



Commission Regular Session

JULY 21, 2026

Commission Meeting Agenda

July 21, 2026

Chair J. Bayliss	—	Commissioner J. Sandstede	—
Commissioner J. Stokes	—	Commissioner J. Babich	—
Commissioner J. Hart	—	Legal Counsel A. Borland	—
Baker Tilly Representative B. Ryers	—	Power Plant Manager D. Edwards	—
Senior Director HR and OD K. Powers	—	Engineering Manager P. Skubinna	—
Customer Service Supervisor J. Hietala	—	Executive Assistant M. Schoeben	—
		Electrical Manager S. Adams	—

1. CALL TO ORDER

2. ADDS/DELETES

3. APPROVAL OF MINUTES: July 7, 2026, Commission Meeting

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 May 30, through July 9, 2026.
- B. Approve the payroll paid & overtime report for June 11, 2026, June 25, 2026, and July 9, 2026, pay dates.
- C. Approve June 2026 Financials
- D. Approve Meter Technician to Attend UMMA Summer Meeting
- E. Approve Water Crew Mechanics & Supervisor to Attend Annual Northern Operator Expo
- F. Approve Request for Contribution to Alpha Delta Kappa-Phi

6. FINANCIALS & RISK MANAGEMENT

- A. Request to Approve Engineering Services
- B. Request to go out to Bid for New Haven Drive Phase 2 – Mahoney Manor Water Main.
- C. Approve Quotes for Materials for Beltline Substation
- D. Approve Wesco Materials Purchase for Beltline Substation
- E. Recommendation of Bid Award for the 4th & 4th Project
- F. Request to Approve Construction Phase Engineering Services
- G. Hydrants Replacement Project Change Order Request
- H. Shared Service with City Approval to Proceed with Discussion
- I. Request to transfer from 4M Account

7. POLICY & GOVERNANCE

- A. Approval of Purchasing Policy
- B. Request Formation of Finance Committee

8. OLD BUSINESS

9. NEW BUSINESS

10. ADJOURNMENT



Item 3

Item 3 – Approval of Minutes: July 7, 2026

July 21, 2026

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

RE: Item 3 - Approval of Minutes: July 7, 2026

Dear Commissioners,

Please find attached for your approval draft minutes from the Commission Meeting held on July 7, 2026.

Sincerely,

A handwritten signature in blue ink that reads 'Kendra Powers'.

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

Minutes of the regular meeting of the Public Utilities Commission, Hibbing, Minnesota, 1902 E. 6th Ave., Hibbing, MN 55746, held on July 7, 2026. Meeting held at Hibbing City Hall, 401 E. 21st St., Hibbing MN. Commissioner Bayliss called the meeting to order at 5:03 p.m. In attendance were Commissioner Bayliss, Commissioner Sandstede, Commissioner Hart, Commissioner Stokes, Commissioner Babich, Legal Counsel, Andy Borland; Senior Director of Human Resources & Organizational Development, Kendra Powers; Energy & Operations Manager, Paul Plombon, Engineering Manager, Paul Skubinna, Power Plant Manager, Dan Edwards; Executive Assistant, Magan Schoeben; and Grant Writer & Engagement Specialist, Eliot Dixon. Also in attendance were HPU Employee & Local 94 Union President, George Pogachnik, Jaqueline Prescott, with HRA, Karleen Kos, and Shelly Dau, with MMUA, Dan Murdden, with Tromco Electric, Justin Kangas, with Iron Range Electric, and Community Member, Mark Reger.

ADDS/DELETES

Public Forum

1. Dan Murdden with Tromco Electric spoke regarding bid bond filing.
2. Justin Kangas with Iron Range Electric spoke regarding the bid bond for meter changes.

Action Item 1. Authorize Request for Community Contribution North St. Louis County Habitat for Humanity.

Commission discussed determining cost breakdown of the request, request form did not specify needs.

No Action Taken.

Action Item 2. Approval of Minutes June 9, 2026 & June 23, 2026

Motion by Commissioner Sandstede, supported by Commissioner Stokes, to approve Minutes of June 9, 2026 & June 23, 2026.

Motion carried unanimously.

Action Item 3. New Haven Drive Gas and Electric Utility Extensions

Motion by Commissioner Stokes, supported by Commissioner Babich to approve the award of 76,000 to Jivery Construction for the construction of gas main and primary electric distribution extensions to serve the New Haven Drive Housing Development.

Motion carried unanimously.

Action Item 4. New Haven Drive Water Extensions

Discussion regarding project specifics and funding source.

Motion by Commissioner Sandstede, supported by Commissioner Babich, to approve 55,000 to Bolton and Menk for design and construction phase engineering services for New Haven Drive Water Extension Phase 1 water main extension and loop.

Motion carried 4-1.

Opposed- Commissioner Hart.

Discussion between Commission and Jaqueline Prescott regarding timeline and explanation of need from HPUC.

Motion by Commissioner Sandstede supported by Commissioner Stokes to approve the award of 735,000 to KGM Construction for construction of New Haven Drive Housing Development Phase 1 water main extension and loop.

Motion carried unanimously.

Action Item 5. AMI Gas Rejection

Motion by Commissioner Sandstede, supported by Commissioner Babich, to reject the AMI Gas Rejection Bid for Tromco Electric.

Motion carried unanimously.

Item 6. AMI Electric Rejection

Motion by Commissioner Sandstede, supported by Commissioner Stokes to reject the AMI Electric bid and hold Iron Range Electric Financially harmless.

Motion carried unanimously.

Item 7. Authorize Remote Vehicle Monitoring

Discussion from George Pogachnik stating the Union will be requesting a letter of understanding.

Motion by Commissioner Stokes, supported by Commissioner Hart to authorize purchase and installation of remote vehicle monitoring.

Motion carried unanimously.

Discussion Items

1. Transition Committee Update
2. Base Rate
3. Project Funding Matrix
4. Commission Meeting Start Time
5. Purchasing Procedures Policy

Commission reviewed and discussed the listed discussion items. The Commission took no action.

ADJOURNMENT

Motion by Commissioner Stokes, supported by Commissioner Hart, to adjourn the meeting at 7:15 pm.

Motion carried unanimously.

Attest:

James Bayliss, Chair

Jeff Hart, Commission Secretary

**Meeting materials are available at
The next meeting is an action session scheduled for Tuesday, July 21, 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

Item 5.A – Approve Invoices >\$10,000 and bills & ACH transfers
dated May 30, 2026 – July 9, 2026

July 21, 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 May
30, 2026 – July 9, 2026

Dear Commissioners,

Per HPU's Authorization and Approval matrix approved at the April 26, 2022,
Commission Meeting, please find attached enclosed invoices, bills, and
payments since the last Regular Meeting held by the Commission on June 9,
2026.

