a court having jurisdiction. Provided that, if the contractor or related entity contests a determination of underpayment by the Department of Transportation in a contested

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	case proceeding, a violation does not occur until the contested case proceeding has concluded with a determination that the contractor or related entity underpaid wages or penalties; *
(3)	The contractor or related entity is in compliance with and, during the three-year period before submitting the verification, has not violated section 181.723 or chapter 326B. For purposes of this clause, a violation occurs when a contractor or related entity has been issued a final administrative or licensing order; *
(4)	The contractor or related entity has not, more than twice during the three-year period before submitting the verification, had a certificate of compliance under section 363A.36 revoked or suspended based on the provisions of section 363A.36, with the revocation or suspension becoming final because it was upheld by the Office of Administrative Hearings or was not appealed to the office; *
(5)	The contractor or related entity has not received a final determination assessing a monetary sanction from the Department of Administration or Transportation for failure to meet targeted group business, disadvantaged business enterprise, or veteran-owned business goals, due to a lack of good faith effort, more than once during the three-year period before submitting the verification; *
	*Any violations, suspensions, revocations, or sanctions, as defined in clauses (2) to (5), occurring prior to July 1, 2014, shall not be considered in determining whether a contractor or related entity meets the minimum criteria.
(6)	The contractor or related entity is not currently suspended or debarred by the federal government or the state of Minnesota or any of its departments, commissions, agencies, or political subdivisions that have authority to debar a contractor; and
(7)	All subcontractors and motor carriers that the contractor intends to use to perform project work have verified to the contractor through a signed statement under oath by an owner or officer that they meet the minimum criteria listed in clauses (1) to (6).

Minn. Stat. § 16C.285, Subd. 5. SUBCONTRACTOR VERIFICATION.

A prime contractor or subcontractor shall include in its verification of compliance under subdivision 4 a list of all of its first-tier subcontractors that it intends to retain for work on the project. Prior to execution of a construction contract, and as a condition precedent to the execution of a construction contract, the apparent successful prime contractor shall submit to the contracting authority a supplemental verification under oath confirming compliance with subdivision 3, clause (7). Each contractor or subcontractor shall obtain from all subcontractors with which it will have a direct contractual relationship a signed statement under oath by an owner or officer verifying that they meet all of the minimum criteria in subdivision 3 prior to execution of a construction contract with each subcontractor.

If a prime contractor or any subcontractor retains additional subcontractors on the project after submitting its verification of compliance, the prime contractor or subcontractor shall obtain verifications of compliance from each additional subcontractor with which it has a direct contractual relationship and shall submit a supplemental verification confirming compliance with subdivision 3, clause (7), within 14 days of retaining the additional subcontractors.

A prime contractor shall submit to the contracting authority upon request copies of the signed verifications of compliance from all subcontractors of any tier pursuant to subdivision 3, clause (7). A prime contractor and subcontractors shall not be responsible for the false statements of any subcontractor with which they do not have a direct contractual relationship. A prime contractor and subcontractors shall be responsible for false statements by their first-tier subcontractors with which they have a direct contractual relationship only if they accept the verification of compliance with actual knowledge that it contains a false statement.

Subd. 5a. Motor carrier verification. A prime contractor or subcontractor shall obtain annually from all motor carriers with which it will have a direct contractual relationship a signed statement under oath by an owner or officer verifying that they meet all of the minimum criteria in subdivision 3 prior to execution of a construction contract with each motor carrier. A prime contractor or subcontractor shall require each such motor carrier to provide it with immediate written notification in the event that the motor carrier no longer meets one or more of the minimum criteria in subdivision 3 after submitting its annual verification. A motor carrier shall be ineligible to perform work on a project

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covered by this section if it does not meet all the minimum criteria in subdivision 3. Upon request, a prime contractor or subcontractor shall submit to the contracting authority the signed verifications of compliance from all motor carriers providing for-hire transportation of materials, equipment, or supplies for a project.

Minn. Stat. § 16C.285, Subd. 4. VERIFICATION OF COMPLIANCE.

A contractor responding to a solicitation document of a contracting authority shall submit to the contracting authority a signed statement under oath by an owner or officer verifying compliance with each of the minimum criteria in subdivision 3, with the exception of clause (7), at the time that it responds to the solicitation document.

A contracting authority may accept a signed statement under oath as sufficient to demonstrate that a contractor is a responsible contractor and shall not be held liable for awarding a contract in reasonable reliance on that statement. A prime contractor, subcontractor, or motor carrier that fails to verify compliance with any one of the required minimum criteria or makes a false statement under oath in a verification of compliance shall be ineligible to be awarded a construction contract on the project for which the verification was submitted.

A false statement under oath verifying compliance with any of the minimum criteria may result in termination of a construction contract that has already been awarded to a prime contractor or subcontractor or motor carrier that submits a false statement. A contracting authority shall not be liable for declining to award a contract or terminating a contract based on a reasonable determination that the contractor failed to verify compliance with the minimum criteria or falsely stated that it meets the minimum criteria. A verification of compliance need not be notarized. An electronic verification of compliance made and submitted as part of an electronic bid shall be an acceptable verification of compliance under this section provided that it contains an electronic signature as defined in section 325L.02, paragraph (h).

CERTIFICATION

By signing this document, I certify that I am an owner or officer of the company, and I certify under oath that:

- 1) My company meets each of the Minimum Criteria to be a responsible contractor as defined herein and is in compliance with Minn. Stat. § 16C.285, and**
- 2) if my company is awarded a contract, I will submit Attachment A-1 prior to contract execution, and**
- 3) if my company is awarded a contract, I will also submit Attachment A-2 as required.**

Authorized Signature of Owner or Officer: <i>Daniel Murden</i>	Printed Name: Daniel Murden
Title: President	Date: 04/07/2026
Company Name: TROMCO ELECTRIC, LLC	

NOTE: Minn. Stat. § 16C.285, Subd. 2, (c) If only one prime contractor responds to a solicitation document, a contracting authority may award a construction contract to the responding prime contractor even if the minimum criteria in subdivision 3 are not met.

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BIDDER hereby submits this Bid as set forth above:

Bidder:

Tromco Electric, LLC

(typed or printed name of organization)

By: Daniel Murden

(individual's signature)

Name: Daniel Murden

(typed or printed)

Title: President

(typed or printed)

Date: 04/07/2026

(typed or printed)

If Bidder is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.

Attest:

(individual's signature)

Name:

(typed or printed)

Title:

(typed or printed)

Date:

(typed or printed)

Address for giving notices:

Bidder's Contact:

Name: Dan Murden

(typed or printed)

Title: President

(typed or printed)

Phone: 218-966-1599

Email: dan@tromcoelectric.com

Address:

1440 E 34TH ST HIBBING, MN 55746

Bidder's Contractor License No.: (if applicable) EA725194

Evaluation Options

- Show the engineer's estimate
- Do not highlight items
- Highlight items more or less than % of average
- Highlight items more or less than % of engineer's estimate

- Base Bid Totals
- Base + Sections Totals
- Details

- Sections shown in this color are not included in the Base Bid Total - *Mandatory* completion
- Sections shown in this color are not included in the Base Bid Total - *Optional* completion
- Sections shown in this color are fixed and cannot be edited by the bidder

					Tromco Electric, LLC	
					ONLINE	Docs
					Accepted	
Line Item	Item Code	Item Description	UofM	Quantity	Unit Price	Extension
[-] Base Bid Items						
1	1	100GM-A	EA	4125	\$38.00	\$156,750.00
2	2	100GM-B	EA	134	\$38.00	\$5,092.00
3	3	300GM	EA	325	\$38.00	\$12,350.00
4	4	500GM	EA	144	\$38.00	\$5,472.00
5	5	600GM	EA	8	\$38.00	\$304.00
6	6	Other Project Costs, including ALL labor, per diem, mobilization, equipment, supervision, reporting, testing and QA/QC as specified, also reflected as a per meter price.	LS	1	\$3,000.00	\$3,000.00
Base Bid Items Total:					\$182,968.00	
Base Bid Total:					\$182,968.00	



Item 6.D.iii

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Item 6.D.iii – Award Installation of Electric AMI Meters to Hunt Electric, in the Amount of, \$793,821.60.

April 28th, 2026

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

RE: Item 6.D.iii - Award Installation of Electric AMI Meters to Hunt Electric, in the Amount of, \$793,821.60.

Dear Commissioners,

For your consideration we presenting a bid from Hunt Electric for the installation of HPU's electric AMI meters. The previous awarded bidder for this project was unable to secure a performance bond to complete the project. Hunt's proposed base bid is \$793,821.60. Hunt was contacted and is still able to complete the work in the timeframe originally specified in the documents.

Please see attached RFP documentation.

Thank you for your consideration.

Sincerely,



Paul Plombon
Energy & Operations Manager

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HIBBING PUBLIC UTILITIES AMI METER INSTALLATIONS HIBBING, MN

Electrical Construction Proposal
January 16, 2026



EXECUTIVE SUMMARY

Advanced Meter Installation
Hibbing Public Utilities (HPU) is undertaking a critical system-wide meter installation initiative to support operational efficiency and long-term service reliability. With more than 6,000 meters to be installed and a defined implementation window, this project requires a contractor that can deliver on schedule, operate with an uncompromising commitment to safety, and bring proven experience working with utility partners of all sizes.

Our team is well-positioned to support HPU in successfully completing this effort.



Safety as a Core Value
Safety is foundational to how we operate—especially in live utility environments. Our crews are trained to work safely around energized systems and within public rights-of-way, following established utility standards, OSHA requirements, and project-specific safety protocols. We *prioritize job hazard analysis*, ongoing training, and a culture where safety is never secondary to speed. This commitment protects HPU and our crews.

Schedule-Driven Execution
HPU is working within a *firm installation window*, with **6,112 meters** required to be installed between *February 1 and August 30*. We understand the importance of maintaining momentum throughout this timeframe and the *risks associated with delays*. Our approach emphasizes *proactive planning*, scalable manpower, and clear communication to ensure consistent progress from project kickoff through final installation. Having *successfully executed time-sensitive utility projects* of similar scale, we are prepared to meet HPU’s schedule demands while minimizing disruption to customers and operations.

Utility Experience You Can Trust
We bring extensive experience partnering with utility providers on a wide range of projects, including *meter installation*, electric services, renewable energy, and substation-related work. Our team is accustomed to working within active utility environments and building collaborative relationships grounded in trust, *responsiveness*, and quality workmanship. We have successfully supported both large utility providers and smaller municipal utilities, allowing us to adapt our approach to meet each organization’s unique needs, resources, and operational requirements.

- Representative Utility Clients Include:**
- Lake Country Power
 - Minnesota Power
 - Hibbing Public Utilities Commission (HPUC)
 - Virginia Public Utilities Commission (VPUC)
 - Mille Lacs Energy Cooperative

In the pages ahead, our proposal will walk you through our team and the requirements requested by the RFP—demonstrating why Hunt Electric is the right partner to bring this project to life.

Lyssa Goranson • Business Development
218-940-1709 • lgoranson@huntelec.com

WE'VE GOT THE CREW

POWERED BY EXCELLENCE: TWO EXPERTS, ONE WINNING SOLUTION.



PAT SHEVICH FOREMAN

Pat brings extensive experience in the electrical industry, with a strong background in commercial, institutional, healthcare, and utility projects

throughout northern Minnesota. As a journeyman electrician and experienced foreman, he provides boots-on-the-ground leadership by overseeing field staff and coordinating daily activities to ensure work is completed safely, efficiently, and in alignment with schedule and budget goals.

PROJECT EXPERIENCE:

- Hibbing Public Utilities Power Plant - Fire Detection and Monitoring System
- St. Louis County Maintenance Facility
- St. Louis County Court Room Remodels - Hibbing, MN + Virginia, MN
- Uptown Virginia Mall LED Lighting Retrofit
- Essentia Health Hospital Room Remodels
- MN Veterans Home
- Nashwauk-Keewatin School



BRIAN HANSON JOURNEYMAN

Brian brings nearly 30 years of experience as a service electrician, working across a wide variety of facilities and project types that require quick response and strong

problem-solving skills. As a licensed Minnesota Class A Journeyworker and long-tenured member of the service department, he provides dependable troubleshooting, maintenance, and upgrade support while prioritizing safety, efficiency, and minimal disruption to client operations.

PROJECT EXPERIENCE:

- 2000 - Present: Hunt Electric Service Department
- North Koochiching County Waste Water Treatment Plant Upgrade
- Delta Airline Chisholm Remodel
- St. Louis County Maintenance Building





4330 West 1st Street, Suite B
Duluth, MN 55807
218-628-3323

January 16, 2026

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

Phone: 218-262-7700
Email: jill.Hietala@hpuc.com

RE: Hibbing Public Utilities AMI Meter Installations

Estimator,

Hunt Electric is pleased to provide you with the following pricing for the Hibbing Public Utilities AMI Meter Installations.

BASE BID: \$793,821.60 (SEVEN HUNDRED NINETY-THREE THOUSAND EIGHT HUNDRED TWENTY ONE DOLLARS SIXTY CENTS)

CLARIFICATIONS AND EXCLUSIONS:

- This proposal is based on work occurring during normal working hours 7:00 A.M. – 3:30 P.M.
- This proposal includes a standard 1-year warranty.
- Merchant fees will be added to the invoice if payment is made via credit card.
- Hunt Electric will have unrestricted access to HPU's warehouse and/or building space for organizing and preparing.
- HPU will furnish technology device(s) with Flexnet software installed for Hunt Electric to use.
- Hunt Electric will provide notification announcement for HPU to include in customer mailers regarding meter replacement.
- HPU will provide disposal of old meters.
- Our work schedule is based on the schedule identified in the RFP, Work shall not begin before February 01, 2026, and shall be completed on or before August 30, 2026, unless otherwise approved by HPU. The Contractor shall adhere to the established timeline and provide weekly progress updates.'

We acknowledge (1) addendums.

Please, contact me with any questions you may have at (218) 310-2543.

Sincerely,

HUNT ELECTRIC CORPORATION

A handwritten signature in black ink, appearing to read 'Lyssa Goranson'.

Lyssa Goranson
Estimator
Hunt Electric – North Division
LG/sd

RESPONSIBLE CONTRACTOR VERIFICATION AND CERTIFICATION OF COMPLIANCE

PRIME CONTRACTOR BID FORM ATTACHMENT

PROJECT NUMBER: 25-09

This form includes changes by statutory references from the Laws of Minnesota 2015, chapter 64, sections 1-9. This form must be submitted with the bid form submitted for this project. A bid form received without this form, may be rejected.

	<p>Minn. Stat. § 16C.285, Subd. 7. IMPLEMENTATION. ... any prime contractor or subcontractor ... or motor carrier that does not meet the minimum criteria in subdivision 3 or fails to verify that it meets those criteria is not a responsible contractor and is not eligible to be awarded a construction contract for the project or to perform work on the project...</p>
	<p>Minn. Stat. § 16C.285, Subd. 3. RESPONSIBLE CONTRACTOR, MINIMUM CRITERIA. "Responsible contractor" means a contractor that conforms to the responsibility requirements in the solicitation document for its portion of the work on the project and verifies that it meets the following minimum criteria:</p>
(1)	<p>The Contractor:</p> <ul style="list-style-type: none"> (i) is in compliance with workers' compensation and unemployment insurance requirements; (ii) is in compliance with Department of Revenue and Department of Employment and Economic Development registration requirements if it has employees; (iii) has a valid federal tax identification number or a valid Social Security number if an individual; and (iv) has filed a certificate of authority to transact business in Minnesota with the Secretary of State if a foreign corporation or cooperative.
(2)	<p>The contractor or related entity is in compliance with and, during the three-year period before submitting the verification, has not violated section 177.24, 177.25, 177.41 to 177.44, 181.03, 181.101, 181.13, 181.14, or 181.722, and has not violated United States Code, title 29, sections 201 to 219, or United States Code, title 40, sections 3141 to 3148. For purposes of this clause, a violation occurs when a contractor or related entity:</p> <ul style="list-style-type: none"> (i) repeatedly fails to pay statutorily required wages or penalties on one or more separate projects for a total underpayment of \$25,000 or more within the three-year period, provided that a failure to pay is "repeated" only if it involves two or more separate and distinct occurrences of underpayment during the three-year period; (ii) has been issued an order to comply by the commissioner of Labor and Industry that has become final; (iii) has been issued at least two determination letters within the three-year period by the Department of Transportation finding an underpayment by the contractor or related entity to its own employees; (iv) has been found by the commissioner of Labor and Industry to have repeatedly or willfully violated any of the sections referenced in this clause pursuant to section 177.27; (v) has been issued a ruling or findings of underpayment by the administrator of the Wage and Hour Division of the United States Department of Labor that have become final or have been upheld by an administrative law judge or the Administrative Review Board; or (vi) has been found liable for underpayment of wages or penalties or misrepresenting a construction worker as an independent contractor in an action brought in a court having jurisdiction. Provided that, if the contractor or related entity contests a determination of underpayment by the Department of Transportation in a contested

This document is a MODIFIED version of the MnDOT Responsible Contractor Verification and Certification of Compliance form

	case proceeding, a violation does not occur until the contested case proceeding has concluded with a determination that the contractor or related entity underpaid wages or penalties; *
(3)	The contractor or related entity is in compliance with and, during the three-year period before submitting the verification, has not violated section 181.723 or chapter 326B. For purposes of this clause, a violation occurs when a contractor or related entity has been issued a final administrative or licensing order; *
(4)	The contractor or related entity has not, more than twice during the three-year period before submitting the verification, had a certificate of compliance under section 363A.36 revoked or suspended based on the provisions of section 363A.36, with the revocation or suspension becoming final because it was upheld by the Office of Administrative Hearings or was not appealed to the office; *
(5)	The contractor or related entity has not received a final determination assessing a monetary sanction from the Department of Administration or Transportation for failure to meet targeted group business, disadvantaged business enterprise, or veteran-owned business goals, due to a lack of good faith effort, more than once during the three-year period before submitting the verification; *
	*Any violations, suspensions, revocations, or sanctions, as defined in clauses (2) to (5), occurring prior to July 1, 2014, shall not be considered in determining whether a contractor or related entity meets the minimum criteria.
(6)	The contractor or related entity is not currently suspended or debarred by the federal government or the state of Minnesota or any of its departments, commissions, agencies, or political subdivisions that have authority to debar a contractor; and
(7)	All subcontractors and motor carriers that the contractor intends to use to perform project work have verified to the contractor through a signed statement under oath by an owner or officer that they meet the minimum criteria listed in clauses (1) to (6).