Sincerely,



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



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



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

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
BAKER TILLY VIRC	BT3615068	April professional services including March compilation, key matrix presentation, travel to commission meeting,	04/30/2026	05/06/2026	17,451.02	63925	05/28/2026
Total BAKER TILLY VIRCHOW KRAUSE, LLP:					17,451.02		
BASIC CONCEPTS	065799	BCI Custom Polyvinyl/BB System 11' 13' x 18'	06/04/2026	06/15/2026	13,932.36	64252	07/09/2026
Total BASIC CONCEPTS INC:					13,932.36		
BCBS RETIREE	2605014382	RETIREE ACTIVE COVERAGE 06/01/26-06/30/26	05/14/2026	05/14/2026	11,591.00	52820263	06/02/2026
	2606014414	RETIREE ACTIVE COVERAGE 07/01/26-07/31/26	06/12/2026	06/12/2026	12,629.00	62320261	06/23/2026
Total BCBS RETIREE:					24,220.00		
BOLTON & MENK, I	0392722	WATER TREATMENT FACILITY IMPROVEMENTS / CAREY VALLEY 2023	04/16/2026	05/01/2026	27,307.38	63927	05/28/2026
	0393701	PH.2 for E 23rd ST Water Services	04/29/2026	05/20/2026	12,024.50	63927	05/28/2026
	0393702	2026 Lead Service Line & Watermain Replacement Project	04/29/2026	05/20/2026	35,135.50	63927	05/28/2026
	0395925	WATER TREATMENT FACILITY IMPROVEMENTS / CAREY VALLEY 2023	05/19/2026	06/08/2026	32,119.00	64127	06/17/2026
	0396638	Watermain PH 3 30"-Professional Services from 4/11/26-5/8/26	05/29/2026	06/18/2026	43,308.00	64194	07/02/2026
	0396641	PH.2 for E 23rd ST Steam Services Professional services from 4/11/26-5/8/26	05/29/2026	06/18/2026	16,081.00	64194	07/02/2026
	0396643	2026 Lead Service Line & Watermain Replacement Project Professional Services from 4/11/26-5/8/26	05/29/2026	06/18/2026	35,599.50	64194	07/02/2026
	0397821	WATER TREATMENT FACILITY IMPROVEMENTS / CAREY VALLEY 2023	06/15/2026	06/26/2026	22,479.25	64255	07/09/2026
Total BOLTON & MENK, INC:					224,054.13		
BOUGALIS INC	24LEAD PAY	Pothole Excavation Water SVC Line - Pay App #5	04/15/2026	07/02/2026	23,465.00	64196	07/02/2026
	9485A	2026 Construction Services	05/12/2026	05/12/2026	10,448.75	64081	06/11/2026
	9558	2026 CONSTRUCTION SERVICES - 2ND AVE WEST REPAIR	05/28/2026	06/08/2026	12,171.31	64196	07/02/2026
Total BOUGALIS INC:					46,085.06		
CEMSOURCE	5144	Annual Maintenance Agreement for 2026	05/07/2026	05/19/2026	11,787.50	64082	06/11/2026
Total CEMSOURCE:					11,787.50		
CORE & MAIN	J000022224	Electric meters for AMI project- Stratus 1Q	05/27/2026	06/26/2026	11,266.32	64200	07/02/2026
Total CORE & MAIN:					11,266.32		
Crum Energy Law	1001	April Legal services Southern Interconnect Transmission project	04/30/2026	05/12/2026	24,745.00	63935	05/28/2026
	2026.CRUM2	May billing for Southern Interconnect Project	06/01/2026	06/30/2026	20,720.00	64248	07/02/2026
Total Crum Energy Law:					45,465.00		
DUNCAN CO	1202558	AGI PSGN10.05AS 4X4X3 RF ASME600 ARC valve Power plant Feedwater	06/15/2026	06/30/2026	31,067.00	64262	07/09/2026

Name	Invoice Number	Description	Vendor Invoice Date	Invoice Approval Date	Invoice Amount	Check Number	Check Issue Date
Total DUNCAN CO:					31,067.00		
ELECTRIC POWER	47539	Southern Interconnect - Full Detail Engineering Package	04/30/2026	05/12/2026	53,317.00	63938	05/28/2026
	48511	2026 Q2 Projected Costs-EPCM	05/29/2026	06/04/2026	46,437.00	64203	07/02/2026
Total ELECTRIC POWER ENGINEERS LLC:					99,754.00		
HECIMOVICH MEC	25X.138209	2026 Hydrant Replacement Project PAY APP #2	06/04/2026	06/16/2026	55,667.28	64280	07/09/2026
	4707	2026 Steam Services	04/28/2026	05/01/2026	74,287.54	63950	05/28/2026
	4715	Plant Services 2026	05/22/2026	06/08/2026	18,486.71	64212	07/02/2026
	4716	2026 Steam Services	05/22/2026	06/04/2026	43,946.49	64212	07/02/2026
	APRIL 2026	2026 Hydrant Replacement Project Low Bid	05/01/2026	05/19/2026	338,792.31	64136	06/17/2026
Total HECIMOVICH MECHANICAL CONTRACTING INC:					531,180.33		
HIBBING ACH, CIT	000238-MAY	May 2026 Sewer Billing	06/18/2026	07/06/2026	323,299.74	70920269	07/09/2026
	000238-MAY	May 2026 Water Billing	06/18/2026	07/06/2026	27,658.59	70920269	07/09/2026
	000238-MAY	May 2026 Garbage billing	06/18/2026	07/06/2026	197,087.13	70920269	07/09/2026
	238-APRIL26	April 2026 Garbage billing	05/20/2026	06/01/2026	192,168.30	60520261	06/05/2026
	238-APRIL26	April 2026 Sewer Billing	05/20/2026	06/01/2026	333,383.71	60520261	06/05/2026
	238-APRIL26	April Storm Water Billing	05/20/2026	06/01/2026	27,653.97	60520261	06/05/2026
Total HIBBING ACH, CITY OF:					1,101,251.44		
HydroCorp, LLC	CI-13571	Installation of AMI Water Meters	05/31/2026	06/30/2026	66,205.00	64215	07/02/2026
Total HydroCorp, LLC:					66,205.00		
IRON RANGE ENGI	150	Electrical, Civil & Structural Engineering Services	05/01/2026	06/05/2026	36,371.30	64091	06/11/2026
		Substation Modernization @ Beltline					
Total IRON RANGE ENGINEERING AND CONSULTING:					36,371.30		
KINECT ENERGY I	411189	Purchased Gas for May 2026	06/03/2026	06/09/2026	233,181.05	70220261	07/02/2026
Total KINECT ENERGY INC ACH DO NOT MAIL:					233,181.05		
MEDICARE BLUE	003310344	MEDIARE RX COVERAGE JUL 2026	06/05/2026	06/15/2026	48,236.00	64222	07/02/2026
Total MEDICARE BLUE RX:					48,236.00		
MERJENT INC	0054229	HIB Southern Interconnect Project--Services from	05/15/2026	06/01/2026	24,673.20	64145	06/17/2026
	53157	HIB Southern Interconnect Project--Services from March	04/17/2026	04/23/2026	21,395.78	63961	05/28/2026
Total MERJENT INC:					46,068.98		
MINNESOTA POWE	0762849139	Purchased Power For April 2026	05/15/2026	05/19/2026	534,308.17	52820263	06/02/2026
Total MINNESOTA POWER ACH DO NOT MAIL:					534,308.17		
MN DEPT HEALTH	1690022 Q2	SVC CONNECTION FEE	05/15/2026	05/28/2026	21,627.00	64147	06/17/2026
Total MN DEPT HEALTH DRINKING WATER:					21,627.00		
MN PEIP	1641808	ACTIVE EMPLOYEE HEALTH COVERAGE 07/01/26-07/31/26	06/09/2026	06/12/2026	199,067.86	70920262	07/09/2026