Minn. Stat. § 16C.285, Subd. 5. SUBCONTRACTOR VERIFICATION.

A prime contractor or subcontractor shall include in its verification of compliance under subdivision 4 a list of all of its first-tier subcontractors that it intends to retain for work on the project. Prior to execution of a construction contract, and as a condition precedent to the execution of a construction contract, the apparent successful prime contractor shall submit to the contracting authority a supplemental verification under oath confirming compliance with subdivision 3, clause (7). Each contractor or subcontractor shall obtain from all subcontractors with which it will have a direct contractual relationship a signed statement under oath by an owner or officer verifying that they meet all of the minimum criteria in subdivision 3 prior to execution of a construction contract with each subcontractor.

If a prime contractor or any subcontractor retains additional subcontractors on the project after submitting its verification of compliance, the prime contractor or subcontractor shall obtain verifications of compliance from each additional subcontractor with which it has a direct contractual relationship and shall submit a supplemental verification confirming compliance with subdivision 3, clause (7), within 14 days of retaining the additional subcontractors.

A prime contractor shall submit to the contracting authority upon request copies of the signed verifications of compliance from all subcontractors of any tier pursuant to subdivision 3, clause (7). A prime contractor and subcontractors shall not be responsible for the false statements of any subcontractor with which they do not have a direct contractual relationship. A prime contractor and subcontractors shall be responsible for false statements by their first-tier subcontractors with which they have a direct contractual relationship only if they accept the verification of compliance with actual knowledge that it contains a false statement.

Subd. 5a. Motor carrier verification. A prime contractor or subcontractor shall obtain annually from all motor carriers with which it will have a direct contractual relationship a signed statement under oath by an owner or officer verifying that they meet all of the minimum criteria in subdivision 3 prior to execution of a construction contract with each motor carrier. A prime contractor or subcontractor shall require each such motor carrier to provide it with immediate written notification in the event that the motor carrier no longer meets one or more of the minimum criteria in subdivision 3 after submitting its annual verification. A motor carrier shall be ineligible to perform work on a project covered by this section if it does not meet all the minimum criteria in subdivision 3. Upon request, a prime contractor

or subcontractor shall submit to the contracting authority the signed verifications of compliance from all motor carriers providing for-hire transportation of materials, equipment, or supplies for a project.

Minn. Stat. § 16C.285, Subd. 4. **VERIFICATION OF COMPLIANCE.**

A contractor responding to a solicitation document of a contracting authority shall submit to the contracting authority a signed statement under oath by an owner or officer verifying compliance with each of the minimum criteria in subdivision 3, with the exception of clause (7), at the time that it responds to the solicitation document.

A contracting authority may accept a signed statement under oath as sufficient to demonstrate that a contractor is a responsible contractor and shall not be held liable for awarding a contract in reasonable reliance on that statement. A prime contractor, subcontractor, or motor carrier that fails to verify compliance with any one of the required minimum criteria or makes a false statement under oath in a verification of compliance shall be ineligible to be awarded a construction contract on the project for which the verification was submitted.

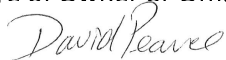
A false statement under oath verifying compliance with any of the minimum criteria may result in termination of a construction contract that has already been awarded to a prime contractor or subcontractor or motor carrier that submits a false statement. A contracting authority shall not be liable for declining to award a contract or terminating a contract based on a reasonable determination that the contractor failed to verify compliance with the minimum criteria or falsely stated that it meets the minimum criteria. A verification of compliance need not be notarized. An electronic verification of compliance made and submitted as part of an electronic bid shall be an acceptable verification of compliance under this section provided that it contains an electronic signature as defined in section 325L.02, paragraph (h).

CERTIFICATION

By signing this document, I certify that I am an owner or officer of the company, and I certify under oath that:

- 1) My company meets each of the Minimum Criteria to be a responsible contractor as defined herein and is in compliance with Minn. Stat. § 16C.285, and**
- 2) if my company is awarded a contract, I will submit Attachment A-1 prior to contract execution, and**
- 3) if my company is awarded a contract, I will also submit Attachment A-2 as required.**

Authorized Signature of Owner or Officer:



Printed Name:

David Pearce

Title:

Branch Manager - Duluth

Date:

January 16, 2026

Company Name:

Hunt Electric Corporation

NOTE: Minn. Stat. § 16C.285, Subd. 2, (c) If only one prime contractor responds to a solicitation document, a contracting authority may award a construction contract to the responding prime contractor even if the minimum criteria in subdivision 3 are not met.

****END OF SECTION****

This document is a MODIFIED version of the MnDOT Responsible Contractor Verification and Certification of Compliance form

Hibbing Public Utilities

RESPONSIBLE CONTRACTOR VERIFICATION AND
CERTIFICATION OF COMPLIANCE

December 2025

PAGE 00 45 11-3

BIDDER hereby submits this Bid as set forth above:

Bidder: **Hunt Electric Corporation**

(typed or printed name of organization)

By: David Pearce
(individual's signature)

Name: David Pearce
(typed or printed)

Title: Branch Manager - Duluth
(typed or printed)

Date: January 16, 2026
(typed or printed)

If Bidder is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.

Attest: Sam Dammer
(individual's signature)

Name: Sam Dammer
(typed or printed)

Title: Project Assistan
(typed or printed)

Date: 1/15/26
(typed or printed)

Address for giving notices:

4330 West 1st St, Ste B, Duluth MN 55807

Bidder's Contact:

Name: Lyssa Goranson
(typed or printed)

Title: Business Development & Pre-Construction Manager
(typed or printed)

Phone: 218-940-1709

Email: lgoranson@huntelec.com

Address: Hunt Electric
4330 W 1st Street
Duluth MN, 55807

Bidder's Contractor License No.: (if applicable) EA000883 (MN)



HUNT ELECTRIC CORPORATION

OFFICERS OF THE COMPANY AND BOARD OF DIRECTORS

The Hunt Electric Corporation Board of Directors has approved the election of the following list of employees as Officers of the Company, Board of Directors and Authorized Signers.

OFFICERS OF THE COMPANY

John Axelson	President and Chief Executive Officer
Ron Somerville	Chief Financial Officer, Treasurer
Keith Colvard	Chief Operating Officer
Kyle Vevea	Chief Marketing Officer
Barry Doerscher	Chief Information Officer
Aaron Gunderson	Vice President, Special Services, Secretary
Matt Myers	Vice President, Limited Energy

BOARD OF DIRECTORS

Mike Hanson	Chairman of the Board
John Axelson	President and Chief Executive Officer
Ron Somerville	Chief Financial Officer and Corporate Treasurer
Tim Holmberg	Senior Vice President, Operations (Retired)
Mike McPhee	External Board of Directors, President and CEO of Phalcon Ltd.
Bret Weiss	External Board of Directors, President and CEO of WSB
Marian Briggs	External Board of Directors, Communications Consultant (Retired)

AUTHORIZED SIGNERS

Brent Morey	Branch Manager, Rochester
David Pearce	Branch Manager, Duluth
Jake Hepfler	Branch Manager, Chippewa Falls
Josh Olson	Branch Manager, Hudson
Norm Motter	Branch Manager, Minot

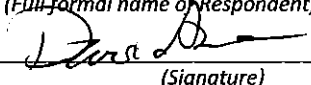

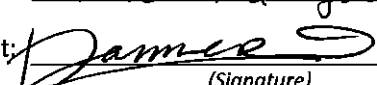

ATTESTED BY:

Aaron Gunderson
Vice President and Corporate Secretary
Hunt Electric Corporation
7900 Chicago Avenue Bloomington, MN 55420
State of Incorporation: Minnesota



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BID SECURITY FORM

Respondent Name: Hunt Electric Corporation Address (principal place of business): 4330 West 1st Street Suite B Duluth, MN 55807	Surety Name: Western Surety Company Address (principal place of business): 151 N. Franklin Street Chicago, IL 60606
Owner Name: Hibbing Public Utilities Commission Address (principal place of business): 1902 E, 6th Avenue Hibbing, MN 55746	Proposal Project (name and location): AMI METER INSTALLATION ~ ELECTRIC METERING REQUEST FOR PROPOSAL #: 25-09 Proposal Due January 16, 2026
Bond Penal Sum: Five Percent of the Total Amount Bid -----(----5%----) Date of Bond: January 16, 2026	
Surety and Respondent, intending to be legally bound hereby, subject to the terms set forth in this Proposal Bond, do each cause this Proposal Bond to be duly executed by an authorized officer, agent, or representative.	
Respondent Hunt Electric Corporation <i>(Full formal name of Respondent)</i>	Surety Western Surety Company <i>(Full formal name of Surety) (Corporate Seal)</i>
By:  <i>(Signature)</i>	By:  <i>(Signature) (Attach Power of Attorney)</i>
Name: David Pearce <i>(Printed or typed)</i>	Name: Mary Jo Dingwall <i>(Printed or typed)</i>
Title: Branch Manager	Title: Attorney-In-Fact
Attest:  <i>(Signature)</i>	Witness:  <i>(Signature)</i>
Name: Sam Dammer <i>(Printed or typed)</i>	Name: Lindsay Scanlon <i>(Printed or typed)</i>
Title: Project Assistant	Title: N/A
Notes: (1) Note: Addresses are to be used for giving any required notice. (2) Provide execution by any additional parties, such as joint ventures, if necessary.	

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1. Respondent and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to pay to Owner upon default of Respondent the penal sum set forth on the face of this Bond. Payment of the penal sum is the extent of Respondent's and Surety's liability. Recovery of such penal sum under the terms of this Bond will be Owner's sole and exclusive remedy upon default of Respondent.
2. Default of Respondent occurs upon the failure of Respondent to deliver within the time required by the Proposal Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Proposal Documents and any performance and payment bonds required by the Proposal Documents.
3. This obligation will be null and void if:
 - 3.1. Owner accepts Respondent's Proposal and Respondent delivers within the time required by the Proposal Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Proposal Documents and any performance and payment bonds required by the Proposal Documents, or
 - 3.2. All Proposals are rejected by Owner, or
 - 3.3. Owner fails to issue a Notice of Award to Respondent within the time specified in the Proposal Documents (or any extension thereof agreed to in writing by Respondent and, if applicable, consented to by Surety when required by Paragraph 5 hereof).
4. Payment under this Bond will be due and payable upon default of Respondent and within 30 calendar days after receipt by Respondent and Surety of written notice of default from Owner, which notice will be given with reasonable promptness, identifying this Bond and the Project and including a statement of the amount due.
5. Surety waives notice of any and all defenses based on or arising out of any time extension to issue Notice of Award agreed to in writing by Owner and Respondent, provided that the total time for issuing Notice of Award including extensions does not in the aggregate exceed 120 days from the Proposal due date without Surety's written consent.
6. No suit or action will be commenced under this Bond prior to 30 calendar days after the notice of default required in Paragraph 4 above is received by Respondent and Surety, and in no case later than one year after the Proposal due date.
7. Any suit or action under this Bond will be commenced only in a court of competent jurisdiction located in the state in which the Project is located.
8. Notices required hereunder must be in writing and sent to Respondent and Surety at their respective addresses shown on the face of this Bond. Such notices may be sent by personal delivery, commercial courier, or by United States Postal Service registered or certified mail, return receipt requested, postage pre-paid, and will be deemed to be effective upon receipt by the party concerned.
9. Surety shall cause to be attached to this Bond a current and effective Power of Attorney evidencing the authority of the officer, agent, or representative who executed this Bond on behalf of Surety to execute, seal, and deliver such Bond and bind the Surety thereby.
10. This Bond is intended to conform to all applicable statutory requirements. Any applicable requirement of any applicable statute that has been omitted from this Bond will be deemed to be included herein as if set forth at length. If any provision of this Bond conflicts with any applicable statute, then the provision of said statute governs and the remainder of this Bond that is not in conflict therewith continues in full force and effect.

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11. The term "Proposal" as used herein includes a Proposal, offer, Bid or proposal as applicable.

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Hibbing Public Utilities
December 2025

BID SECURITY FORM
PAGE 00 43 13-3

April 28th, 2026

Hibbing Public Utilities Commission

Page 199 of 292

Exhibit 01: Quest Bid Worksheet

					Iron Range Electric LLC		Hunt Electric Duluth		Core and Main LP	
					ONLINE	Docs	ONLINE	Docs	ONLINE	Docs
					Accepted		Accepted		Accepted	
Line Item	Item Code	Item Description	UofM	Quantity	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
<input type="checkbox"/> Base Bid Title										
1	1	1SRD	EA	1	\$48.33	\$48.33	\$124.80	\$124.80	\$165.00	\$165.00
2	2	2SRD	EA	5100	\$48.33	\$246,498.30	\$124.80	\$636,480.00	\$165.00	\$841,500.00
3	3	2SE	EA	1	\$48.33	\$48.33	\$124.80	\$124.80	\$165.00	\$165.00
4	4	3S	EA	100	\$48.33	\$4,833.00	\$124.80	\$12,480.00	\$165.00	\$16,500.00
5	5	4S	EA	20	\$48.33	\$966.60	\$124.80	\$2,496.00	\$165.00	\$3,300.00
6	6	25S	EA	700	\$48.33	\$33,831.00	\$156.00	\$109,200.00	\$230.00	\$161,000.00
7	7	9S	EA	150	\$48.33	\$7,249.50	\$171.60	\$25,740.00	\$320.00	\$48,000.00
8	8	12S	EA	20	\$48.33	\$966.60	\$187.20	\$3,744.00	\$190.00	\$3,800.00
9	9	16S	EA	20	\$48.33	\$966.60	\$171.60	\$3,432.00	\$320.00	\$6,400.00
10	10	Other Project Costs, including ALL labor, per diem, mobilization, equipment, supervision, reporting, testing and QA/QC as specified, also reflected as a per meter price.	LS	1	\$48.33	\$48.33	\$0.00		\$10,000.00	\$10,000.00
Base Bid Title Total:					\$295,456.59		\$793,821.60		\$1,090,830.00	
Base Bid Total:					\$295,456.59		\$793,821.60		\$1,090,830.00	



Item 6.E.i

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Item 6.E.i – Approve Bids & Award Construction Contract: 23rd
Street Water and Steam Improvements - Phase 2 to Bougalis Inc.
in the amount of \$2,334,675.05 (OF0002.2)

April 28th, 2026

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

RE: Item 6.E.i - Approve Bids & Award Construction Contract: 23rd Street Water and Steam Improvements - Phase 2 to Bougalis Inc. in the amount of \$2,334,675.05 (OF0002.2)

Dear Commissioners;

This agenda item requests action on awarding contract to Bougalis, Inc. in the for construction of the 23rd Street Water and Steam Improvements Phase 2 (OF0002.2).

The project includes replacement of existing water main along E 23rd Street between 11th Ave E and Th 169, the replacement of existing watermain across E 23rd Street at 10th Avenue E, and the extension of new watermain along TH169 to existing watermain crossing TH 169 north of E 23rd Street. Also included is the replacement and rehabilitation of existing steam infrastructure crossing E 23rd Street at Brooklyn Drive and along the south side of E 23rd Street. This project is the second phase of the E 23rd Street improvement project completed in collaboration with the City of Hibbing. The City of Hibbing will again be the lead agency for the project that will include the reconstruction of E 23rd Street from 9th Avenue E to TH 169.

Bids for the 23rd Street project were opened and tabulated on April 7, 2026. Total bids were \$2,334,675.05 and \$2,337,661.00 with an additive alternative for steam vault maintenance in the amount of \$92,280.00 and 103,773.00, respectively (see enclosed bid tabulation and recommendation from Bolton and Menk). Bougalis Inc. was the lowest bidder. Staff finds Bougalis, Inc's bid to be complete and responsive, and finds Bougalis to be qualified and capable to perform the required work. HPU's portion of the lowest base bid is \$1,353,876.30. Bougalis also gave the lowest additive alternative bid of \$92,280.00. Bids were 11% less than our Engineer's estimate putting this project well on track to be completed on or below budget.

Staff recommends support for awarding the construction contract to Bougalis, including the additive alternative, in the amount of \$2,426,955.05, resulting in a total HPU commitment of \$1,446,156.30.

Sincerely;



Paul Skubinna

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Real People. Real Solutions.

301 E Howard Street
Suite 26
Hibbing, MN 55746
Phone: (218) 231-0018
Bolton-Menk.com

April 10, 2026

Hibbing Public Utilities Commission
Paul Skubinna, PE, MS
Engineering Manager
1902 E. 6th Ave
Hibbing, MN 55746

RE: 2026 Capital Watermain Improvements – 23rd Street Project Phase II
Hibbing Public Utilities Commission
BMI Project No. 25X.141776.000

Dear Mr. Skubinna,

Bids were received and opened by the City of Hibbing at City Hall on Tuesday April 7, 2026, at 10:00 am for the project referenced above. Two bids were received, and the results of the bids are tabulated below:

2025 Capital Watermain Improvements – 23rd Street Project	
Contractor	Bid Amount
KGM Contractors – Base Bid	\$2,337,661.00
KGM Contractors – Add Alt 1	\$103,773.00
Total Bid	\$2,441,434.00
Bougalis, Inc. – Base Bid	\$2,334,675.05
Bougalis, Inc. – Add Alt 1	\$92,280.00
Total Bid	\$2,426,955.05
Engineers Estimate	\$2,733,673.80

The lowest bid received for the project was Bougalis Inc. of Hibbing, MN. The bid received is approximately 11.22% below the Engineer’s Estimate. A detailed bid abstract of all the bids and the engineer’s estimate is attached for your review.

This project is a joint project between the City of Hibbing and Hibbing Public Utilities Commission. The approximate cost breakdown is as follows based on the apparent low bidder.

City of Hibbing - \$1,073,078.75
Hibbing Public Utilities Commission Base Bid - \$1,353,876.30
Hibbing Public Utilities Commission Add Alt 1 - \$92,280.00
Hibbing Public Utilities Commission Total Bid - \$1,446,156.30



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Suite 26
Hibbing, MN 55746

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

Based on past performance on similar projects in previous years, it is our opinion that Bougalis, Inc. is qualified to perform the work required under this contract. If deemed financially feasible, it is recommended that HPU support the City of Hibbing in awarding the contract to Bougalis, Inc. based on the bid contract along with the Add Alt 1 amount of \$2,426,955.05.

Add Alternate 1 is being proposed in the event that additional repair of the steam vault walls is deemed necessary by the engineer once vault covers are removed. Potential additional work associated with this work is to be paid for under the Add Alternate 1 unit pricing.

Sincerely,

Bolton & Menk, Inc.

Andy Brotzler, P.E (MN).

Municipal Senior Project Manager

Enclosure

BID TABULATION

2026 EAST 23RD STREET PROJECT - SAP 131-185-010

LINE NO.	SPEC NO.	ITEM DESCRIPTION	UNIT OF MEASURE	QUANTITY	ENGINEERS		BOUGALIS INC.		KGM CONTRACTORS	
					ESTIMATE		BID		BID	
					UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	2021.501	MOBILIZATION	L.S.	1.00	\$125,000.00	\$ 125,000.00	\$ 90,000.00	\$ 90,000.00	\$ 122,000.00	\$ 122,000.00
2	2051.501	MAINTENANCE AND RESTORATION OF HAUL ROADS	L.S.	1.00	\$4,000.00	\$ 4,000.00	\$ 3,000.00	\$ 3,000.00	\$ 1,200.00	\$ 1,200.00
3	2101.502	CLEARING	EACH	9.00	\$1,000.00	\$ 9,000.00	\$ 1,200.00	\$ 10,800.00	\$ 415.00	\$ 3,735.00
4	2101.502	GRUBBING	EACH	9.00	\$1,000.00	\$ 9,000.00	\$ 600.00	\$ 5,400.00	\$ 555.00	\$ 4,995.00
5	2104.502	SALVAGE SIGN	EACH	21.00	\$200.00	\$ 4,200.00	\$ 50.00	\$ 1,050.00	\$ 55.00	\$ 1,155.00
6	2104.502	REMOVE HYDRANT	EACH	2.00	\$800.00	\$ 1,600.00	\$ 800.00	\$ 1,600.00	\$ 1,300.00	\$ 2,600.00
7	2104.502	REMOVE GATE VALVE AND BOX	EACH	8.00	\$750.00	\$ 6,000.00	\$ 600.00	\$ 4,800.00	\$ 1,300.00	\$ 10,400.00
8	2104.502	SALVAGE 6" GATE VALVE AND BOX	EACH	1.00	\$450.00	\$ 450.00	\$ 1,200.00	\$ 1,200.00	\$ 1,300.00	\$ 1,300.00
9	2104.502	REMOVE DRAINAGE STRUCTURE	EACH	1.00	\$700.00	\$ 700.00	\$ 1,300.00	\$ 1,300.00	\$ 800.00	\$ 800.00
10	2104.503	REMOVE WATERMAIN	L.F.	423.00	\$12.00	\$ 5,076.00	\$ 10.00	\$ 4,230.00	\$ 15.00	\$ 6,345.00
11	2104.503	REMOVE SEWER PIPE (STORM)	L.F.	50.00	\$15.00	\$ 750.00	\$ 40.00	\$ 2,000.00	\$ 15.00	\$ 750.00
12	2104.503	SWING BITUMINOUS PAVEMENT (FULL DEPTH)	L.F.	1119.00	\$5.00	\$ 5,595.00	\$ 3.50	\$ 3,916.50	\$ 5.65	\$ 6,322.35
13	2104.503	SAWING REINFORCED CONCRETE VAULT STRUCTURE	L.F.	224.00	\$15.00	\$ 3,360.00	\$ 40.00	\$ 8,960.00	\$ 45.00	\$ 10,080.00
14	2104.503	REMOVE CURB & GUTTER	L.F.	3603.00	\$8.00	\$ 28,824.00	\$ 8.00	\$ 28,824.00	\$ 3.85	\$ 13,871.55
15	2104.518	REMOVE CONCRETE WALK	S.F.	16831.00	\$3.00	\$ 50,493.00	\$ 1.50	\$ 25,246.50	\$ 1.55	\$ 26,088.05
16	2104.504	REMOVE CONCRETE DRIVEWAY PAVEMENT	S.Y.	178.00	\$25.00	\$ 4,450.00	\$ 18.00	\$ 3,204.00	\$ 22.00	\$ 3,916.00
17	2104.504	REMOVE BITUMINOUS PAVEMENT	S.Y.	8394.00	\$6.00	\$ 50,364.00	\$ 2.50	\$ 20,985.00	\$ 2.10	\$ 17,627.40
18	2104.504	REMOVE CONCRETE PAVEMENT	S.Y.	500.00	\$20.00	\$ 10,000.00	\$ 12.50	\$ 6,250.00	\$ 15.50	\$ 7,750.00
19	2104.618	REMOVE REINFORCED CONCRETE VAULT COVER	S.F.	604.00	\$5.00	\$ 3,020.00	\$ 23.00	\$ 13,892.00	\$ 15.60	\$ 9,422.40
20	2104.618	REMOVE REINFORCED CONCRETE VAULT WALL	S.F.	12.00	\$8.00	\$ 96.00	\$ 23.00	\$ 276.00	\$ 200.00	\$ 2,400.00
21	2106.507	EXCAVATION - COMMON (P)	C.Y.	5485.00	\$18.00	\$ 98,730.00	\$ 14.00	\$ 76,790.00	\$ 16.15	\$ 88,582.75
22	2106.507	EXCAVATION - SUBGRADE	C.Y.	650.00	\$28.00	\$ 18,200.00	\$ 16.00	\$ 10,400.00	\$ 18.00	\$ 11,700.00
23	2106.507	STABILIZING AGGREGATE (CV)	C.Y.	650.00	\$55.00	\$ 35,750.00	\$ 55.00	\$ 35,750.00	\$ 20.00	\$ 13,000.00
24	2106.507	SELECT GRANULAR BORROW (CV)	C.Y.	2800.00	\$30.00	\$ 84,000.00	\$ 28.00	\$ 78,400.00	\$ 28.50	\$ 79,800.00
25	2106.601	DEWATERING	L.S.	1.00	\$20,000.00	\$ 20,000.00	\$ 8,500.00	\$ 8,500.00	\$ 5,700.00	\$ 5,700.00
26	2106.602	EXPLORATORY EXCAVATION - POTHOLE UTILITIES	HOUR	40.00	\$750.00	\$ 30,000.00	\$ 350.00	\$ 14,000.00	\$ 405.00	\$ 16,200.00
27	2106.61	EXCAVATION EXPLORATORY	HOUR	20.00	\$1,100.00	\$ 22,000.00	\$ 250.00	\$ 5,000.00	\$ 330.00	\$ 6,600.00
28	2108.504	GEOTEXTILE FABRIC TYPE 7	S.Y.	10830.00	\$6.00	\$ 64,980.00	\$ 4.00	\$ 43,320.00	\$ 4.00	\$ 43,320.00
29	2211.507	AGGREGATE BASE (CV) CLASS 5	C.Y.	2800.00	\$60.00	\$ 168,000.00	\$ 42.50	\$ 119,000.00	\$ 37.50	\$ 105,000.00
30	2357.506	BITUMINOUS MATERIAL FOR TACK COAT	GAL.	1260.00	\$3.50	\$ 4,410.00	\$ 3.00	\$ 3,780.00	\$ 3.00	\$ 3,780.00
31	2360.509	TYPE SP 9.5 WEAR COURSE MIXTURE (2,C)	TON	800.00	\$78.00	\$ 62,400.00	\$ 84.00	\$ 67,200.00	\$ 91.00	\$ 72,800.00
32	2360.509	TYPE SP 12.5 NON-WEAR COURSE MIXTURE (2,C)	TON	2030.00	\$78.00	\$ 158,340.00	\$ 84.00	\$ 170,520.00	\$ 90.00	\$ 182,700.00
33	2410.507	STRUCTURAL CONCRETE (3G52)	C.Y.	75.00	\$4,250.00	\$ 318,750.00	\$ 4,300.00	\$ 322,500.00	\$ 4,360.00	\$ 327,000.00
34	2433.602	SALVAGE AND REINSTALL DRAINAGE SYSTEM	EACH	3.00	\$3,500.00	\$ 10,500.00	\$ 3,200.00	\$ 9,600.00	\$ 2,500.00	\$ 7,500.00
35	2451.603	AGGREGATE BEDDING	L.F.	100.00	\$10.00	\$ 1,000.00	\$ 35.00	\$ 3,500.00	\$ 20.00	\$ 2,000.00
36	2502.503	4" PERFORATED PE PIPE DRAIN	L.F.	3381.00	\$15.00	\$ 50,715.00	\$ 12.00	\$ 40,572.00	\$ 12.15	\$ 41,079.15
37	2503.503	4" PVC PIPE SEWER	L.F.	7.00	\$75.00	\$ 525.00	\$ 325.00	\$ 2,275.00	\$ 100.00	\$ 700.00
38	2503.503	12" RC PIPE SEWER DESIGN 3006 CLASS V	L.F.	35.00	\$208.00	\$ 7,280.00	\$ 135.00	\$ 4,725.00	\$ 160.00	\$ 5,600.00
39	2503.503	36" RC PIPE SEWER DESIGN 3006 CLASS V	L.F.	8.00	\$247.00	\$ 1,976.00	\$ 345.00	\$ 2,760.00	\$ 410.00	\$ 3,280.00
40	2503.602	CONNECT TO EXISTING STORM PIPE	EACH	2.00	\$1,100.00	\$ 2,200.00	\$ 2,500.00	\$ 5,000.00	\$ 1,500.00	\$ 3,000.00
41	2503.602	SEWER/STEAM PIPE CROSSING	EACH	25.00	\$2,500.00	\$ 62,500.00	\$ 3,000.00	\$ 75,000.00	\$ 2,600.00	\$ 65,000.00
42	2504.601	TRENCHLESS PITS	L.S.	1.00	\$50,000.00	\$ 50,000.00	\$ 10,000.00	\$ 10,000.00	\$ 9,000.00	\$ 9,000.00
43	2504.601	WATERMAIN TRACING SYSTEM	L.S.	1.00	\$35,000.00	\$ 35,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,500.00	\$ 8,500.00
44	2504.602	TEMPORARY WATER SERVICE	EACH	2.00	\$2,000.00	\$ 4,000.00	\$ 4,000.00	\$ 8,000.00	\$ 2,500.00	\$ 5,000.00
45	2504.602	1" CORPORATION STOP & SADDLE	EACH	1.00	\$1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,500.00	\$ 1,500.00
46	2504.602	2" CORPORATION STOP & SADDLE	EACH	1.00	\$1,400.00	\$ 1,400.00	\$ 1,800.00	\$ 1,800.00	\$ 1,900.00	\$ 1,900.00
47	2504.602	1" CURB STOP & BOX	EACH	1.00	\$1,200.00	\$ 1,200.00	\$ 1,000.00	\$ 1,000.00	\$ 1,500.00	\$ 1,500.00
48	2504.602	2" CURB STOP & BOX	EACH	1.00	\$1,400.00	\$ 1,400.00	\$ 1,600.00	\$ 1,600.00	\$ 2,000.00	\$ 2,000.00
49	2504.602	6" GATE VALVE & BOX	EACH	4.00	\$3,500.00	\$ 14,000.00	\$ 3,500.00	\$ 14,000.00	\$ 3,725.00	\$ 14,900.00
50	2504.602	8" GATE VALVE & BOX	EACH	5.00	\$5,000.00	\$ 25,000.00	\$ 5,000.00	\$ 25,000.00	\$ 5,125.00	\$ 25,625.00
51	2504.602	12" GATE VALVE & BOX	EACH	4.00	\$6,000.00	\$ 24,000.00	\$ 8,650.00	\$ 34,600.00	\$ 8,600.00	\$ 34,400.00
52	2504.602	24" GATE VALVE & BOX	EACH	1.00	\$17,000.00	\$ 17,000.00	\$ 43,000.00	\$ 43,000.00	\$ 46,000.00	\$ 46,000.00
53	2504.602	CONNECT TO EXISTING WATERMAIN	EACH	8.00	\$2,500.00	\$ 20,000.00	\$ 3,200.00	\$ 25,600.00	\$ 5,050.00	\$ 40,400.00
54	2504.602	HYDRANT	EACH	4.00	\$9,500.00	\$ 38,000.00	\$ 9,500.00	\$ 38,000.00	\$ 10,750.00	\$ 43,000.00
55	2504.603	1" TYPE PE PIPE (CURB STOP TO FOUNDATION)	L.F.	50.00	\$75.00	\$ 3,750.00	\$ 85.00	\$ 4,250.00	\$ 60.00	\$ 3,000.00
56	2504.603	1" TYPE PE PIPE (MAIN TO CURB STOP)	L.F.	38.00	\$50.00	\$ 1,900.00	\$ 70.00	\$ 2,660.00	\$ 75.00	\$ 2,850.00
57	2504.603	2" TYPE PE PIPE (CURB STOP TO FOUNDATION)	L.F.	100.00	\$80.00	\$ 8,000.00	\$ 100.00	\$ 10,000.00	\$ 83.00	\$ 8,300.00
58	2504.603	2" TYPE PE PIPE (MAIN TO CURB STOP)	L.F.	56.00	\$55.00	\$ 3,080.00	\$ 80.00	\$ 4,480.00	\$ 90.00	\$ 5,040.00
59	2504.603	4" PVC WATERMAIN	L.F.	4.00	\$90.00	\$ 360.00	\$ 200.00	\$ 800.00	\$ 150.00	\$ 600.00
60	2504.603	6" PVC WATERMAIN	L.F.	204.00	\$100.00	\$ 20,400.00	\$ 110.00	\$ 22,440.00	\$ 102.00	\$ 20,808.00
61	2504.603	8" PVC WATERMAIN	L.F.	254.00	\$110.00	\$ 27,940.00	\$ 120.00	\$ 30,480.00	\$ 153.00	\$ 38,862.00
62	2504.603	12" PVC WATERMAIN	L.F.	98.00	\$120.00	\$ 11,760.00	\$ 200.00	\$ 19,600.00	\$ 182.00	\$ 17,836.00
63	2504.603	12" WATERMAIN (TRENCHLESS)	L.F.	1200.00	\$125.00	\$ 150,000.00	\$ 125.00	\$ 150,000.00	\$ 120.00	\$ 144,000.00
64	2504.603	24" PVC WATERMAIN	L.F.	21.00	\$150.00	\$ 3,150.00	\$ 265.00	\$ 5,565.00	\$ 375.00	\$ 7,875.00
65	2504.604	4" POLYSTYRENE INSULATION	S.Y.	84.00	\$70.00	\$ 5,880.00	\$ 60.00	\$ 5,040.00	\$ 49.00	\$ 4,116.00
66	2504.608	WATERMAIN FITTINGS	POUND	3593.00	\$15.00	\$ 53,895.00	\$ 21.00	\$ 75,453.00	\$ 29.25	\$ 105,095.25
67	2506.502	ADJUST FRAME & RING CASTING	EACH	25.00	\$600.00	\$ 15,000.00	\$ 650.00	\$ 16,250.00	\$ 555.00	\$ 13,875.00
68	2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN 48-4022	L.F.	3.00	\$700.00	\$ 2,100.00	\$ 950.00	\$ 2,850.00	\$ 1,300.00	\$ 3,900.00
69	2506.503	CONSTRUCT DRAINAGE STRUCTURE DESIGN 60-4020	L.F.	12.00	\$850.00	\$ 10,200.00	\$ 950.00	\$ 11,400.00	\$ 1,500.00	\$ 18,000.00
70	2506.602	CASTING ASSEMBLY	EACH	2.00	\$850.00	\$ 1,700.00	\$ 1,500.00	\$ 3,000.00	\$ 1,050.00	\$ 2,100.00
71	2506.602	CASTING ASSEMBLY SPECIAL 2	EACH	5.00	\$12,000.00	\$ 60,000.00	\$ 6,450.00	\$ 32,250.00	\$ 5,665.00	\$ 28,325.00
72	2506.602	CASTING ASSEMBLY SPECIAL 3	EACH	1.00	\$12,000.00	\$ 12,000.00	\$ 8,465.00	\$ 8,465.00	\$ 7,600.00	\$ 7,600.00
73	2521.518	4" CONCRETE WALK	S.F.	13520.00	\$10.00	\$ 135,200.00	\$ 9.00	\$ 121,680.00	\$ 8.55	\$ 115,596.00
74	2521.518	6" CONCRETE WALK-REINFORCED	S.F.	2756.00	\$15.00	\$ 41,340.00	\$ 15.85	\$ 43,682.60	\$ 12.30	\$ 33,898.80
75	2521.602	DRILL & GROUT REINF BAR (EPOXY COATED)	EACH	48.00	\$15.00	\$ 720.00	\$ 11.50	\$ 552.00	\$ 11.25	\$ 540.00
76	2531.503	CONCRETE CURB AND GUTTER DESIGN B618	L.F.	3596.00	\$28.00	\$ 100,688.00	\$ 26.15	\$ 94,035.40	\$ 23.00	\$ 82,708.00
77	2531.504	6" CONCRETE DRIVEWAY PAVEMENT	S.Y.	385.00	\$100.00	\$ 38,500.00	\$ 106.85	\$ 41,137.25	\$ 92.00	\$ 35,420.00
78	2531.618	TRUNCATED DOMES	S.F.	194.00	\$75.00	\$ 14,550.00	\$ 61.10	\$ 11,853.40	\$ 63.00	\$ 12,222.00
79	2540.602	PREFABRICATED RAMP (FOR TEMP WATER) - ROADWAY	EACH	2.00	\$1,500.00	\$ 3,000.00	\$ 1,000.00	\$ 2,000.00	\$ 1,700.00	\$ 3,400.00
80	2563.601	TRAFFIC CONTROL	L.S.	1.00	\$75,000.00	\$ 75,000.00	\$ 15,445.00	\$ 15,445.00	\$ 7,800.00	\$ 7,800.00
81	2573.501	STABILIZED CONSTRUCTION EXIT	L.S.	1.00	\$4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 2,700.00	\$ 2,700.00
82	2573.502	STORM DRAIN INLET PROTECTION	EACH	20.00	\$350.00	\$ 7,000.00	\$ 250.00	\$ 5,000.00		