Name	Invoice Number	Description	Vendor Invoice Date	Invoice Approval Date	Invoice Amount	Check Number	Check Issue Date
Total MN PEIP:					199,067.86		
National Bank of Co	LOANINTPM	May Transmission loan interest	05/25/2026	06/22/2026	11,596.14	60520262	06/05/2026
Total National Bank of Commerce:					11,596.14		
NOVASPECT INC	PJ99014653	Delta V & System Optimization, Engineering Support	05/15/2026	06/05/2026	13,197.50	64150	06/17/2026
Total NOVASPECT INC:					13,197.50		
OHMAN INDUSTRI	01393	Rebuilding condensers and coolers on turbine 5 - labor and equipment use	04/30/2026	05/27/2026	88,394.61	63967	05/28/2026
	01425	Turbine 5 repair to explosion diaphragm - labor and parts	04/30/2026	05/27/2026	48,382.32	63967	05/28/2026
	01426	Boiler #1 - grate repair to the coal delivery system	04/30/2026	05/27/2026	19,450.55	63967	05/28/2026
	01427	Turbine 5 - Descaling steam injector	04/30/2026	05/27/2026	47,955.53	63967	05/28/2026
	01428	Feedwater pump #2 - labor and parts to restore boiler feedpump #2	04/30/2026	05/27/2026	129,410.83	63967	05/28/2026
Total OHMAN INDUSTRIES INC:					333,593.84		
POWER PRODUCT	23823	Anderson Greenwood Pilot Operated Relief Valve 2"X3"	05/29/2026	06/08/2026	17,921.15	64229	07/02/2026
Total POWER PRODUCTS AND SERVICES:					17,921.15		
RICE LAKE CONTR	PAY APP # 2	South Water Treatment Plant Rehab Project	06/04/2026	06/26/2026	89,320.24	64317	07/09/2026
	PAY APP # 2	South Water Treatment Plant Rehab Project--Well & Wellhouse Construction	06/04/2026	06/26/2026	48,000.00	64317	07/09/2026
	PAY APP #25	South Water Treatment Plant Rehab Project	05/06/2026	05/19/2026	199,090.49	64111	06/11/2026
Total RICE LAKE CONTRACTING CORP:					336,410.73		
SAVANNA PALLET	INV173244	2026 Wood Supply	05/09/2026	05/22/2026	32,225.21	64112	06/11/2026
	INV173710	2026 Wood Supply	05/15/2026	05/28/2026	33,577.22	64153	06/17/2026
	INV173992	2026 Wood Supply	05/23/2026	06/04/2026	21,475.25	64233	07/02/2026
	INV174227	2026 Wood Supply	05/29/2026	06/05/2026	33,923.93	64233	07/02/2026
	INV174539	2026 Wood Supply shipped 6/5/26	06/05/2026	06/18/2026	31,669.03	64318	07/09/2026
	INV174772	2026 Wood Supply shipped 6/12/26	06/12/2026	06/26/2026	27,826.43	64318	07/09/2026
	INV175018	2026 Wood Supply shipped 6/19/26	06/19/2026	06/26/2026	35,785.40	64318	07/09/2026
Total SAVANNA PALLETS:					216,482.47		
STACK BROS. MEC	65148	BOILER MAKER 2026	05/20/2026	06/01/2026	68,408.25	64236	07/02/2026
Total STACK BROS. MECHANICAL:					68,408.25		
STUART C IRBY C	S014483472	Beltline Substation Mod. Project: 6x1500' reels(ttl. 9000') 15kV 750MCM AL Okanite 162-23-3096 or equivalent.	06/11/2026	06/30/2026	118,836.21	64325	07/09/2026
	S014499728	WIRE 1/0 SOLID AL 15KV EPR 220 MIL	06/16/2026	06/29/2026	34,860.67	64325	07/09/2026
Total STUART C IRBY CO:					153,696.88		
T & R ELECTRIC S	187297	DV 2400V x 13.8kV 50kVA 120/240 POLE TRN	05/01/2026	05/28/2026	21,529.78	64118	06/11/2026
	187298	Q138449-2 (9) POLE 50 kVA 13.8 120/240 TRN	05/01/2026	06/01/2026	10,958.41	64118	06/11/2026
Total T & R ELECTRIC SUPPLY CO INC:					32,488.19		

Name	Invoice Number	Description	Vendor Invoice Date	Invoice Approval Date	Invoice Amount	Check Number	Check Issue Date
TAMMY MATTONE	MARCH.202	Accounting Services for March 2026	04/16/2026	05/27/2026	14,470.00	63975	05/28/2026
	MAY.2026	Monthly Accounting & Financial Statment Pre. Accounts payable funciton coverage 5/1-5/31, Commission Meeting Support, Financial Management Functions	06/09/2026	06/29/2026	12,750.00	64327	07/09/2026
Total TAMMY MATTONEN CONSULTING LLC:					27,220.00		
THE ANDROY	06232026	CONSERVATION IMPROVEMENT PROGRAM	06/23/2026	07/09/2026	17,849.77	64328	07/09/2026
Total THE ANDROY:					17,849.77		
UNITED REFRACT	5344	Referbish the refractory in firebox boiler4 and economizer cleaning	05/13/2026	06/04/2026	11,868.36	64157	06/17/2026
Total UNITED REFRACTORIES INC:					11,868.36		
USIC LOCATING S	812017	USIC locating services 5/1 to 5/31; 186 tickets, \$67.40 - Project time 50 @ \$17.52	05/31/2026	06/23/2026	12,536.40	64243	07/02/2026
Total USIC LOCATING Services, LLC:					12,536.40		
Grand Totals:					4,595,849.20		

Report Criteria:

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



Item 5.B

Item 5.B – Approval of Payroll Paid and Overtime Reports – June 11, 2026, June 25, 2026, and July 9, 2026

July 21, 2026

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

RE: Item 5.B – Approval of Payroll Paid and Overtime Reports - June 11, 2026, June 25, 2026, and July 9, 2026

Dear Commissioners,

Per HPU's Authorization and Approval matrix approved at the April 26, 2022, Commission Meeting, please payroll and overtime reports for payroll dates subsequent to the last Regular Commission meeting held on June 9, 2026.

Sincerely,



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

Report Criteria:

Employee Transaction.Check Issue Date = 06/11/2026

Pay Code.Pay Code = 1-19, 25

Payroll Type	Amount
Total REGULAR WAGES:	176,558.55
Total REGULAR WAGES - FOREMAN:	734.36
Total REGULAR WAGES - LEAD:	86.72
Total OVERTIME WAGES:	21,124.02
Total OVERTIME WAGES - FOREMAN:	448.56
Total OVERTIME WAGES - LEAD:	524.88
Total SUNDAY PREMIUM:	2,808.48
Total VACATION PAY:	17,212.54
Total SICK & SAFE LEAVE:	136.00
Total SICK LEAVE - REGULAR:	5,952.34
Total UNEXCUSED SICK LEAVE:	.00
Total COMP TIME EARNED:	.00
Total COMP TIME USED:	4,373.24
Total PERSONAL HOLIDAY:	1,978.72
Total HOLIDAY PAY:	21,955.39
Total SHIFT DIFFERENTIAL .75/HR:	391.50
Total HOLIDAY WORKED:	4,490.52
Total LONGEVITY:	3,231.78
Total STANDBY:	7,574.67
Total LEAVE PAYOUT (NO RETIREMENT):	136.72
Total RETRO PAY:	493.95
Total CERTIFICATE/LICENSE:	1,449.21
Grand Totals:	271,662.15

Report Criteria:

Employee Transaction.Check Issue Date = 06/25/2026

Pay Code.Pay Code = 1-19, 25

Payroll Type	Amount
Total REGULAR WAGES:	214,508.39
Total REGULAR WAGES - FOREMAN:	750.56
Total REGULAR WAGES - LEAD:	144.16
Total OVERTIME WAGES:	12,690.94
Total OVERTIME WAGES - FOREMAN:	36.63
Total OVERTIME WAGES - LEAD:	196.83
Total SUNDAY PREMIUM:	2,808.48
Total VACATION PAY:	6,744.27
Total SICK & SAFE LEAVE:	8.50
Total SICK LEAVE - REGULAR:	3,753.45
Total UNEXCUSED SICK LEAVE:	.00
Total COMP TIME EARNED:	.00
Total COMP TIME USED:	1,968.17
Total PERSONAL HOLIDAY:	3,553.14
Total HOLIDAY PAY:	21,955.39
Total SHIFT DIFFERENTIAL .75/HR:	396.00
Total HOLIDAY WORKED:	6,086.60
Total LONGEVITY:	3,231.78
Total STANDBY:	7,267.63
Total LEAVE PAYOUT (NO RETIREMENT):	9,307.70
Total RETRO PAY:	36.00
Total CERTIFICATE/LICENSE:	1,618.13
Grand Totals:	297,062.75

Report Criteria:

Employee Transaction.Check Issue Date = 07/09/2026

Pay Code.Pay Code = 1-19, 25

Payroll Type	Amount
Total REGULAR WAGES:	191,790.21
Total REGULAR WAGES - FOREMAN:	1,028.00
Total REGULAR WAGES - LEAD:	331.68
Total OVERTIME WAGES:	20,119.06
Total OVERTIME WAGES - FOREMAN:	284.72
Total OVERTIME WAGES - LEAD:	1,082.57
Total SUNDAY PREMIUM:	2,838.12
Total VACATION PAY:	20,074.28
Total SICK LEAVE - REGULAR:	3,572.20
Total UNEXCUSED SICK LEAVE:	.00
Total COMP FROM STADBY:	.00
Total COMP TIME EARNED:	.00
Total COMP TIME USED:	4,016.86
Total PERSONAL HOLIDAY:	6,474.36
Total HOLIDAY PAY:	22,236.18
Total SHIFT DIFFERENTIAL .75/HR:	393.38
Total HOLIDAY WORKED:	5,044.35
Total LONGEVITY:	3,263.03
Total STANDBY:	6,977.04
Total RETRO PAY:	36.00
Total CERTIFICATE/LICENSE:	1,228.43
Grand Totals:	290,790.47



Item 5.C

Item 5.C – Approve June 2026 Interim Financials

July 21, 2026

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

RE: Item 5.C – Approve June 2026 Interim Financials

Dear Commissioners;

Please find enclosed financials as of June 2026.

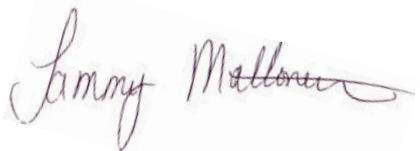
The year to date ended June 30, 2026 operating revenue totals \$18.2 million compared to \$18.2 million for the same period last year. Increases in revenue from the electric utility of \$681K were offset by a decrease of \$807K in gas revenue resulting in a net no change in revenue year.

Operating expenses total \$18.2 million which compares to \$16.5 million in 2025. The increase of \$1.7 M is an improvement from prior months. In March 2026 the year-over-year increase was \$2.1 million. January-March increases in fuel costs negatively effected operating results.

Operating income (operating revenues-minus operating expenses) is 70K compared to \$1.7M one year ago.

Total change in net position stands at \$70K compared to \$1.9M for the same period last year.

Sincerely;



Tammy Mattonen

Public Utilities Commission

Financial Statements and
Supplementary Information

June 30, 2026 and 2025

Public Utilities Commission

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June 30, 2026 and 2025

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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 June 30, 2026 and 2025 and the related statements of revenues, expenses and changes in net position for the six months 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 June 30, 2026 and 2025 because actuarial information is not yet available.

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

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

The accompanying 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
July 15, 2026

Public Utilities Commission

Statements of Net Position

June 30, 2026 and 2025

	June 30, 2026	June 30, 2025
Assets and Deferred Outflows of Resources		
Current Assets		
Cash	\$ 2,107,525	\$ 5,086,065
Investments (4M account)	13,943,617	20,462,707
Restricted assets:		
Cash held for fuel assistance recipients	10,398	14,028
Cash held for customer deposits	480,011	471,355
Accounts receivable, net of allowance for doubtful accounts of \$65,311 and \$138,173, respectively	1,997,686	2,215,619
Unbilled revenues	2,268,507	2,387,564
Other receivable	4,147	208,571
Current maturities notes receivable, steam conversion program	34,000	40,000
Current portion of lease receivable	9,876	82,111
Inventories	1,426,466	1,538,264
Prepaid expense	628,045	701,647
Total current assets	22,910,278	33,207,931
Noncurrent Assets		
Restricted assets:		
Bond reserve account (4M account)	1,117,966	799,742
Notes receivable, Steam conversion program	114,486	154,203
Lease receivable	424,934	434,810
Investment in joint venture	686,444	723,647
Regulatory assets	2,985,583	3,702,316
Capital assets:		
Plant in service	197,897,309	175,282,465
Accumulated depreciation/amortization	(103,447,122)	(98,514,889)
Construction work in progress	27,733,634	19,668,831
Total noncurrent assets	127,513,234	102,251,125
Total assets	150,423,512	135,459,056
Deferred Outflows of Resources		
Related to net pension liability	740,024	861,143
Related to postemployment benefits liability	121,611	674,169
Related to the purchase of LEA	105,230	148,574
Total deferred outflows of resources	966,865	1,683,886
Total assets and deferred outflows of resources	\$ 151,390,377	\$ 137,142,942

Public Utilities Commission

Statements of Net Position

June 30, 2026 and 2025

	June 30, 2026	June 30, 2025
Liabilities, Deferred Inflows of Resources and Net Position		
Current Liabilities		
Accounts payable	\$ 5,208,459	2,204,113
Accrued interest	164,352	161,856
Accrued expenses	133,245	114,330
Due to City of Hibbing	577,071	779,261
Accrued vacation	472,504	465,736
Current portion of lease liability	194,184	204,183
Current portion of long-term debt, bonds and notes payable	755,000	521,939
Current liabilities payable from restricted assets:		
Third-party advances for fuel assistance	10,398	14,028
Customer deposits payable	480,011	471,355
Total current liabilities	7,995,224	4,936,801
Noncurrent Liabilities		
Accrued sick leave	1,002,566	986,855
Total post employment liability	13,690,202	14,541,066
Net pension liability	2,232,991	2,508,776
Long-term debt, bonds and notes payable	21,524,180	9,363,033
Unamortized discount	-	(586)
Lease liability	14,150	216,000
Total noncurrent liabilities	38,464,089	27,615,144
Total liabilities	46,459,313	32,551,945
Deferred Inflows of Resources		
Related to net pension liability	1,423,602	1,672,882
Related to postemployment benefits liability	2,329,319	3,580,052
Related to leases	434,810	516,921
Total deferred inflows of resources	4,187,731	5,769,855
Net Position		
Net investments in capital assets	99,696,307	86,301,162
Restricted for debt service	1,117,966	630,418
Unrestricted	(70,940)	11,889,562
Total net position	100,743,333	98,821,142
Total liabilities, deferred inflows of resources and net position	\$ 151,390,377	\$ 137,142,942