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Item 6.E.ii

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Item 6.E.ii – Professional Services Agreement: Construction Phase Engineering Services 23rd Street Water and Steam Improvements (OF0002.2)

April 28th, 2026

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

RE: Item 6.E.ii - Professional Services Agreement: Construction Phase Engineering Services 23rd Street Water and Steam Improvements (OF0002.2)

Dear Commissioners;

This agenda item requests action to approve a professional services contract to Bolton and Menk, Inc. for construction phase engineering services to support the 23rd Street Water and Steam Improvements Phase 2 (OF0002.2) construction project.

Services include project management and funding administration, surveying project staking, construction inspection, and coordination with HPU to facilitate lead and copper service line regulatory compliance, and record drawing and as-built information integration into HPU asset management systems (see enclosed scope of services).

The proposed fee is time and materials based not to exceed \$144,057, which staff finds to be within industry norms and positions this project to be completed within the planned project budget.

Staff recommend awarding a professional services contract to Bolton and Menk, Inc. in the amount not to exceed \$144,057 for engineering services in to support the 23rd Street water and steam improvements, phase 2 construction project.

Sincerely;



Paul Skubinna



**BOLTON
& MENK**

Real People. Real Solutions.

301 E Howard Street
Suite 26
Hibbing, MN 55746

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

Via Email

April 28, 2026

Mr. Paul Skubinna, PE, Engineering Manager
Hibbing Public Utilities Commission
1902 E. 6th Ave.
Hibbing, MN 55746

Re: 23rd Street Phase 2 – Construction Engineering Services

Dear Mr. Skubinna,

On behalf of Bolton & Menk, Inc., we thank you for the opportunity to present this scope and fee letter to provide construction engineering services to the Hibbing Public Utilities (HPU) Commission for the 23rd Street Phase 2 Project.

This scope includes providing project administration through construction, construction surveying, onsite inspection of work, quality tracking, pay application coordination, public engagement services, and project closeout.

We appreciate the opportunity to continue serving HPU and value the great working relationship we have with staff and the commission. The enclosed scope of services presents our approach to delivering this project for HPU. Please feel free to contact me with any questions or comments regarding the services proposed herein at Andrew.Brotzler@bolton-menk.com or (218) 812-8900.

Sincerely,

Bolton & Menk, Inc.

Andrew J. Brotzler, P.E.
Municipal Senior Project Manager

Enclosure: Scope of Services

SCOPE OF SERVICES

Bolton & Menk, Inc. will complete the following scope of work:

- Construction Administration
 - 23rd Street – Phase 2 Project in cooperation with City

Task 1: Construction Services

Subtask 1.1 Project Management & Funding Administration

Bolton & Menk will perform construction administration for the 23rd Street – Phase 2 Project. Our project manager will perform the following construction administration responsibilities:

- Attend preconstruction & weekly progress meetings
- Perform on-site review pertaining to work and progress as needed
- Prepare change orders and written directives
- Review shop drawings, material lists, and suppliers
- Review and approve pay requests
- Review certified payrolls | Facilitate CDBG reimbursement | Coordinate and ensure PFA compliance

Deliverables: Copies of meeting notes, change orders, directives, shop drawings, materials lists, supplier's lists, and pay requests.

Subtask 1.2 Surveying/Staking

Bolton & Menk will complete necessary field staking to facilitate construction. Our survey crews will complete construction staking on the following features:

- Proposed Watermain System

Deliverables: Field stakes

Subtask 1.3 Construction Observation Support

Bolton & Menk will provide the necessary staff to serve as resident project representatives (RPR) to assist the project manager with construction administration and perform daily observation of the contractor's work. The RPR will be on-site throughout all stages of construction to observe and review the quality of work. Our proposed RPRs are experienced performing at construction

observation on similar projects and will perform the following tasks:

- Provide day-to-day construction observation and coordination between contractors, HPUC, city, and affected businesses and property owners
- Lead service line replacement documentation and coordination
- Maintain daily construction logs including daily notes and quantity tracking
- Prepare monthly pay requests
- Document construction of proposed utilities including collection of GPS shots on proposed utility network
- Project close-out walkthrough & punch list development
- Develop drawings documenting the "as-built" conditions

Deliverables: Inspection notes, photos, and other field records, GIS data, Copy of any punch list items, record drawings, punch list

FEES

Bolton & Menk, Inc.'s proposed fee to provide the described work will be billed hourly as **not-to-exceed amount of \$144,057.00**. This fee is based on the delivery of the above-scope, full-time construction observation up to four weeks, and half-time construction observation up to 12 weeks. The estimated hours (\$155/hour) is 930 hours.



Item 6.F.i

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Item 6.F.i- Approve Lease to Own 2024 VA HXX PD 12YD Hydro Vac Truck from MacQueen.

April 28th, 2026

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

RE: Item 6.F.i- Approve Lease to Own 2024 VA HXX PD 12YD Hydro Vac Truck from MacQueen.

Dear Commissioners,

For your consideration we presenting a quote from MacQueen for a lease to own 2024 VA HXX PD 12YD hydro vac truck. A hydro vac truck identical to this one was at Hibbing Public Utilities on April 1st to perform demos in cold environments. Results were better than expected for plant cleanup and potholing of two water services. Currently HPU spends over \$80,000.00 a year on hydro vac services and still has over 3700 utility side water services to identify at an estimated \$1,000.00 per service. Total unit price at end of lease period would amount to \$539,000.00. The monthly lease is \$14,500 with a buyout option if HPU so chooses to purchase.

Please see attached lease agreement.

Thank you for your consideration.

Sincerely,



Paul Plombon
Energy & Operations Manager

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AGREEMENT made this **21st** day of **April** 2026, between MacQueen Equipment, LLC., a corporation organized and existing under the laws of the State of Minnesota with a place of business at 1125 East 7th Street, St. Paul, MN 55106, hereinafter called "Lessor" and Lessee, **Hibbing Public Utilities**, whose place of business is at **1902 6th Ave. E. Hibbing, MN 55746** Phone No. **218-208-7313**.

1. Subject. The Lessor hereby leases to the Lessee, subject to the terms and conditions hereinafter set forth, the following property, as set forth in the itemized list in this paragraph, hereinafter referred to as the "equipment":

DESCRIPTION OF THE EQUIPMENT

Vactor HXX - 2024 Western Star Unit#: L23108 Serial#: 24-02R-22375 VIN#: 5KKMBPFM5RLVF8138

2. Term and Lease Payments. This lease is for a term commencing on **TBD**, for lease payments of **\$14,500.00** per 1-Month (4 Week) period, to be paid by the Lessee to the Lessor. No lease duration has been determined. **Lease payments shall be made to Lessor's address at MacQueen Equipment, LLC. 1125 East 7th Street, St. Paul, MN 55106.** MacQueen Equipment, LLC reserves the right to take the rental unit back into possession if Lessee fails to remit payment. Lessee's obligation to pay the lease payments and other amounts due hereunder is absolute and unconditional. Lessee is not entitled to any abatement or reductions of, or set-offs against, the amount of the lease payments or such other amounts including, without limitation, those arising or allegedly arising out of claims that you might have against Lessor under this Agreement or otherwise. Unit to be shipped truck freight at the Lessee's expense upon receipt of signed lease agreement and payment of the first rental period unless otherwise noted. It is Lessor's responsibility to inspect the equipment at the time it is delivered. All parts, interior furnishings, equipment including tires and other property attached to or placed upon the equipment shall at the time of attachment or placement upon the equipment become part of the equipment.

3. Title. This Agreement creates a lease or bailment only of the equipment and not a sale thereof or the creation of a security interest therein. The Lessor shall remain the sole owner of the equipment and nothing contained herein shall enable the Lessee to acquire any right, title, or other interest in or to the equipment other than that of a bailee for hire. All documents of title and evidences of delivery shall be delivered to and be the property of the Lessor. Lessee shall not change or remove any insignia or lettering

which is on the equipment at the time of delivery, or which is thereafter placed thereon, indicating Lessor's ownership. Lessee shall, at its expense, protect and defend Lessor's title against all persons claiming against or through Lessee, at all times keeping the equipment from any legal process or encumbrance whatsoever, including, but not limited to, liens, attachments, levies and executions and shall give Lessor immediate written notice thereof and shall indemnify Lessor from any loss caused thereby. Lessee shall execute and deliver to Lessor, upon Lessor's request, such further instruments and assurances as Lessor deems necessary or advisable for the confirmation or perfection of Lessor's rights hereunder.

4. Taxes and Other Charges.

(a) The Lessee shall pay all sales taxes, excise taxes, stamp, documentary, ad valorem or other direct taxes imposed on the ownership, possession, use, or operation of the equipment or levied against or based upon the amount of the lease payments to be paid hereunder or assessed in connection with the execution filing, or recording of this Agreement. The term "direct taxes" as used herein shall include all taxes (except Lessor's income taxes), charges and fees imposed by any federal, state, or local authority.

(b) The Lessee assumes all responsibility and the cost and expenses for all permits, and such other certificates as may be required for the lawful operation of the equipment. All certificates of title or registration applicable to the equipment shall be applied for, issued, and maintained in the names of the Lessor, as owner, and the Lessee shall pay all costs in relation thereto.

5. Lease Agreements. This is a lease agreement only, establishes a TRUE Lease and in no way or manner is to be constructed as a financing agreement. Lessee cannot assign it. This Lease is an operating lease and Lessee shall not accrue any equity in the equipment and shall have no right to claim the depreciation related to the equipment. The equipment is, and will at all times, remain the property of the Lessor. Lessee is not an agent or employee of Lessor for any purpose. Lessee shall not suffer any liens or encumbrances to attach to equipment and shall defend, indemnify and hold Lessor harmless from all loss, liability and expense by reason thereof. Lessor shall not be liable for loss or damage to any property left, stored, loaded or transported by Lessee or any other person in or upon equipment, whether or not due to the negligence of Lessor, its agents and employees: (a) at any time whether equipment then be in the physical possession of Lessee or Lessor or anyone else; (b) or at any place including without limitation any of Lessor's garages or locations. Lessee hereby assumes all risk of such loss or damage, from and against all loss, liability and expense caused or arising out of Lessee's failure to comply with the terms of the agreement.

6. Maintenance.

(a) When provided to Lessee, equipment is believed to be in good mechanical condition.

Lessee shall examine equipment upon delivery and promptly notify Lessor of any evidence to the contrary. Lessee is responsible for all manufacturer recommended maintenance while the equipment is in Lessee's possession. Lessee shall provide proof that maintenance was performed at the recommended cycles.

(b) Repairs required as a result of damage, improper operation or maintenance will be charged to Lessee and lease payments will continue until repairs are completed. Any expenses incurred for field travel, mechanic's time or hauling of equipment to effect repairs will be charged to Lessee.

THE FOREGOING IS IN LIEU OF (A) ALL WARRANTIES EXPRESS, IMPLIED, OR STATUTORY, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTY OF MERCHANTABILITY AND THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (B) ALL OBLIGATION OR LIABILITIES ON THE PART OF LESSOR FOR DAMAGES, INCLUDING BUT NOT LIMITED TO INDIRECT, INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE LEASING MAINTENANCE, USE, OPERATION, STORAGE, ERECTION, DISMANTLING OR TRANSPORTATION OF EQUIPMENT.