Public Utilities Commission

Statements of Revenues, Expenses and Changes in Net Position
Six Months Ended June 30, 2026 and 2025

	June 30, 2026	June 30, 2025
Operating Revenue		
Charges for services	\$ 17,806,719	\$ 17,919,985
Other	429,771	326,596
Total operating revenues	18,236,490	18,246,581
Operating Expenses		
Operation and maintenance	14,759,760	13,606,459
Depreciation and amortization	3,439,165	2,926,039
Total operating expenses	18,198,925	16,532,498
Operating income (loss)	37,565	1,714,083
Nonoperating Revenues (Expenses)		
Investment income	265,148	408,244
Miscellaneous nonoperating income (expense)	11,270	3,675
Equity in net income of joint venture	(45,000)	(89,235)
Interest expense	(198,296)	(109,337)
Total nonoperating revenues (expenses)	33,122	213,347
Income before contributions	70,687	1,927,430
Capital Contributions	-	1,517,840
Change in net position	70,687	3,445,270
Net Position, Beginning	100,672,646	95,375,872
Net Position, Ending	<u>\$ 100,743,333</u>	<u>\$ 98,821,142</u>

Public Utilities Commission

Statements of Cash Flows

Six Months Ended June 30, 2026 and 2025

	June 30, 2026	June 30, 2025
Cash Flows From Operating Activities		
Receipts from customers	\$ 18,754,804	\$ 18,490,940
Principal collected from steam conversion loan program	19,717	19,856
Payments to suppliers	(10,080,885)	(12,069,062)
Payments for payroll and benefits	(3,368,688)	(3,252,541)
Net cash from operating activities	5,324,948	3,189,193
Cash Flows From Capital and Related Financing Activities		
Payments for additions to property, plant and equipment	(10,538,573)	(13,964,295)
Capital contributions received	169,132	2,093,112
Principal and interest paid on leases	(106,723)	(106,723)
Proceeds from debt issue	2,245,210	3,451,596
Principal paid	-	(75,000)
Interest paid	(180,600)	(45,367)
Net cash from capital and related financing activities	(8,411,554)	(8,646,677)
Cash Flows From Investing Activities		
Investments income received	124,677	119,689
Investments matured	864,636	6,201,794
Investments purchased	(57,542)	(272,432)
Net cash from investing activities	931,771	6,049,051
Net change in cash	(2,154,835)	591,567
Cash, Beginning	4,752,769	4,979,881
Cash, Ending	\$ 2,597,934	\$ 5,571,448
Cash is Presented on the Statements of Net Position		
Cash	\$ 2,107,525	\$ 5,086,065
Restricted assets	1,608,375	1,285,125
Total cash and restricted assets	3,715,900	6,371,190
Less noncash equivalents included in restricted assets	(1,117,966)	(799,742)
	\$ 2,597,934	\$ 5,571,448

Public Utilities Commission

Statements of Cash Flows

Six Months Ended June 30, 2026 and 2025

	June 30, 2026	June 30, 2025
Reconciliation of Operating Income (Loss) to Net Cash From Operating Activities		
Operating income (loss)	\$ 37,565	\$ 1,714,083
Adjustments to reconcile operating income (loss) to net cash from operating activities:		
Other nonoperating income (loss)	11,270	3,675
Depreciation and amortization	3,439,165	2,926,039
Change in operating assets, deferred outflows or resources, liabilities and deferred inflows of resources:		
Accounts receivable	505,334	243,341
Other receivable	-	(12,013)
Inventories	(6,796)	(211,768)
Prepaid expenses	194,021	45,798
Receivable for steam conversion loan program	19,717	19,856
Lease receivable	4,864	4,767
Regulatory assets	15,000	-
Accounts payable	1,212,263	(946,024)
Accrued vacation and sick leave	95,527	(24,626)
Accrued expenses	(139,430)	(138,121)
Due to City of Hibbing	5,182	(383,643)
Third-party advances for fuel assistance	(65,580)	(56,760)
Customer deposits payable	1,710	9,356
Deferred inflows of resources	(4,864)	(4,767)
Net cash from operating activities	<u>\$ 5,324,948</u>	<u>\$ 3,189,193</u>
Noncash Capital and Related Financing Activities		
Unrealized gain on investments	<u>\$ 140,471</u>	<u>\$ 288,555</u>
Regulatory capitalized interest - net with interest expense	<u>\$ 61,282</u>	<u>\$ -</u>

OTHER INFORMATION

Public Utilities Commission

Schedules of Departmental Revenues and Expenses

Periods Ended June 30, 2026 and 2025

		Six Months Ended June 30, 2026				
		Electric	Steam	Gas	Water	Total
Operating Revenue						
Charges for services	\$	9,591,277	\$ 1,530,684	\$ 5,136,232	\$ 1,548,526	\$ 17,806,719
Other operating revenues		285,369	49,820	35,796	58,786	429,771
Others						
Total operating revenues		9,876,646	1,580,504	5,172,028	1,607,312	18,236,490
Operating Expenses						
Operation and maintenance		8,744,574	1,363,873	3,725,518	925,795	14,759,760
Depreciation and amortization		2,126,775	538,113	211,566	562,711	3,439,165
Total operating expenses		10,871,349	1,901,986	3,937,084	1,488,506	18,198,925
Operating (loss) income	\$	(994,703)	\$ (321,482)	\$ 1,234,944	\$ 118,806	\$ 37,565
		Six Months Ended June 30, 2025				
		Electric	Steam	Gas	Water	Total
Operating Revenue						
Charges for services	\$	8,910,410	\$ 1,612,961	\$ 5,943,363	\$ 1,453,251	\$ 17,919,985
Other operating revenues		179,959	50,280	38,698	57,659	326,596
Others						
Total operating revenues		9,090,369	1,663,241	5,982,061	1,510,910	18,246,581
Operating Expenses						
Operation and maintenance		8,281,360	1,420,346	3,071,148	833,605	13,606,459
Depreciation		1,755,412	488,983	183,498	498,146	2,926,039
Total operating expenses		10,036,772	1,909,329	3,254,646	1,331,751	16,532,498
Operating (loss) income	\$	(946,403)	\$ (246,088)	\$ 2,727,415	\$ 179,159	\$ 1,714,083