7. Use of Equipment.

(a) Lessee shall permit only those employees, agents, or other persons properly licensed and adequately trained in the operation of the equipment to so operate the equipment. The Lessee shall observe all safety rules and other requirements of governmental bodies having jurisdiction and shall pay all fines due to overload, over length, overweight, lack of plates or permits, speeding, and similar charges that may be duly and lawfully imposed or assessed by reason of the Lessee's failure to comply with the rules, regulations, and orders for governmental bodies having jurisdiction. Lessee shall use the equipment solely for commercial or business purposes and in compliance with all laws, rules and regulations of any jurisdiction where it is used or located, including, but not limited to, registration and/or licensing requirements. Lessee shall be solely responsible for any personal belongings that are placed in the equipment.

8. Insurance and Indemnification.

(a) Lessee represents that Lessee now carries, and will continue during the term of this Agreement to carry the following insurance on all equipment while such equipment is operated by or being maintained by Lessee or its employees, agents, or representatives. Such insurance shall be maintained in the following minimum amounts:

WORKERS COMPENSATION	STATUTORY REQUIREMENTS AND THE FOLLOWING EMPLOYER'S LIABILITY COVERAGE
EMPLOYER'S LIABILITY/EACH ACCIDENT	\$500,000
EMPLOYER'S LIABILITY/DISEASE/ EACH EMPLOYEE	\$500,000
EMPLOYER'S LIABILITY/ DISEASE/ POLICY LIMIT	\$500,000

COMMERCIAL/GENERAL LIABILITY	\$1,000,000 \$1,000,000	EACH OCCURRENCE GENERAL AGGREGATE
COMMERCIAL AUTOMOBILE INSURANCE	\$1,000,000	COMBINED SINGLE LIMIT BODILY INJURY AND PROPERTY DAMAGE
EXCESS/UMBRELLA	\$2,000,000	EACH OCCURRENCE AND GENERAL AGGREGATE

Lessee shall carry Automobile Physical damage insurance that covers the leased equipment in the following amount: **\$650,000.00**. Lessee shall list Lessor as Additional Insured and Loss Payee on all liability policies listed above. Lessor shall be listed as Loss Payee with respect to the Equipment leased to Lessee excluding any deductible. Lessee shall be responsible for any deductible associated with said insurance policies. Lessee shall provide to Lessor insurance certificates (Accord Forms 25 and 28 or equivalent) evidencing coverage as referenced above maintained by insurance companies satisfactory to Lessor. Such certificates shall afford Lessor thirty (30) days written notice of cancellation. Upon request Lessee shall provide Lessor with policy endorsements showing the Additional Insured and Loss Payee coverage for Lessor.

(b) Lessee is to maintain a 'Satisfactory' safety rating as determined by the Federal Motor Carrier Safety Administration for operating rented Commercial Motor Vehicles. In the event an intervention threshold is triggered and/or a 'Conditional' or 'Unsatisfactory' rating downgrade is issued during the period of this Agreement, the Lessee is to notify MacQueen Equipment immediately and shall promptly provide a complete explanation of corrective measures being implemented to restore 'Satisfactory' status.

(c) Lessee shall defend, indemnify and save harmless Lessor, its officers, employees, parents, subsidiaries and affiliates, from and against any claims, losses, costs, suits, damages, expenses or liabilities incurred or arising in connection with any misuse, alteration or modification of the equipment by Lessee, its employees, agents or assigns.

9. Return of Equipment.

(a) Upon expiration or termination of this Agreement, or demand by Lessor made pursuant to Section 10 of this Agreement, Lessor shall, at its own expense, return the equipment to Lessor at the same location where Lessee first took possession of the equipment unless a different location is agreed upon between Lessor and Lessee.

(b) The Lessee shall clean and thoroughly decontaminate the equipment, removing all bags prior to return. If the Lessee fails to comply with the terms of this provision, it agrees to pay any and all related costs incurred to have the residual material tested, removed and properly disposed. The Lessee further agrees that the Lease shall continue at the agreed rate until such time as the equipment has been decontaminated

and returned to a workable condition.

(c) Lessee is required to give at least two weeks' notice prior to returning equipment to Lessor unless otherwise agreed upon. Upon return of equipment, Lessor will perform brief inspection of the equipment with Lessee present. A more thorough inspection will be performed by Lessor at a later time. Any damage found as a result of improper use of equipment or failed maintenance by Lessee will be deducted from Lessee's deposit. Any excess repair costs above the Lessee's deposit shall be billed to Lessee with payment due upon receipt of the statement.

10. Lessee's Default.

If Lessee fails to make any payment when due, attempts to sell or encumber the equipment, ceases operation, institutes or has instituted against him proceedings under bankruptcy or insolvency law, makes an assignment for the benefit of creditors, or fails to comply with any other provision of this lease agreement; or if any attachment, execution, writ or process is levied against the equipment of any of Lessee's property, or if for any reason Lessor deems itself insecure or the equipment unsafe, Lessee agrees to deliver the equipment to Lessor on demand and Lessor may enter on any job, building or place where the equipment is located and take possession thereof without notice to Lessee and this lease agreement shall thereupon terminate at the option of the Lessor. In the event of any such action, Lessee agrees to pay all lease payments due, damages for any injury to the equipment, costs of removal from the Lessee's possession and all transportation and other charges incurred. If legal action is required to enforce Lessee's obligation hereunder, Lessee agrees to pay the costs thereof including reasonable attorney's fees paid by Lessor.

11. Loss.

In the event of loss, theft or damage to equipment, Lessee agrees to notify Lessor immediately and thereafter to promptly report in writing to Lessor and the public authorities (where required by law or by Lessor) all information relating thereto. Lessee shall cause its agents and employees to give Lessor and the public authorities' proper and full information and assistance in the investigation and prosecution of any matter resulting from said loss, theft or damage.

12. Waiver and Indemnity

Lessor will have no responsibility for liability to Lessee, and Lessee hereby waives any and all claims against Lessor, with respect to any of the following, regardless of any negligence of Lessor: (a) any liability, loss or damage caused directly or indirectly by the equipment, any deficiency or defect (latent or otherwise) therein, or any other circumstances in connection therewith; (b) the use, operation or performance of the equipment or any risks relating thereto; (c) any interruption of service, loss of business or anticipated profits or consequential

damages; or (d) the delivery, operation, servicing, maintenance, repair, improvement or replacement of the equipment.

Lessee will indemnify Lessor against, and hold Lessor harmless from, any and all claims, losses, actions, damages, expenses (including reasonable attorney's fees), obligations liabilities or liens (collectively, "Claims"), whether foreseeable or unforeseeable, arising out of this Agreement or the lease, possession, operation, condition, return or use of the equipment, regardless of the reason therefore and including, without limitation, any Claims arising under the doctrine of strict liability or by operation of law. Lessor shall, however, manage the defense of such Claims.

13. Fines

Lessee will be responsible and will hold Lessor harmless from all fines, forfeitures, or penalties incurred for traffic violations or other violations that occur in connection with the operation of the equipment.

Lessee agrees to pay all storage charges, parking charges and funds which may be imposed with regard to the vehicle by any duly constituted governmental authority as a result of your use or intended use of the equipment.

14. Complete Agreement.

This instrument expresses the entire agreement between the parties. Lessee's execution of this instrument and or acceptance of delivery of any part of equipment to be furnished hereunder will constitute Lessee's acceptance of the provisions contained herein and the exclusion of any terms and conditions otherwise stated by Lessee or contained in Lessee's purchase document which conflict with or limit the provisions contained herein.

Lessee

Title

Date

MACQUEEN EQUIPMENT, LLC., LESSOR

By: Jon Nysse

Director of Rental Operations

April 21, 2026
Date

Title

HOLD HARMLESS ENDORSEMENT FOR ASBESTOS

BOTH PARTIES RECOGNIZE AND AGREE THAT ASBESTOS REMOVAL IS A POTENTIALLY HAZARDOUS UNDERTAKING. IT IS THEREFORE AGREED BY THE SIGNING OF THIS LEASE THAT THE LESSEE AGREES THAT THE LESSOR SHALL NOT BE RESPONSIBLE FOR ANY LIABILITY FOR PROPERTY DAMAGE, BODILY INJURY, SICKNESS, DISEASE, OCCUPATIONAL DISEASE, DISABILITY, SHOCK, DEATH, MENTAL ANGUISH AND MENTAL INJURY AT ANY TIME ARISING OUT OF THE MINING OF, USE OF, INSTALLATION OF, REMOVAL OF, ENCAPSULATION OF, OR EXPOSURE TO ASBESTOS PRODUCTS, ASBESTOS FIBERS OR ASBESTOS DUST FROM THE USE AND OPERATION OF THE LEASED EQUIPMENT.

FURTHERMORE, THE LESSEE AGREES TO INDEMNIFY AND HOLD HARMLESS THE LESSOR FROM ANY AND ALL CLAIMS, LIABILITIES, LOSSES, DAMAGES AND COSTS INCURRED BY LESSOR ARISING IN CONNECTION WITH LESSEE'S USE OF THE EQUIPMENT FOR THE REMOVAL OF ASBESTOS.

Lessee

Title

Date

MACQUEEN EQUIPMENT, LLC., LESSOR

By: Jon Nysse

Director of Rental Operations

Title

April 21, 2026

Date



This policy states the conditions for Hibbing Public Utilities, currently engaged in a lease agreement with MacQueen Equipment, LLC. Purchase price of, as agreed upon, and excluding local and/or vehicle taxes:

\$ 539,500.00

Rent will be applied to the purchase price at the following rate:

Month	Monthly Rent	% Total Applied to RPO	Amount Applied to RPO	Truck Purchase Price
1	\$ 14,500.00	100%	\$ 14,500.00	\$ 525,000.00
2	\$ 14,500.00	100%	\$ 29,000.00	\$ 510,500.00
3	\$ 14,500.00	100%	\$ 43,500.00	\$ 496,000.00
4	\$ 14,500.00	90%	\$ 52,200.00	\$ 487,300.00
5	\$ 14,500.00	80%	\$ 58,000.00	\$ 481,500.00
6	\$ 14,500.00	70%	\$ 60,900.00	\$ 478,600.00
7+	\$ 14,500.00	0%	\$ -	\$ 539,500.00

*Only paid rental invoices will be applied to the RPO adjusted sale price.

*Any additional equipment added to the unit, other than original configured stock from the factory, will be at the renters expense at the time of install.

These conditions are only available to customers under current rental contract. The fair market value is based on reasonable estimate, made in good faith.

Exhibit A. General Rental Requirements & Contacts

1. Customer must provide insurance coverage listing MacQueen Equipment as an Additional Insured while MacQueen Equipment, LLC equipment is in their possession.
2. Customer must pay first month's rental payment and deposit in advance of receiving equipment.
3. Customer is responsible for logging miles and fuel receipts in accordance with the International Registration Plan (IRP) and International Fuel Tax Agreement (IFTA).
4. Customer must permit only licensed, qualified and trained employees and agents to operate the equipment.
5. Customer is responsible for the cost of all repairs as the result of damage, improper operations or improper maintenance of the equipment. The repairs must be performed by one of its MacQueen Equipment, LLC affiliated organizations, or third party approved by MacQueen Equipment, LLC.

For Parts and Service issues please contact the appropriate location. If you are not sure which location you should call, please contact MacQueen Equipment headquarters in St. Paul, MN:

St. Paul MN:

Todd Danielson, Service Dept: 651.523.1112

Todd.Danielson@macqueengroup.com

Menomonee Falls WI:

Aaron Long, Service Dept: 262.252.4744

Aaron.Long@macqueengroup.com

Ankeny, IA:

George Prescott, Service Dept: 515.289.9994

George.Prescott@macqueengroup.com

Lincoln NE:

Drew Malenica, Service Dept: 402.435.0061

Andrew.Malenica@macqueengroup.com

Lake Orion, MI:

Dave Powers, Service Dept: 248.370.0000

DPowers@bellequip.com

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Item 6.G.i

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Item 6.G.i – Approve Professional Services Agreement: Construction Phase Engineering Services Annual Hydrant Replacement Project (OF0002.0)

April 28th, 2026

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

RE: Item 6.G.i – Approve Professional Services Agreement: Construction Phase Engineering Services Annual Hydrant Replacement Project (OF0002.0)

Dear Commissioners;

This agenda item requests action to approve a professional services contract to Bolton and Menk, Inc. for construction phase engineering services to support the Annual Hydrants Replacement (OF0002.0) construction project.

This construction project was bid on October 21, 2025 and subsequently awarded to Hecimovich Mechanical Contracting, Inc. The construction work includes replacement of 48 non-functional hydrants and associated valves, hydrant runs, and applicable fittings at various locations within HPU's water system.

Construction phase engineering services provided by Bolton and Menk under this action item include project management and funding administration, surveying project staking, construction inspection, and coordination with HPU to facilitate record drawing and as-built information integration into HPU asset management systems (see enclosed scope of services).

The proposed fee is time and materials based not to exceed \$104,929, which staff finds to be within industry norms and positions this project to be completed within the planned project budget.

Staff recommend awarding a professional services contract to Bolton and Menk, Inc. in the amount not to exceed \$104,929 for engineering services to support the annual hydrants construction project.

Sincerely;



Paul Skubinna

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**BOLTON
& MENK**

Real People. Real Solutions.

301 E Howard Street
Suite 26
Hibbing, MN 55746

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

Via Email

April 28, 2026

Mr. Paul Skubinna, PE, Engineering Manager
Hibbing Public Utilities Commission
1902 E. 6th Ave.
Hibbing, MN 55746

Re: Fire Hydrant Replacement Project – Construction Engineering Services

Dear Mr. Skubinna,

On behalf of Bolton & Menk, Inc., we thank you for the opportunity to present this scope and fee letter to provide construction engineering services to the Hibbing Public Utilities (HPU) Commission for the 2025 Fire Hydrant Replacement Project.

This scope includes providing project administration through construction, construction surveying, onsite inspection of work, quality tracking, pay application coordination, public engagement services, and project closeout.

We appreciate the opportunity to continue serving HPU and value the great working relationship we have with staff and the commission. The enclosed scope of services presents our approach to delivering this project for HPU. Please feel free to contact me with any questions or comments regarding the services proposed herein at Andrew.Brotzler@bolton-menk.com or (218) 812-8900.

Sincerely,

Bolton & Menk, Inc.

Andrew J. Brotzler, P.E.
Municipal Senior Project Manager

Enclosure: Scope of Services

SCOPE OF SERVICES

Bolton & Menk, Inc. will complete the following scope of work:

- Construction Administration
 - 2025 Fire Hydrant Replacement Project

Task 1: Construction Services

Subtask 1.1 Project Management & Funding Administration

Bolton & Menk will perform construction administration for the 2025 Fire Hydrant Replacement Project. Our project manager will perform the following construction administration responsibilities:

- Coordinate and attend preconstruction & weekly progress meetings
- Perform on-site review pertaining to work and progress as needed
- Prepare change orders and written directives
- Review shop drawings, material lists, and suppliers
- Review and approve pay requests
- Review certified payrolls | Facilitate CDBG reimbursement | Coordinate and ensure PFA compliance

Deliverables: Copies of meeting notes, change orders, directives, shop drawings, materials lists, supplier's lists, and pay requests.

Subtask 1.2 Surveying/Staking

Bolton & Menk will complete necessary field staking to facilitate construction. Our survey crews will complete construction staking on the following features:

- Proposed Watermain System (as needed)

Deliverables: Field stakes

Subtask 1.3 Construction Observation Support

Bolton & Menk will provide the necessary staff to serve as resident project representatives (RPR) to assist the project manager with construction administration and perform daily observation of the contractor's work. The RPR will be on-site throughout all stages of construction to observe and review the quality of work. Our proposed RPRs are experienced performing at construction

observation on similar projects and will perform the following tasks:

- Provide day-to-day construction observation and coordination between contractors, HPUC, city, and affected businesses and property owners
- Lead service line replacement documentation and coordination
- Maintain daily construction logs including daily notes and quantity tracking
- Prepare monthly pay requests
- Document construction of proposed utilities including collection of GPS shots on proposed utility network
- Project close-out walkthrough & punch list development
- Develop drawings documenting the "as-built" conditions

Deliverables: Inspection notes, photos, and other field records, GIS data, Copy of any punch list items, record drawings, punch list

FEES

Bolton & Menk, Inc.'s proposed fee to provide the described work will be billed hourly as **not-to-exceed amount of \$104,929.00**. This fee is based on the delivery of the above-scope and half-time construction observation for up to 14 weeks. The estimated hours (\$155/hour) is 680 hours.



Item 6.H.i

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Item 6.H.i– Approve Cooperative Project Agreement:
Cobb/Cook/New Haven Phase 1 Housing Development Road

April 28th, 2026

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

RE: Item 6.H.i – Approve Cooperative Project Agreement: Cobb/Cook/New Haven
Phase 1 Housing Development Road

Dear Commissioners;

This agenda item requests the Commission's action on the referenced Cooperative
Project Agreement.