Public Utilities Commission

Budget to Actual Comparison
Six Months Ended June 30, 2026

	<u>Actual</u>	<u>Budget</u>	<u>Difference</u>
Operating Revenue			
Electric revenue	\$ 9,876,646	\$ 9,328,407	\$ 548,239
Steam revenue	1,580,504	1,665,877	(85,373)
Gas revenue	5,172,028	5,906,738	(734,710)
Water revenue	1,607,312	1,524,767	82,545
	<u>18,236,490</u>	<u>18,425,789</u>	<u>(189,299)</u>
Operating Expenses			
Electric:			
Operation and maintenance	8,744,574	8,300,730	443,844
Depreciation	2,126,775	2,257,494	(130,719)
	<u>10,871,349</u>	<u>10,558,224</u>	<u>313,125</u>
Steam:			
Operation and maintenance	1,363,873	1,288,031	75,842
Depreciation	538,113	540,000	(1,887)
	<u>1,901,986</u>	<u>1,828,031</u>	<u>73,955</u>
Gas:			
Operation and maintenance	3,725,518	3,132,530	592,988
Depreciation	211,566	207,342	4,224
	<u>3,937,084</u>	<u>3,339,872</u>	<u>597,212</u>
Water:			
Operation and maintenance	925,795	826,936	98,859
Depreciation	562,711	550,000	12,711
	<u>1,488,506</u>	<u>1,376,936</u>	<u>111,570</u>
	<u>18,198,925</u>	<u>17,103,063</u>	<u>1,095,862</u>
Operating Income (Loss)			
Electric	(994,703)	(1,229,817)	235,114
Steam	(321,482)	(162,154)	(159,328)
Gas	1,234,944	2,566,866	(1,331,922)
Water	118,806	147,831	(29,025)
	<u>\$ 37,565</u>	<u>\$ 1,322,726</u>	<u>\$ (1,285,161)</u>



Item 5.D

Item 5.D – Authorization to Send (1) Meter Technician to UMMA Summer Meeting

July 21, 2026

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

RE: Item 5.D – Authorization to Send (1) Meter Technician to UMMA Summer Meeting

Dear Commissioners,

For your consideration we are requesting to send one meter technician to attend the UMMA Summer Meeting in Alexandria, MN, from August 19-21. In the past we have sent two technicians but are now requesting to send only one technician. The registration fee is \$200, and lodging is \$199 per night. Standard travel and meal expenses would apply.

Please see attached agenda cut sheet.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read 'P. Plombon', with a long horizontal flourish extending to the right.

Paul Plombon
Energy & Operations Manager



UPPER MIDWEST METERING ASSOCIATION
ummaonline.org

2026 Summer Meeting

August 19-21, 2026

Arrowwood Resort &
Conference Center
Alexandria, MN

Wednesday August 19:

9:00am

Board Meeting

(Board members required, general membership welcome)

12:00pm – 1:00pm

General Membership Registration

1:00pm – 1:30pm

Introduction, agenda, venue info, etc.

1:30pm – 2:30pm

Evolution in Rate Design

- Ben Bratrud – [Power Systems Engineering](#)

2:30pm – 3:00pm

Roundtable

3:00pm – 4:00pm

Reducing the Risk of Pain from the Ground Up

- Dr. Landon Olson – [Cutting Edge Chiropractic](#)

Thursday August 20:

8:00am – 9:00am

Breakfast (provided by UMMA)

9:00am – 10:00am

Enabling Meter Confidence: From Shop Testing to Field Verification

- Andrea Amato - [Probewell](#)

10:15am – 11:00am

Implementing Demand Billing on Residential Meters

- Angela Lyseng, Jennifer Veaser, Bruce Huderle – [Beltrami Electric Cooperative](#)

11:00am – 11:30am

Roundtable

11:30am – 12:00pm

Vendor Introductions

12:00pm – 1:00pm

Lunch (provided by UMMA)

1:00pm – 2:00pm

AMI 2.0 – LTE Engagement

- John Vesey – [TESCO](#)

2:00pm – 3:00pm

TBD

-

3:00pm – 4:00pm

Roundtable

4:00pm – 6:00pm

Hors d'oeuvres & Door Prizes

*11:00am – 6:00pm

Vendor's Show

Friday August 21:

8:00am – 9:00am

Breakfast (provided by UMMA)

9:00am – 10:00am

Meter Technician Panel Discussion

10:00am – 11:00am

Roundtable, Meeting Wrap-up, Adjourn

As a metering professional, you are invited to the 2026 Summer Meeting of the Upper Midwest Metering Association (UMMA) at Arrowwood Resort & Conference Center in Alexandria, MN.

Who & What is the UMMA?

The UMMA was formed in the mid-1990s by several electric utilities in the five-state area that had a desire to share information, education and experiences relating to electric revenue metering. The group meets twice a year and is open to electric metering supervisors, technicians and electricians of all Co-op, IOU, and Municipal utilities.

Our members come from every size utility, some having more than 40 years of metering experience. Even if you have never joined us before, you are welcome to come and tap into this wealth of knowledge.

Come join us for some excellent roundtable discussions, networking, and training on a huge variety of electric metering topics. Bring your questions, bring your metering problems, bring your enthusiasm!

When & Where

The 2026 Summer Meeting will be held August 19-21, 2026, at Arrowwood Resort & Conference Center in Alexandria, MN. To book rooms, please call the hotel at 1-866-386-5263. Be sure to mention that you are with the Upper Midwest Metering Association to receive the discounted rate.

***Please note, the UMMA special room rate of \$199/night is only guaranteed until July 13th, thereafter the price may not be honored.**

Hotel Info: **Arrowwood Resort & Conference Center**
2100 Arrowwood Lane NW
Alexandria, MN 56308
1-866-386-5263

Cost

The meeting registration fee is \$200.00/person.
We are a self-funded 501c3 nonprofit organization, and this fee goes towards the cost of the meeting location and administration.

RSVP

Please register on-line at our website (<https://ummaonline.org/events/>) as soon as possible so we can get an approximate count for food and rooms.

The registration fee should be paid via our website using any valid credit card.

Questions

Please contact Adam Binner at 507-259-7592 or abinner@peoplesenergy.coop.



Item 5.E

Item 5.E – Authorization to Send Water Crew Mechanics & Supervisor to Annual Northern Operator Expo

July 21, 2026

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

RE: Item 5.E – Authorization to Send Water Crew Mechanics & Supervisor to Annual Northern Operator Expo

Dear Commissioners,

For your consideration we are requesting to send Water Crew Mechanics and one Supervisor to the 17th Annual Northern Operator Expo in Grand Rapids, Mn, on September 23. The total registration cost for attendance at the expo will be \$900. This expo has classes that will also credit the attendees with 6 water credits for their licenses.

Please see attached agenda cut sheet.

Thank you for your consideration.

Sincerely,



Paul Plombon
Energy & Operations Manager



2026 Northern Operator Expo

SEPTEMBER 23, 2026 ITASCA COUNTY FAIRGROUNDS

1336 FAIRGROUNDS RD, GRAND RAPIDS, MN 55744

6 certification water and/or wastewater hours offered for full-day attendance (or a combination of the two).



7:30 am Registration

All-Day Event Demos Begin (8:00am - 3:00pm)

**Line Tracing Demo*

**Test Drive Equipment & Heavy Equipment Rodeo Skills Contests*

Concurrent Water & Wastewater Session Tracks and Demonstrations Begin

T-Shirt Included With Each Expo Registration!