In late March the City of Hibbing opened bids for a project to extend West 40th Street
to service the New Haven housing development and is prepared to take action to
award a construction contract to the low bidder. The total low project bid was
\$786,838.24. The road extension project scope includes installation of conductors and
metering equipment to serve street lighting for the extended road. The City of
Hibbing is requesting Hibbing Public Utilities to sign a Cooperative Project
Agreement whereby HPU agrees:

1. To inspect and supervise all construction activities performed for installation of
the Street Lighting portion of the project.
2. Pay \$66,957.50 for construction of street lighting components of the road
extension project, in accordance with the terms of the construction contract.
3. Assume responsibility of operation and maintenance of new street lighting
upon project completion. for New Haven Phase 1 enclosed, HPU's primary
responsibility would be the cost to install street lighting appurtenances in
conjunction with new street construction. The proposed HPU share would be
\$66,957.50.

In the spirit of maintaining a well-lit Hibbing staff recommends approval and
signature of the Cooperative Project Agreement with one change. Staff recommend
elimination of the metering service cabinet. HPU's commitment to the project if the
service cabinet were removed would be \$48,107.50.

Thank you for your consideration;



Paul Skubinna

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**CITY OF HIBBING, MINNESOTA
AND
HIBBING PUBLIC UTILITIES, MINNESOTA
COOPERATIVE PROJECT AGREEMENT**

THIS COOPERATIVE PROJECT AGREEMENT (“Cooperative Agreement”) is made effective as of the 2nd day of April, 2026 by and between the **City of Hibbing, Minnesota** acting through its City Council (“City”) and the **Hibbing Public Utilities, Minnesota** (“Utility”) acting through its Board of Commissioners in response to the following situation:

- A. The City, with a resolution of support from the Utility, may award a contract for construction of a municipal project within City limits that includes work on Utility jurisdictional infrastructure (electric, gas, steam, and watermain). The project includes the full street construction of New Haven Drive – Phase 1 according to the plans and specifications prepared by LHB.
- B. The City and Utility have mutually agreed that the completion of said improvements jointly as one project is cost effective and efficient for both parties.
- C. The City will pay all the costs of the Project, not including Street Lighting, and associated engineering services.
- D. The Utility will pay all the costs of the Street Lighting portion of the project.

AGREEMENT

1. Term of Agreement; Survival of Terms; Plans; Incorporation of Exhibits.

1.1. **Effective Date.** This Agreement will be effective the date all signatures are affixed hereto and pertains to all preliminary engineering work related to the Project performed prior to the Effective Date of this contract.

1.2. **Expiration Date.** This Agreement will expire when all obligations have been satisfactorily fulfilled.

1.3. **Survival of Terms.** All clauses which impose obligations continuing in their nature and which must survive in order to give effect to their meaning will survive the expiration or termination of this Agreement, including, without limitation, the following clauses: 3. Maintenance by the City; 8. Liability; Worker Compensation Claims; 10. Government Data Practices; 11. Governing Law; Jurisdiction; Venue; and 13. Force Majeure.

1.4. **Plans, Specifications, Special Provisions.** Plans, specifications, and special provisions designated for the City Project and the Utility Project have been approved by the City Engineer and General Manager and are on file in the office of the City Clerk and in the office of the General Manager and are incorporated into this Agreement by reference (“Project Plans”).

1.5. **Exhibits.** The summary of estimated construction costs for the City of Hibbing and Hibbing Public Utilities are shown on Exhibit A attached hereto.

2. **Contract Award and Administration.**

2.1. **Direction, Supervision and Inspection of Construction.**

2.1.1. **Supervision and Inspection by the City.** The City will direct and supervise all construction activities performed under the construction contract for the Project. All contract construction will be performed according to the Project Plans.

2.1.2. **Supervision and Inspection by the Utility.** The Utility will direct and supervise all construction activities performed for the Street Lighting portion of the project. All contract construction will be performed according to the Project Plans.

2.2. **Plan Changes, Additional Construction, Etc.**

2.2.1. The City will make changes to the Project Plans and contract construction, which may include the Utility Project construction covered under this Agreement and will enter into any necessary addenda and change orders with the City’s contractor that are necessary to cause the contract construction to be performed and completed in a satisfactory manner. Any and all changes to the Street Lighting portion of the project that may be necessary shall be developed by and approved by the Utility.

2.3. **Satisfactory Completion of Contract.** The City will perform all other acts and functions necessary to cause the construction contract to be completed in a satisfactory manner. Utility will determine if the construction of the Street Lighting System has been completed in a satisfactory manner.

3. **Maintenance by the City and Utility.** Upon completion of the Project, the City and Utility will provide maintenance of their respective jurisdictional facilities.

4. **Basis of City and Utility Cost.**

4.1. **Exhibit A.** Exhibit A includes all anticipated City of Hibbing costs and Hibbing Public Utility costs covered under this Agreement. Exhibit A includes contract unit prices at the time a construction contract is awarded for the Project.

4.2. **City Participation Costs.** The City will be responsible for paying the City of Hibbing cost indicated on Exhibit A.

4.3. **Utility Participation Costs.** The Utility will be responsible for paying the Hibbing Public Utility costs on Exhibit A.

4.4. **Construction Engineering Costs.** The City will pay construction engineering costs incurred in connection with the construction engineering and construction supervision for the Project.

5. **City and Utility Cost and Payment by the City and Utility.**

5.1. **Utility Cost.** \$66,957.50 is the Utility share of the costs of the contract construction for the Street Light portion of the Project as shown in Exhibit A.

5.2. **Payment of Utility Costs.** The City Engineer shall prepare monthly partial payment estimates for review and approval by the General Manager prior to submittal to the Contractor. Upon written approval of the Utility and General Manager, the Utility will pay the amount approved by wire transfer within two (2) business days of the approval by the City.

5.3. **Final Payment by the City and Utility.** Upon completion of all contract construction and upon computation of the final amount due the City's contractor, the City Engineer will prepare a Final Exhibit A and submit a copy to the Utility. The Final Exhibit A will be based on final quantities and include all City and Utility participation construction items. Final payment of Utility costs shall be made to the City in accordance with 5.2.

6. **Authorized Representatives.** Each party's Authorized Representative is responsible for administering this Agreement and is authorized to give and receive any notice or demand required or permitted by this Agreement.

6.1. The City's Authorized Representative will be:

Name/Title: Jesse Story, P.E.
Address: 401 East 21st Street, Hibbing MN 55746
Telephone: 218-312-1571
E-Mail: jessestory@hibbingmn.gov

6.2. The Utility's Authorized Representative will be:

Name/Title: Luke Peterson (or successor)
Address: 1902 East Sixth Avenue, Hibbing, MN 55746
Telephone: (218) 262-7759
E-Mail: Luke.Peterson@hpuc.com

7. Assignment; Amendments; Waiver; Contract Complete.

7.1. **Assignment.** Neither party may assign or transfer any rights or obligations under this Agreement without the prior consent of the other parties and a written assignment agreement, executed and approved by the same parties who executed and approved this Agreement, or their successors in office.

7.2. **Amendments.** Any amendment to this Agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original Agreement, or their successors in office.

7.3. **Waiver.** If a party fails to enforce any provision of this Agreement, that failure does not waive the provision or the party's right to subsequently enforce it.

7.4. **Contract Complete.** This Agreement contains all prior negotiations and agreements between the County and the City. No other understanding regarding this Agreement, whether written or oral, may be used to bind either party.

8. Liability; Worker Compensation Claims.

8.1. Each party is responsible for its own acts, omissions and the results thereof to the extent authorized by law and will not be responsible for the acts and omissions of others and the results thereof. Minnesota Statutes Chapter 466 and other applicable law govern liability of the City.

8.2. Each party is responsible for its own employees for any claims arising under the Workers Compensation Act.

9. **Nondiscrimination.** Provisions of Minnesota Statutes § 181.59 and of any applicable law relating to civil rights and discrimination are considered part of this Agreement.

10. **Government Data Practices.** The City and the Utility must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided under this Agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the County or City under this Agreement. The civil remedies of Minnesota Statutes §13.08 apply to the release of the data referred to in this clause by either the Utility or the City.

11. **Governing Law; Jurisdiction; Venue.** Minnesota law governs the validity, interpretation, and enforcement of this Agreement. Venue for all legal proceedings arising out of this Agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in St. Louis County, Minnesota.

12. **Termination; Suspension.**

12.1. **By Mutual Agreement.** This Agreement may be terminated by mutual agreement of the parties.

12.2. **Suspension.** In the event of a total or partial government shutdown, the County may suspend this Agreement and all work, activities, and performance of work authorized through this Agreement.

13. **Force Majeure.** Neither party will be responsible to the other for a failure to perform under this Agreement (or a delay in performance), if such failure or delay is due to a force majeure event. A force majeure event is an event beyond a party's reasonable control, including but not limited to, unusually severe weather, fire, floods, other acts of God, labor disputes, acts of war or terrorism, or public health emergencies.

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IN WITNESS WHEREOF, City has caused this Cooperative Construction Agreement to be executed by its duly authorized representatives.

City of Hibbing, Minnesota

ATTEST:

By: _____
Its Mayor

Its City Administrator

By: _____
Its City Clerk

Date _____

[SIGNATURES CONTINUE ON NEXT PAGE]

IN WITNESS WHEREOF, Utility has caused this Cooperative Construction Agreement to be executed by its duly authorized representatives.

Hibbing Public Utilities, Minnesota

By: _____
Its Board Chair

Attest: _____
Its General Manager

[END OF SIGNATURES]



Item 7.A

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Item 7.A – Capital Improvement Plan 2026-2030

April 28th, 2026James Bayliss
Commission Chair
1902 E. 6th Avenue
Hibbing, MN 55746

RE: Item 7.A – Capital Improvement Plan 2026 - 2030

Dear Commissioners;

This agenda item requests Commission action to authorize staff to implement a 2026-2030 Capital Improvement Plan. The CIP will continue to be a working plan that is adapted and revised as circumstances and needs dictate; however, approval of the plan as proposed provides staff clear direction and an ambitious set of goals regarding projects to execute during 2026 and beyond.

The proposed CIP provides a more precise budget forecast for projects already in progress, and projects prioritized to be initiated during 2026. The CIP also provides a comprehensive forecast for projects proposed to be executed in 2027 and 2028 and includes planning level placeholders for 2029 and beyond.

Staff used the following primary factors to prioritize proposed projects proposed in the CIP:

1. An arising need for a more focused and prioritized effort toward regulatory compliance requirements regarding federal lead and copper rules.
2. Continuing and enhanced efforts to coordination HPU project with City of Hibbing.
3. Continuing updates to HPU assets that are beyond their functional life to improve the financial efficiency of utility operations.
4. Strategic initiatives to promote operational diversity, security and resilience across the Utility to ensure future success.

Commission may take action on the plan as presented; or, move to add or delete projects it finds were inappropriately prioritized or to set a different pace for major maintenance and capital improvements. Staff recommends setting aggressive Capital Improvement goals as presented in the proposed plan.

Sincerely;



Paul Skubinna

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HIBBING PUBLIC UTILITIES
2026-2030 WATER CAPITAL IMPROVEMENT PLAN

Water Distribution & Storage Improvments
Water Pumping & Treatment Plan Improvements
Water Lead and Copper Compliance
Water Unscheduled Development

Water Utility Capital Improvement Plan							
CIP Project #	CC	Project Name	2026	2027	2028	2029	2030
OF0002.2	*	E 23rd Street Water - Phase 2	\$ 1,696,000				
OF0002.0		Annual Hydrant & Valve Replacement	\$ 1,124,000	\$ 1,248,000	\$ 1,248,000	\$ 1,248,000	\$ 1,248,000
OF0002.1		30" Water Main Rehab Phase 3	\$ 1,099,000				
OF0008.1	*	W 40th St (Cobb Cook) - New Haven Drive Housing Develop	\$ 241,695	\$ 1,611,300			
Not Assigned	*	E 25th Street Phase 1 - 1st Ave to E 7th Ave	\$ 219,000	\$ 1,914,000			
Not Assigned	*	E 25th Street Phase 2 - E 7th Ave to 169	\$ 219,000		\$ 1,914,360		
OF0002.3	*	Greenhaven Phase 1 - 2nd Ave East Extension		\$ 291,000	\$ 2,542,000		
OF0008.0		W Wegner Road to E 19th Ave & E 41st - Water Main Extension		\$ 648,000	\$ 3,237,600		
Not Assigned	*	Greenhaven Phase 2			\$ 524,520	\$ 4,590,000	
Not Assigned		2nd Avenue W			\$ 501,528	\$ 4,388,000	
Not Assigned	*	3rd Ave E			\$ 276,000	\$ 2,415,000	
Not Assigned	*	Kitzville				\$ 483,408	\$ 4,230,000
Not Assigned		Kelly Lake				\$ 808,800	\$ 7,077,000
Not Assigned		7th Ave E					\$ 2,500,000
Not Assigned		9th Avenue E					\$ 2,480,400
Not Assigned		19th Avenue E					\$ 5,786,600
Not Assigned		Visual Well Inspections	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	
		Water Distribution and Storage Subtotal	\$ 4,598,695	\$ 5,712,300	\$ 10,244,008	\$ 13,933,208	\$ 15,055,000
OF0001.0		2023 Southside Water Treatment Plant Improvements	\$ 1,143,000				
		Water Pumping and Treatment Plant Subtotal	\$ 1,143,000	\$ -	\$ -	\$ -	\$ -
OF0003.0		Pb & Cu Compliance Block 4th Ave E 2100-2200 & 4th Ave W	\$ 3,450,000				
OF0003.1		Pb & Cu Compliance - Corrosion Control	\$ 38,750	\$ 407,000			
OF0003.2	*	Pb & Cu Compliance - 2026 Annual Service Line Potholing	\$ 220,000	\$ 320,000	\$ 320,000	\$ 320,000	\$ 320,000
Not Assigned	*	Annual Lead Water Main & Service Line Replacement		\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000
		Lead and Copper Compliance Subtotal	\$ 3,708,750	\$ 3,227,000	\$ 2,820,000	\$ 2,820,000	\$ 2,820,000



HIBBING PUBLIC UTILITIES

2026-2030 WATER CAPITAL IMPROVEMENT PLAN

Water Distribution & Storage Improvments
Water Pumping & Treatment Plan Improvements
Water Lead and Copper Compliance
Water Unscheduled Development

Water Utility Capital Improvement Plan							
CIP Project #	CC	Project Name	2026	2027	2028	2029	2030

Not Assigned	*	Unscheduled Development	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Not Assigned		Highland Hills Development					
		Unscheduled Development Subtotal	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Water Utility Total			\$ 9,950,445	\$ 9,439,300	\$ 13,564,008	\$ 17,253,208	\$ 18,375,000



HIBBING PUBLIC UTILITIES
2026-2030 GAS CAPITAL IMPROVEMENT PLAN

Gas Distribution
Gas Unscheduled Development

Gas Capital Improvement Plan							
CIP Project #	CC	Project Name	2026	2027	2028	2029	2030
OF0008.1	*	W 40th St (Cobb Cook) - New Haven Drive Housing Developm	\$ 250,000				
Not Assigned		Annual Gas Main Improvements		\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
		Gas Distribution Subtotal	\$ 250,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
Not Assigned	*	Unscheduled Development	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000
Not Assigned		Highland Hills Development					TBD
Not Assigned		Forest Heights Development	\$ 200,000				
		Unscheduled Development Total					
Gas Utility Total			\$ 1,050,000	\$ 1,150,000	\$ 1,150,000	\$ 1,150,000	\$ 1,150,000



HIBBING PUBLIC UTILITIES

2026-2030 ELECTRIC CAPITAL IMPROVEMENT PLAN

Electric Distribution
Electric Generation
Electric Unscheduled Development
Transmission

Power Capital Improvement Plan							
CIP Project #	CC	Project Name	2026	2027	2028	2029	2030
Not Assigned		RO System	\$ 1,500,000				
Not Assigned		Boiler 4, Feedwater & Routine Upgrades	\$ 1,000,000				
Not Assigned		Plant Electrical	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Not Assigned		Turbine Major Overhaul		\$ 2,000,000		\$ 1,500,000	\$ 2,000,000
Not Assigned		Biomass Fuel Handling					
Not Assigned		LandFill Solar					
Generation Subtotal			\$ 2,750,000	\$ 2,250,000	\$ 250,000	\$ 1,750,000	\$ 2,250,000
OF0010.3		Annual Lighting Replacements	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
OF0010.0		Vegetation Management	\$ 300,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
OF0004.2		Beltline Substation Reconstruction	\$ 2,000,000				
OF0004.3		Feeder 15 Phase 2 & 3 - 2400V to 13.8KV Conversion	1,000,000	\$ 500,000			
OF0004.1		Feeder 80&81 - 4160V to 13.8KV Conversion	\$ 325,000				
OF0004.0		Feeder 61&70 - 2400V to 13.8KV Conversion beltline	\$ 125,000				
Not Assigned	*	E 25th Street Phase 1 - Underground Lighting	\$ 30,000	\$ 300,000			
OF0004.4		Feeder 1 Recabling	\$ 175,000				
Not Assigned	*	E 25th Street Phase 2 - Underground Lighting	\$ 30,000		\$ 300,000		
OF0008.1	*	W 40th St (Cobb Cook) - New Haven Development	\$ 100,000	\$ 150,000			
Not Assigned	*	Greenhaven Phase 1 - Underground Lighting		\$ 15,000	\$ 100,000		
Not Assigned		Industrial Road & E 19th St - Vaults & Switch		\$ 250,000	\$ 250,000		
Not Assigned		Wegener Sub - 4KV to 13.8KV Conversion		\$ 100,000	\$ 400,000		
Not Assigned		LED Street Light Conversion	\$ 25,000	\$ 1,000,000			
Not Assigned		Decomission Gas Plant Substations		\$ 500,000			
OF0004.3		Feeder 15 Phase 4 & 5 - 2400V to 13.8KV Conversion			\$ 500,000		
Not Assigned	*	Greenhaven Phase 2 - Underground Lighting			\$ 45,000	\$ 300,000	
Not Assigned		Voltage Conversion Feeder TBD				\$ 500,000	
Not Assigned		Voltage Conversion Feeder TBD					\$ 500,000
Distribution Subtotal			\$ 4,210,000	\$ 3,165,000	\$ 1,945,000	\$ 1,150,000	\$ 850,000



HIBBING PUBLIC UTILITIES

2026-2030 ELECTRIC CAPITAL IMPROVEMENT PLAN

Electric Distribution
Electric Generation
Electric Unscheduled Development
Transmission

Power Capital Improvement Plan							
CIP Project #	CC	Project Name	2026	2027	2028	2029	2030
OF0005		Southern Interconnect	\$ 11,173,000	\$ 7,448,400			
Transmission Subtotal			\$ 11,173,000	\$ 7,448,400	\$ -	\$ -	\$ -
Not Assigned		Highland Hills Development					
Not Assigned		DER Interconnect Upgrades	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Unscheduled Development Subtotal			\$ 26,706,000	\$ 20,101,800	\$ 3,265,000	\$ 1,975,000	\$ 1,375,000
Power Utility Total			\$ 33,666,000	\$ 25,516,800	\$ 5,460,000	\$ 4,875,000	\$ 4,475,000



HIBBING PUBLIC UTILITIES
2026-2030 STEAM CAPITAL IMPROVEMENT PLAN

Steam Distribution
Steam Unscheduled Development

Steam Capital Improvement Plan							
CIP Project #	CC	Project Name	2026	2027	2028	2029	2030
OF0002.2	*	E 23rd Street Steam - Phase 2	\$ 374,000				
Not Assigned	*	E 25th Street Phase 1	\$ 27,500	\$ 289,000			
Not Assigned	*	E 25th Street Phase 2	\$ 206,000		\$ 2,160,000		
OF0006.1		E 19th St & S 7th Ave E Steam Condensate Rehab	\$ 1,323,000				
Not Assigned		Annual Steam Maintenance Replacements	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
OF0006.0		Industrial Road & E 19th St		\$ 1,529,903	\$ 1,529,903		
Not Assigned		2029 Steam TBD Project				\$ 1,500,000	
Not Assigned		2030 Steam TBD Project					\$ 1,500,000
OF0006.2		24th Street Condensate Vault & Memorial Building Service	\$ 250,000				
OF0006.3		Warehouse Steam & Condensate Repair	\$ 80,000				
OF0008.5		1810 1st Ave Steam Service Extension	\$ 70,000				
Not Assigned		Highland Hills Development					
Steam Utility Total			\$ 2,830,500	\$ 2,318,903	\$ 4,189,903	\$ 2,000,000	\$ 2,000,000



HIBBING PUBLIC UTILITIES

2026-2030 ADMIN CAPITAL IMPROVEMENT PLAN

Plans & Studies
Facilities Upgrades & Major Maintenance
Fleet & Equipment

Admin Capital Improvement Plan								
CIP Project #	Funding Source	CC	Project Name	2026	2027	2028	2029	2030
OF0009.1			Distribution Modelling - Gas & Electric	\$ 200,000				
OF0009.0			Water, Gas & Electric Meter AMI Upgrade	\$ 2,072,055				
		*	Fleet Lease and Purchase	\$ 240,000	\$ 240,000	\$ 240,000	\$ 240,000	\$ 240,000
Not Assigned			Facilities - Upgrades and Major Maintenance	\$ 3,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Not Assigned			IT Communications	\$ 1,000,000				
Admin Total				\$ 6,512,055	\$ 2,240,000	\$ 2,240,000	\$ 2,240,000	\$ 2,240,000

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Item 7.B

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Item 7.B – Approve Annual Revisions of Management Staff Job Descriptions

April 28, 2026

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

RE: Item 7.B – Approve Annual Revisions of Management Staff Job Descriptions

Dear Commissioners,

I am writing to formally request your approval of the revised job descriptions for our management staff. These updates were completed as part of our annual review process, to ensure that all positions are aligned with our strategic utility objectives and organizational priorities.

The revisions reflect adjustments to roles, responsibilities, and performance expectations to better support current operational needs and future direction. We believe these updates will enhance clarity, accountability, and overall effectiveness within the team.

Thank you for your consideration,



Kendra Powers
Senior Director of Human Resources and Organizational Development
Hibbing Public Utilities Commission

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

Position Summary:

The Energy & Operations Manager provides executive leadership and strategic oversight of the utility's end-to-end service delivery of utility operations, including field operations, facilities, fleet and transportation, warehouse, and customer service functions. This role is accountable for ensuring safe, reliable, and efficient utility operations while aligning operational performance with financial objectives, regulatory requirements, and long-term organizational strategy.

As a key member of the leadership team, the Energy and Operations Manager drives system reliability, operational excellence, and customer experience while advancing initiatives in energy management, infrastructure investment, and sustainability. This position plays a central role in shaping energy strategy, optimizing resource utilization, and positioning the utility to respond to evolving market conditions, regulatory expectations, and community needs.

Key Responsibilities:

Executive Leadership & Strategy

- Provide strategic direction for all operational functions, aligning service delivery with organizational priorities and long-term utility planning
- Advise executive leadership and governing bodies on operational performance, risks, capital investments, and energy strategy
- Lead development and execution of enterprise operational plans, including asset management, system resilience, and emergency preparedness
- Support organizational initiatives related to modernization, sustainability, and infrastructure transformation

Operational Oversight & Service Delivery

- Oversee integrated utility operations, including field services, facilities, fleet, warehouse, and customer service
- Ensure safe, reliable, and compliant delivery of utility services in accordance with all regulatory and operational standards
- Establish and monitor key performance indicators (KPIs) to drive accountability, efficiency, and continuous improvement
- Lead emergency response efforts, including outage management and severe weather coordination

Energy Management & System Optimization

- Direct energy management strategies, including market and usage optimization, and efficiency initiatives
- Analyze usage trends, identify anomalies, and implement solutions to optimize system performance and reduce costs
- Align operations with regional energy markets and power supply strategies with natural gas and power market interactions and strategy to optimize operations under these markets.
- Lead integration of distributed energy resources, advanced metering, and data-driven operational tools

Financial, Capital, Procurement & Contract Management & Infrastructure Development

- Oversee departmental budgets and contribute to utility-wide financial planning and forecasting
- Lead strategic procurement, contract negotiation, and vendor management to ensure cost-effective and compliant sourcing
- Ensure adherence to public sector procurement regulations and internal policies
- Evaluate and advance business cases for capital projects and operational investments
- Collaborate with engineering and project teams on system design, implementation, and performance optimization to solve operational gaps and system needs
- Develop long-term strategies for asset lifecycle management, grid modernization, and system resilience

Customer Experience & Stakeholder Engagement

- Oversee customer service operations, including billing, account management, and service delivery
- Enhance customer experience through transparency, responsiveness, and service reliability
- Utilize customer insights and feedback to inform operational improvements and communication strategies
- Represent the utility in public meetings, stakeholder engagements, and community initiatives

Organizational Leadership & Talent Development

- Lead and develop a multidisciplinary team across operations, customer service, and support functions
- Foster a culture of safety, accountability, collaboration, and continuous improvement
- Establish clear performance expectations and support leadership development and succession planning
- Promote cross-functional alignment and communication across departments

Qualifications:

- Bachelor's degree in Public Administration, Business, or a related field (Master's preferred).
- 5-10 years of progressive leadership experience in utility operations, energy management, or related fields.
- Demonstrated success managing complex, multi-functional teams and operations.

- Strong understanding of utility systems, infrastructure systems, and public procurement practices.
- Knowledge of applicable regulatory frameworks and compliance requirements.
- Proven ability to align operational performance with financial and strategic objectives.
- Excellent leadership, communication, and stakeholder engagement skills.

Required Qualifications:

- Experience in municipal or public utility environments
- Knowledge of energy markets, dispatch coordination, or regional transmission organizations and natural gas system operation.
- Experience with advanced metering infrastructure (AMI), operational analytics, or smart grid technologies.
- Background in sustainability, energy efficiency, or decarbonization strategies.
- Professional certifications or advanced training (Six Sigma, utility leadership programs)
- Experience in emergency management or crisis response leadership.

Work Environment

- Combination of office and field environments, with regular interaction across operational sites.
- Requires availability for emergency response, including nights, weekends, and severe weather events.
- Occasional travel for regulatory meetings, vendor coordination, and industry engagements.
- Physical Requirements: Ability to inspect utility infrastructure (e.g., walk long distances, climb)
 - Sitting 60%, Standing 20%, Walking 20%, Lifting up to 50 lbs

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

Position Summary:

The Plant Manager provides strategic and operational leadership for the utility's power generation facilities, ensuring safe, reliable, and cost-effective service delivery. This role is accountable for overall plant performance, regulatory compliance, financial management, and long-term infrastructure planning.

As a key member of the leadership team, the Plant Manager aligns plant operations with organizational strategy, energy market performance, and evolving regulatory requirements. This position drives operational excellence, workforce development, and capital investment decisions while advancing initiatives related to system reliability, efficiency, and sustainability.

Key Responsibilities:

Executive Leadership & Strategy

- Provide strategic direction for plant operations in alignment with organizational goals and long-term resource planning
- Advise executive leadership and governing bodies on operational performance, risks, capital investments, and energy strategy
- Lead development and execution of short- and long-term operational plans, including system reliability and capacity planning
- Support enterprise-wide initiatives related to modernization, decarbonization, and infrastructure resilience

Operational Oversight & Performance

- Oversee all aspects of plant operations to ensure safe, reliable, and efficient power generation
- Establish and monitor key performance indicators (KPIs) related to safety, reliability, cost, and efficiency
- Ensure effective integration of plant systems, including mechanical, electrical, and advanced control systems.
- Drive continuous improvement initiatives to optimize performance and reduce operational risk

Regulatory & Risk Management

- Ensure full compliance with all applicable local, state, and federal regulations governing plant operations, safety, and environmental standards

- Serve as the primary point of contact for regulatory agencies, audits, and inspections
- Oversee reporting of operational, environmental, and compliance data
- Identify and mitigate operational, financial, and regulatory risks

Financial & Capital Management

- Lead development and oversight of operating and capital budgets
- Prioritize and direct capital investment strategies, including plant upgrades, replacements, and expansions
- Ensure disciplined financial public sector management, cost control, and resource allocation
- Evaluate and advance business cases for major capital and operational initiatives
- Collaborate with engineering and project teams on system design, implementation, and performance optimization to solve operational gaps and system needs
- Develop long-term strategies for asset lifecycle management and resilience

Talent & Organizational Leadership

- Build, lead, and develop a high-performing operations team, including succession planning and workforce development
- Foster a culture of safety, accountability, innovation, and continuous improvement
- Establish clear expectations and performance standards across all levels of plant staff
- Promote cross-functional collaboration with engineering, finance, regulatory, and executive teams

Energy Strategy & Innovation

- Align plant operations with regional energy market conditions, dispatch strategies, and system demand
- Lead initiatives to improve efficiency, reduce emissions, and enhance fuel flexibility
- Evaluate emerging technologies, including advanced generation, co-generation, and energy system integration
- Support long-term energy strategy, including participation in market opportunities and system transformation efforts

Qualifications:

- Bachelor's degree in Engineering, Industrial Technology, or related field. Equivalent experience may be considered
- 5–10 years of progressive experience in utility, power generation, or industrial operations, including supervisory or management roles
- Demonstrated success managing complex operations, budgets, and capital programs
- Deep knowledge of plant systems, regulatory frameworks, and safety standards
- Proven leadership in driving operational performance and organizational change
- Strong financial, analytical, and strategic planning capabilities
- Excellent communication and stakeholder engagement skills

Required Qualifications:

- Experience with asset management systems and long-term capital planning
- Knowledge of energy markets, dispatch optimization, and regulatory environments
- Advanced certifications (e.g., PE license, PMP, Six Sigma)
- Preferred certificates/licenses (e.g., Boiler Operator, Electric Plant Operator)
- Familiarity with decarbonization strategies, sustainability initiatives, and emerging energy technologies.

Working Conditions:

- Combination of office and plant/field environment, including exposure to industrial conditions
- Requires availability for emergency response, including nights, weekends, and severe weather events
- Occasional travel for regulatory meetings, training, or industry collaboration
- Physical Requirements:
 - Sitting 50%, Standing 25%, Walking 25%, Lifting up to 50 lbs

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Job Title: Payroll and HR Coordinator
Department: Human Resources
Reports To: Sr. Director of Human Resources and Organizational Development
Location: Hibbing, MN
FLSA Status: Exempt
Job Type: Full-Time
Drug & Alcohol Policy Classification: Non-mandate

Position Summary:

The Payroll and HR Coordinator is responsible for ensuring accurate and timely processing of payroll, and for supporting a broad range of human resources functions. This includes employee onboarding and offboarding, benefits administration, compliance, recordkeeping, and HRIS management. The role serves as a key liaison between employees, management and external vendors to ensure efficient and compliant payroll and HR operations.

Key Responsibilities:

Payroll Administration

- Process bi-weekly payroll for all employees (union and non-union), including wages, bonuses, overtime, and deductions.
- Ensure compliance with federal, state, and local wage and hour laws, tax regulations, and internal policies.
- Maintain accurate payroll records, including timesheets, deductions, and benefit adjustments.
- Serve as the primary contact for payroll-related inquiries, providing timely and accurate resolution.
- Ensure the integrity of data within Finance and resolve discrepancies as needed.
- Manage direct deposit setup, wage garnishments, and required payroll reporting.
- Prepare payroll documentation and reports in support of internal and external audits.
- Administer the timekeeping system, including monitoring submissions, resolving discrepancies, and ensuring adherence to payroll deadlines.

HR Coordination

- Support the onboarding and offboarding process, including preparation of new hire paperwork and exit documentation.
- Maintain accurate and compliant employee records within the HRIS and personnel files in accordance with retention policies and regulatory requirements
- Administer employee benefits programs, including enrollments and annual open enrollment processes.
- Respond to employee inquiries regarding HR policies, benefits, and procedures.
- Ensure compliance with applicable reporting requirements including ACA, EEO, OSHA, FMLA, ADA, state/federal labor laws, and HPU policies.
- Prepare HR reporting, data analysis, and projects as needed.

- Administer benefits including health, dental, & vision insurance, long-term disability, and retirement plans.
- Administers employee leave programs including FMLA, Minnesota Paid Family Leave, Sick Leave, Vacation, and ADA accommodations, ensuring accurate tracking and documentation.
- Assist recruitment efforts, including job postings, applicant tracking, and interview scheduling.
- Process employee status changes, including hires, terminations, promotions, and other personnel actions.
- Support implementation and enforcement of HR policies, procedures, and utility-wide compliance initiatives.
- Prepare, process, and post employee work schedules in accordance with departmental staffing needs.
- Serves as system administrator for HRIS and payroll systems, ensuring data integrity, system accuracy, and proper configuration of employee records.
- Interpret and apply HR and payroll policies consistently across departments and assist in updating procedures as needed.
- Supports implementation of HR initiatives and ensures compliance with organizational policies and collective bargaining agreements.