8:00 am	MRWA Introductions & Updates	Water -OR- Wastewater
8:30 am	The Poo Pit Alternative to Concrete Manholes and Products for Waterworks Preparing Your Water Storage Tanks for Winter	Wastewater Water
9:00 am	SCADA and the Digital Transformation Manual Butt Fusion and Electrofusion Demonstration	Water Water -OR- Wastewater
9:30 am	Product Evolutions in Utility Locating, Security, Operator Safety	Water - OR- Wastewater
10:00 am	Dehumidification at Water/Wastewater Plants	Water - OR- Wastewater
10:30 am	MN State Patrol Safety Presentation	Water -OR- Wastewater
11:00 am	MN State Patrol Safety Presentation	Water -OR- Wastewater
11:30 am	MN State Patrol Safety Presentation	Water -OR- Wastewater
12:00 pm	Lunch (Provided) & Door Prizes	
1:00 pm	Submersible Chopper Pumps Demonstration	Wastewater
1:30 pm	Smarter Approaches to Protecting and Maintaining Wastewater Structures	Wastewater
2:00 pm	Understanding PVC Pipe in Distribution	Water -OR- Wastewater
2:30 pm	Package Lift Stations	Wastewater
3:00 pm	Wrap Up & Door Prizes	



Item 5.F

Item 5.F –Request for Community Contribution

July 21, 2026

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

RE: Item 5.F– Request for Community Contribution

Dear Commissioners.

The Hibbing Public Utilities Commission has the authority to make 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 contribution request has been submitted for the Commission’s consideration.

Organization	Sector Support	of Request Amount
Alpha Delta Kappa-Phi	Recreation	\$500.00

Sincerely.



Kendra Powers

Senior Director Human Resources and Organizational Development
Hibbing Public Utilities Commission



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:

Alpha Delta Kappa-Phi

CHECK PAYABLE TO:

Alpha Delta Kappa-Phi

CONTACT NAME: Sandra Rupp

PHONE NO. 218-969-5198

ADDRESS: 7616 Pine Tree Road, Side Lake, MN 55781

DATE: 7/13/26

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

Local Alpha Delta Kappa-Phi will hold an annual craft fair on November 7th, 2026 at the Hibbing Armory for Hibbing and the surrounding area. We rent tables to many other nonprofits organizations, some authors and people who own businesses, some of which are online, to advertise their company. Expenses include rental, custodial fees, advertising, mailing costs and a few sundry items. We are looking for help to cover some of these costs. Profits from this fund raiser provides scholarships and grants for our local and future teacher.

AMOUNT OF REQUEST: \$500.00

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

The craft fair has become a service to the community by drawing people to town and brings money to local businesses. Because of the draw this sale provides, some local crafters also hold their individual sales this same day. It not only provides scholarships and grants which we give out, but it also provides income to small businesses and is a social outlet for family and friends by bringing people together to shop and enjoy a breakfast or lunch at our local restaurants, all of which benefits the community. Thank you for your consideration.

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

Commission Secretary

Date

p/forms/admin./Request for Contribution.doc



Item 6.A

Item 6.A –Engineering Services: (OF0008.2) New Haven Drive Water Extension – Phase 2

July 21, 2026

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

RE: Item 6.A – New Haven Drive Housing Development Water Extension -Phase 2 Engineering Services

Dear Commissioners,

For your consideration, staff request authorization to issue a contract to Bolton and Menk for Engineering Services for the New Haven Drive water main extension and loop, phase 2.

Scope of services includes preparation of plans and specifications, bidding assistance, construction contract administration and inspection. record drawings including spatial data for integration into the asset management system.

This is the second segment of a strategic system connection between the 18-inch water main under 1st Ave South and the 10-inch water main along 9th Avenue South near the movie theater. The New Haven Drive extension and loop will provide the backbone for future development in the area; as well as enhance water system capacity, and resilience.

Proposed fees for both design and construction administration are not to exceed \$37,500.

Staff recommend the Commission authorize staff to engage Bolton and Menk for design and construction administration engineering services in the amount of \$37,500 for the New Have Road phase 2 water main extension.

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

July 21, 2026

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

Re: New Haven Drive Phase 2 Watermain Extension
Design and Construction Administration Services

Dear Mr. Skubinna,

On behalf of Bolton & Menk, Inc., we thank you for the opportunity to present this scope and fee letter in response to the Hibbing Public Utilities (HPU) Commission's request for developing project plan sheets and technical specifications for the New Haven Drive Phase 2 Watermain Extension.

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.

Andy Brotzler, PE
Municipal Senior Project Manager

Enclosure: Scope of Services



Real People. Real Solutions.

301 E Howard Street
Suite 26
Hibbing, MN 55746

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

Scope of Services New Haven Drive Phase 2 Watermain Extension

The **New Haven Drive Phase 2 Watermain Extension** includes an extension of approximately 800 LF of new watermain in collaboration with the New Haven Drive Phase 2 project extension from Cobb Cook to Mahoney Manor. The new watermain is proposed to be extended along a new road extension and alignment from the Cobb Cook Phase 1 project, east to approximately 100 feet past the proposed Mahoney Manor development. It is understood that this project will be designed and constructed as part of a city let contract with watermain plan sheets and technical specifications being inserted into a city plan set. It is assumed that grade, profile, and alignment information for the new road extension will be provided by others.

The tasks below represent the project development process from existing data collection through accepting of bids. Items not included within this scope and fee are as follows:

- a) Revisions or updates to contract documents after acceptance of bids.
- b) Construction contract administration.
- c) All permitting fees will be invoiced separately to HPU.

The following scope of services is broken into three primary tasks as follows.

Task 1: Final Design (Development of Watermain Plan Sheets and Technical Specifications)

Bolton & Menk will complete the detailed design of the proposed improvements in accordance with HPU design standards and follow all federal and state laws, rules, and regulations. Comprehensive, detailed construction plans and specifications will be prepared to comply with HPU, City and State standards, as required. In addition to construction plans, Bolton & Menk will prepare and assemble technical specifications and quantities for incorporation into city bidding documents. We intend to submit final design plans, specifications, and engineer's estimate for review at the following stages of completion:

- a) 100% Plan Review – Submittal of final design plan sheets, project technical specifications, and engineer's estimate for approval and signatures.

Deliverables:

- Final Construction Plan Sheets & Technical Specifications
- Required Permits

Task 2: Construction Administration and 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 (based on 100 hours)
- Maintain daily construction logs including daily notes and quantity tracking
- 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 proposes to perform all work on an hourly basis for a **not-to-exceed fee of \$37,500.00.** Final costs of the work will be based upon the actual hours spent on performance of the scope stated in this letter. This amount will not exceed \$37,500 without prior authorization from HPUC.



Item 6.B

Item 6.B – Authorization to Advertise for Bids: (OF0008.2) New Haven Drive Water Extension – Phase 2

July 21, 2026

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

RE: Item 6.B – New Haven Drive Housing Development Water Extension -Phase 2

Dear Commissioners,

For your consideration, staff request authorization to request bids to construct the New Haven Drive water main extension and loop, phase 2.

This is the second segment of a strategic system connection between the 18-inch water main under 1st Ave South and the 10-inch water main along 9th Avenue South near the movie theater. The New Haven Drive extension and loop will provide the backbone for future development in the area; as well as enhance water system capacity, and resilience.