Minimum Qualifications:

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

Preferred Qualifications:

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

Working Conditions:

- Office setting with standard business hours; may include occasional extended hours during payroll periods, audits, or peak workload periods.
- Regular Interaction with multiple departments and external vendors.
- Physical Requirements:
 - Sitting 80%, Standing 10%, Walking 10%, Lifting up to 25 lbs

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

Position Summary:

The Grant Writer & Engagement Specialist plays a key role in securing funding and strengthening relationships between the utility and the community it serves. This position is responsible for researching, developing, and managing grant applications that support infrastructure, energy efficiency, environmental, and community development initiatives.

In addition, this role leads community engagement efforts by developing outreach strategies, public education campaigns, and stakeholder partnerships that promote awareness, transparency, and trust. Working across departments, the specialist ensures that funding strategies and communications align with organizational goals, regulatory requirements, and community needs.

Key Responsibilities:

- Identify and evaluate grant opportunities from federal, state, and local agencies, as well as foundations and industry partners.
- Write, edit, and submit multiple and accurate grant proposals, applications, and letters of intent.
- Collaborate with internal teams (engineering, finance, legal, operations, and executive leadership) to gather data and develop strong application content.
- Ensure compliance with all grant requirements and coordinate post-award reporting, audits, and communications with funding agencies
- Maintain a detailed grants calendar and manage multiple submission deadlines simultaneously.
- Monitor legislation and policy trends affecting utility funding and regulatory incentives.
- Maintain relationships with government agencies, grant program officers, community partners, and stakeholders.
- Create and maintain organized records of past proposals, awarded grants, project outcomes, and reporting documentation.
- Develop and implement community engagement plans that promote utility initiatives, including conservation, energy efficiency, rate changes, and capital projects.
- Represent the utility at community meetings, public events, town halls, and industry forums.
- Build relationships with community organizations, local government agencies, advocacy groups, and key stakeholders.
- Create and distribute outreach materials such as newsletters, flyers, press releases, social media posts, and fact sheets.
- Support messaging and stakeholder engagement for major initiatives, including infrastructure investments and rate changes.
- Monitor public sentiment, emerging issues, and community concerns related to utility services.

- Support development of multi-source funding strategies for large-scale capital projects.
- Identify and build partnerships with regional utilities, economic development agencies, and industry partners.

Minimum Qualifications:

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

Preferred Qualifications:

- Familiarity with major funding programs such as the Infrastructure Investment and Jobs Act, Inflation Reduction Act, and American Rescue Plan Act.
- Experience working with a utility, municipal government, or regulatory body.
- Knowledge of utility-related topics such as energy efficiency, renewable energy, broadband, water systems, or environmental compliance.
- Experience supporting capital improvement projects or regulatory initiatives.
- Professional certifications or advanced training in grant writing, communications, or public administration.

Work Environment:

- Office environment, with occasional travel for community events, stakeholder meetings, grant workshops, or site visits.
- May require working outside of standard business hours during major funding cycles or deadlines.
- Physical Requirements:
 - Sitting 80%, Standing 10%, Walking 10%, Lifting up to 25 lbs

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

Position Summary:

The Business Analyst supports data-driven decision-making by analyzing operational, financial, and customer data to improve performance, reduce costs, and advance strategic initiatives. This role supports the executive team across the organization to develop reports, enhance processes, and support projects such as rate studies, regulatory reporting, and infrastructure planning.

Serving as a liaison between business operations, finance, and information systems, the Business Analyst translates data into actionable insights and helps implement practical solutions that improve efficiency, compliance, and service delivery.

Key Responsibilities:

- Collect, analyze, and interpret utility data related to finance, operations, energy usage, customer behavior, service delivery, and regulatory compliance.
- Develop reports, dashboards, and presentations to support strategic position and departmental decision-making.
- Assist in utility rate analysis, cost-of-service studies, and financial forecasting.
- Support strategic initiatives such as infrastructure planning, organizational restructuring, and regulatory compliance projects.
- Evaluate performance metrics and KPIs across departments to identify trends, issues, and opportunities for improvement.
- Collaborate with IT and technical vendors to enhance data infrastructure, troubleshooting, and reporting tools (e.g., data warehouses, business intelligence platforms).
- Prepare business cases for projects and investments, including ROI analysis, benchmarking, and risk assessments.
- Support regulatory and compliance reporting (e.g., filings to PUCs, DOE, EPA, or other agencies).
- Document business processes and recommend improvements for greater efficiency and effectiveness aligned with the strategic plan.
- Serve as a liaison between technical teams, finance, operations, and executive leadership.
- Develop load forecasting models and scenario planning for long-term resource and infrastructure decisions.
- Support energy market participation analysis, including pricing, hedging, and load strategy.
- Build predictive analytics for asset management, maintenance, and capital prioritization.
- Support development of rate design aligned with cost-of-service and strategic objectives.
- Integrate data across systems into unified reporting and decision tools.

Minimum Qualifications:

- Bachelor's degree in Business Administration, Finance, Economics, Engineering, Data Analytics, or a related field.
- 2–5 years of experience in a business analysis, financial analysis, or data analyst role.
- Strong analytical skills and experience working with large data sets.
- Proficiency with Microsoft systems and business intelligence tools (e.g., Power BI, Tableau).
- Excellent verbal and written communication skills.
- Ability to translate complex data into clear, actionable insights.

Preferred Qualifications:

- Experience in the utility industry (electric, water, gas, or power generation).
- Familiarity with utility operations, rate design, regulatory frameworks, or infrastructure planning.
- Experience with utility market analytics, forecasting tools or energy trading environments.
- Experience with utility management systems (e.g., CIS, SCADA, AMI, GIS, or ERP systems such as SAP or Oracle).
- Advanced degree or certifications (e.g., CBAP, PMI-PBA, Six Sigma, or MBA).

Work Environment:

- Office work environment with occasional travel to utility sites, stakeholder meetings, or public hearings.
- Fast-paced setting with multiple concurrent projects and deadlines.
- Physical Requirements:
 - Sitting 80%, Standing 10%, Walking 10%, Lifting up to 25 lbs

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

Position Summary:

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

Key Responsibilities:

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

Qualifications:

- Bachelor's degree in Business Administration, Public Administration, or related field preferred.
- 3–5 years of customer service experience in a utility or public sector setting, including at least 1–2 years in a supervisory role.
- Proficiency in customer information systems (e.g., Tyler Munis, NorthStar, Banner, SAP, or similar).
- Familiarity with utility billing processes, meter data, and payment platforms.
- Strong Microsoft Office skills (Excel, Word, Outlook).
- Excellent communication and conflict-resolution skills.
- Must be self-motivated to improve internal/external processes with little to no guidance.
- Strong organizational, analytical, and leadership abilities.
- Customer-focused mindset with the ability to maintain professionalism under pressure.
- Ability to interpret and apply utility regulations, billing codes, and service policies.

Preferred Qualifications:

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

Working Conditions:

- Office-based position with regular working hours.
- May require extended hours during billing cycles, outages, or high-call-volume periods.
- Occasional interaction with field staff and onsite customers.
- Physical Requirements:
 - Sitting 80%, Standing 10%, Walking 10%, Lifting up to 25 lbs

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

Position Summary:

The Electrical Distribution Manager is responsible for planning, directing, and supervising the operation, maintenance, and construction of the utility's electrical distribution system. This role ensures safe, reliable, and efficient service delivery while supporting capital improvement projects, system reliability, and regulatory compliance.

The Manager leads day-to-day operations, oversees field personnel and contractors, and collaborates with engineering and operations teams to execute projects, improve system performance, and support long-term infrastructure planning.

Key Responsibilities:

- Provide leadership, supervision, and direction to line operations staff to ensure safe and effective completion of maintenance and construction activities.
- Oversee daily operations of the electrical distribution system, including service reliability and outage response.
- Supervise the Line Crew Lead and Assistant Lead to ensure work is properly planned, prioritized, scheduled, and executed.
- Support emergency response efforts and lead Electrical Distribution Emergency Response Teams.
- Plan, coordinate, and oversee distribution, construction and maintenance projects.
- Develop project scopes, cost estimates, budgets, and schedules for capital and O&M projects.
- Manage consultants and contractors to ensure project scope, timelines, and quality standards are met.
- Prepare and review electrical plans, specifications, drawings, and public bid documents.
- Develop and implement preventive maintenance programs and construction objectives (short- and long-term).
- Utilize asset management systems to create work orders, track progress, and document maintenance activities.
- Identify and implement improvements to enhance system reliability and performance.
- Contribute to long-range system planning and infrastructure improvement strategies.
- Ensure all work complies with applicable electrical codes, engineering standards, and safety regulations (e.g., IEEE, ANSI, OSHA).
- Partner with Environmental Health & Safety staff to promote a strong safety culture and address incidents or near misses.
- Develop and maintain operation and maintenance procedures for electrical distribution equipment.
- Coordinate daily activities with engineering, operations, and other departments.

- Support service requests, development projects, system extensions, and interconnection applications, including distributed energy resources (DER).
- Communicate system status, outages, and restoration timelines to leadership and internal stakeholders.
- Respond to customer and regulatory inquiries, complaints, and service issues, and implement effective resolutions.
- Coordinate purchase requisitions and required documentation for projects and maintenance activities..
- Collaborate with procurement, finance, and engineering teams to support project execution and resource planning.
- Assist in the development and integration of digital asset management and maintenance systems

Qualifications:

- Associate degree in Engineering Technology, Project Management, or a related field.
- 5-10 years of experience in electric utility operations, construction, or project management, including supervisory responsibilities.
- Strong knowledge of electrical distribution systems, construction practices, and maintenance operations.
- Demonstrated leadership and team management skills.
- Ability to organize work, prioritize tasks, and make sound operational decisions.
- Strong communication skills with the ability to work effectively across all levels of the organization.

Preferred Qualifications:

- Bachelor's Degree in Engineering, Project Management or related field
- A Professional Engineer (PE) license.
- Experience with utility asset management systems and work management tools.
- Familiarity with distributed energy resources (DER), system interconnections, and grid modernization efforts.

Working Conditions:

- Combination of office and field environments, including active construction and utility sites.
- May require extended hours during outages, emergency response, or construction and commissioning periods.
- Physical Requirements:
 - Sitting 80%, Standing 10%, Walking 10%, Lifting up to 25 lbs



Item 7.C

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Item 7.C – Summer Students Hiring Policy

April 28, 2026

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

RE: Item 7.C – Summer Students Hiring Policy

Dear Commissioners,

Following our April 14, 2026, working session, I am writing to request your review and approval of the proposed Summer Students Hiring Policy.

The policy establishes a comprehensive and transparent hiring procedure for our student workers. Previously, a formal policy did not exist at Hibbing Public Utilities, and this proposal is intended to provide consistency, clarity, and fairness in our hiring practices moving forward.

Thank you for your consideration.

Sincerely;



Kendra Powers
Sr. Director of Human Resources and Organizational Development
Hibbing Public Utilities

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Summer Student Employment Hiring Preference Policy

Purpose

The purpose of this policy is to establish consistent hiring preferences for student summer employment positions within Hibbing Public Utilities, while supporting workforce development and serving the local community.

Eligibility Requirements

To be considered for student summer employment, applicants must:

- Be currently enrolled in an accredited high school, college, university, or technical program
- Provide proof of enrollment for the applicable academic term preceding and/or following the summer employment period
- Meet any minimum academic or program-specific requirements established for the position

Hiring Preferences

Qualified applicants shall be considered using the following preference criteria, where applicable:

- Residency Preference preference may be given to applicants who reside within Hibbing Public Utilities service area.
- Relevant Field of Study preference may be given to students whose academic program aligns with the duties of the position (e.g., engineering, accounting, or skilled trades).
- Returning Seasonal Employees preference may be given to applicants who have previously been employed by Hibbing Public Utilities in a student capacity and demonstrated satisfactory performance.
- Employee Family Preference may be given to applicants who are immediate family members of current Hibbing Public Utilities employees.
 - Immediate family is defined as parent, stepparent, child, stepchild, sibling, or legal guardian.
 - Such applicants must meet all minimum qualifications for the position.
 - This preference shall not supersede minimum hiring standards or result in the selection of a less qualified candidate over a more qualified candidate.

Repeat Summer Employment Limitation

To promote equitable access to student employment opportunities:

- Applicants who have been employed by Hibbing Public Utilities as student summer employees for two (2) prior summer seasons shall not receive preference for rehire.
- Preference may instead be given to other qualified candidates who have not previously participated or who have participated for fewer seasons.
- Such applicants may still be considered for employment but shall be evaluated without returning employee preference.

Equal Employment Opportunity

Hibbing Public Utilities is committed to providing equal employment opportunity. Hiring decisions shall be made without regard to race, color, religion, sex, national origin, age, disability, or any other protected status in accordance with applicable laws.

Nepotism and Conflict of Interest

- No employee shall be involved in the hiring, supervision, or evaluation of an immediate family member.
- Employee family preference shall not be applied in a manner that creates a direct or indirect supervisory relationship between related individuals.

Selection Criteria

In addition to the preferences outlined above, applicants will be evaluated based on:

- Availability to work the full duration of the summer employment period; generally, the 2nd week in June through the 3rd week in August.
- Demonstrated reliability, work ethic, and responsibility.
- Possession of any required licenses or certifications (e.g., valid driver's license).
- Ability to perform essential job functions, including physical requirements where applicable.
- Ability to pass a drug screen and/or pre-employment physical.



Item 7.D

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Item 7.D– Approve Summer Students Job Description & Staffing

April 28, 2026

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

RE: Item 7.D– Approve Summer Students Job Description & Staffing
Policy

Dear Commissioners,

Following our April 14, 2026, working session, I am writing to request your review and approval of the preliminary staffing plan and job description for the Summer 2026 student program (second week of June through the third week of August).

The proposed student staffing allocations are as follows:

- Meter Shop – 6 positions
- Heat Crew – 2 positions
- Lawn Mowing – 4 positions
- Plant – 4 positions
- Water Crew – 4 positions

The total estimated cost for this staffing plan is approximately \$149,600.

Thank you for your consideration.

Sincerely;



Kendra Powers
Sr. Director of Human Resources and Organizational Development
Hibbing Public Utilities

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Job Title: Summer Student
Department: Operations
Reports To: Department Head
Location: Hibbing, MN
FLSA Status: Non-Exempt
Job Type: Temporary Part-Time
Drug & Alcohol Policy Classification: Non-mandate

Position Summary:

The Summer Utility Student supports daily operations across multiple utility departments, including plant maintenance, water and gas systems, meter services, and general facility upkeep. This position provides hands-on experience in public utilities while assisting crews with maintenance, inspections, and operational tasks.

Key Responsibilities:

Plant Maintenance

- Perform plant yard cleanup and general housekeeping
- Assist with fence repairs
- Sweep and mop internal plant areas
- Support painting and preservation projects
- Monitor air quality for confined space work (external monitoring)

Grounds Maintenance

- Mow and trim grass at utility facilities, including:
 - Water towers
 - Wells
 - Substations (with supervision)
 - Administration building
 - Water Treatment Plant
 - Service center

Heat Crew Support

- Assist with corrosion control and painting of gas meters (per MNOPS requirements)
- Serve as top person for steam manhole operations
- Support gas installation and restoration projects
- Assist with residential and commercial heat audits

Meter Shop Assistance

- Assist with water meter changeouts and audits
- Support data collection efforts for Lead Service Line (LSL) programs and MDH requirements

- Conduct door-to-door sampling, including lead line water samples
- Perform minor meter repairs and sandblasting
- Help correct facility safety issues
- Assist with water outage notifications
- Support vehicle pick-up, drop-off, and detailing
- Enter data related to Advanced Metering Infrastructure (AMI) upgrades
- Organize and distribute AMI meters from warehouse inventory

Water Crew Support

- Paint well piping and well house exteriors (per MDH guidance)
- Paint floors and walls at the Water Treatment Plant
- Paint and preserve fire hydrants
- Assist with hydrant flushing operations

General Utility Duties

- Perform painting and general maintenance tasks
- Assist with moving furniture and equipment
- Fuel vehicles and equipment as needed

Minimum Qualifications:

- Active high school or college student
- Valid driver's license
- Ability to perform physical labor in outdoor and indoor environments
- Willingness to learn and follow safety procedures
- Strong work ethic and reliability

Preferred Qualifications:

- Valid driver's license

Work Environment:

- Work is performed in outdoor and industrial environments, including exposure to varying weather conditions
- May involve confined space support, loud equipment, and physical activity
- Requires adherence to all safety regulations and use of personal protective equipment (PPE)
 - Sitting 20%, Standing 40%, Walking 40%, Lifting up to 25 lbs