This phase includes installation of approximately 800 feet of 12-inch water main that will replace existing 6-inch water main along New Haven Drive from 6th Ave W to 5th Ave W completing and connecting the 5th/6th Ave W neighborhood loop. This second phase will also provide capacity to serve the new Mahoney Manor affordable housing development scheduled for construction Spring of 2027.

Water main construction would be advertised for bids in conjunction with the City's New Haven Drive – Phase 2 road construction project. HPU will enter into a Cooperative Project Agreement with the City as has been the practice for joint projects.

The engineer's estimate for the project is \$122,870.

Staff recommend the Commission authorize staff to advertise for bids in conjunction with the City of Hibbing New Have road construction bid phase 2.

Sincerely,



Paul Skubinna

ENGINEER'S ESTIMATE

New Haven Drive Phase 2
City of Hibbing
BMI PROJECT NO. 25X.140483



Real People. Real Solutions.

Date: 7/15/2026

Item No.	MnDOT Spec No.	Item	Notes	Estimated Quantity	Unit	Unit Price	Total Amount
BASE BID							
1	2021.501	MOBILIZATION		1	LUMP SUM	\$5,000.00	\$5,000.00
2	2104.503	REMOVE WATER MAIN		299	LIN FT	\$10.00	\$2,990.00
3	2106.601	DEWATERING		1	LUMP SUM	\$10,000.00	\$10,000.00
4	2504.602	CONNECT TO EXISTING WATER MAIN		2	EA	\$3,000.00	\$6,000.00
5	2504.602	6" GATE VALVE & BOX		2	EA	\$5,000.00	\$10,000.00
6	2504.602	12" GATE VALVE & BOX		1	EA	\$10,000.00	\$10,000.00
7	2504.602	HYDRANT 10 FT BURY		1	EA	\$9,000.00	\$9,000.00
8	2504.603	6" PVC WATERMAIN		29	LIN FT	\$100.00	\$2,900.00
9	2504.603	12" PVC WATERMAIN		509	LIN FT	\$120.00	\$61,080.00
10	2504.608	WATERMAIN FITTINGS		295	LBS	\$20.00	\$5,900.00
ESTIMATED BASE BID TOTAL:							\$122,870.00



Item 6.C

Item 6.C – Approve Border States Electric Materials Purchase: Beltline Substation Project in the amount of \$23,497.77.

July 21, 2026

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

RE: Item 6.C – Approve Border States Electric Materials Purchase: Beltline Substation Project in the amount of \$23,497.77.

Dear Commissioners,

Staff members are 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 members respectfully request the Commission's authorization to proceed with material procurement of the Beltline Substation reconstruction materials from Border States Electric in the amount of \$23,497.77.

Thank you for your consideration.

Sincerely,



Samantha Adams
Electrical Manager

Item	Part Number	Quantity Total	BSE Price	BSE Total Price	Notes
	Burndy				
Ground Wire Clamp Rod to #2, or 4/0 to #2	YGHC29C26	35	\$12.08	\$422.80	In stock
Guy Attachment	Maclean UGA664	20	\$17.85	\$357.00	In stock
Pin Insulator - Crossarm	Hubbell 4706P	30	\$22.88	\$686.40	In stock
16" Machine Bolt	Chance 8816	40	\$3.62	\$144.80	In stock
22" Long 5/8" Double Arming (DA) Bolt		20	\$6.74	\$134.80	In stock
22" Long 3/4" Double Arming (DA) Bolt		20	\$11.17	\$223.40	In stock
Square Washer 5/8" 2-1/4"		100	\$0.64	\$64.00	In stock
Square Lock Nut 5/8"		100	\$0.34	\$34.00	In stock
1/2" x 5" Galvanized Lag Bolt		100	\$3.09	\$309.00	In stock
5/8" x 5" Galvanized Lag Bolt		100	\$5.37	\$537.00	In stock
1/2" Galvanized Flat Washer		100	\$0.18	\$17.81	In stock
5/8" Galvanized Flat Washer		100	\$0.40	\$40.00	In stock
3/4" Galvanized Flat Washer		100	\$0.71	\$71.00	In stock
1/2" Stainless Lock Washer		300	\$0.07	\$20.25	In stock
Conduit standoff bracket - 12" wide	Hubbell C6CS012	40	\$76.55	\$3,062.00	14 days
Conduit standoff bracket - 24" wide	Hubbell C6CS024	2	\$98.98	\$197.96	In stock
Conduit strap - 1.5"	Chance CSTK15	50	\$10.12	\$506.00	In stock
Conduit strap - 6"	Chance CSTK6	40	\$16.53	\$661.20	In stock
1.5" Conduit Adapter, Rigid to Schedule 40		10	\$0.55	\$5.46	In stock
1.5" Conduit Coupling, Schedule 40		20	\$0.41	\$8.15	In stock
1.5" Conduit Sweep, 45 Degrees with Bell End, Schedule 40		10	\$4.53	\$45.34	In stock
6" Conduit Adapter, Rigid to Schedule 40		12	\$8.34	\$100.13	In stock
6" Conduit Coupling, Schedule 40		10	\$7.75	\$77.49	In stock
6" Conduit Sweep, 90 Degrees 36" Radius with Bell End, Schedule 40		12	\$62.00	\$744.00	In stock
6" Conduit Sweep, 90 Degrees 36" Radius, Rigid		12	\$623.51	\$7,482.12	In stock
6" Conduit, 10' Stick with Bell End, Rigid		10	\$70.09	\$7,009.30	In stock
6" Conduit, 10' Stick with Bell End, Schedule 40		100	\$5.36	\$536.36	In stock
			BSE Total	\$23,497.77	



Item 6.D

Item 6.D – Approve Wesco Materials Purchase: Beltline Substation Project in the amount of \$4,658.90

July 21, 2026

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

RE: Item 6.D – Approve Wesco Materials Purchase: Beltline Substation Project in the amount of \$4,658.90

Dear Commissioners,

Staff members are 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 members respectfully request the Commission's authorization to proceed with material procurement of the Beltline Substation reconstruction materials from Wesco in the amount of \$4,658.90.

Thank you for your consideration.

Sincerely,



Samantha Adams
Electrical Manager

Item	Quantity Total	Wesco Price	Wesco Total Price	Notes
1.5" Conduit Sweep, 90 Degrees with Bell End, Schedule 40	20	\$4.50	\$135.00	1 week ARO
1.5" Conduit Sweep, 90 Degrees, Rigid	30	\$9.60	\$288.00	1 week ARO
1.5" Conduit, 10' Stick with Bell End, Schedule 40	80	\$0.75	\$60.00	Stock
1.5" Conduit, 10' Stick, Rigid	30	\$7.50	\$225.00	1 week ARO
1.5" LFMC (ft)	200	\$3.50	\$700.00	1 week ARO
1.5" LFMC Straight Fitting	25	\$3.39	\$101.70	1 week ARO
6" Conduit Sweep, 45 Degrees 30" Radius with Bell End, Schedule 40	20	\$76.96	\$1,539.20	4 weeks ARO
6" Conduit Sweep, 45 Degrees 30" Radius with Bell End, Schedule 80	14	\$115.00	\$1,610.00	4 weeks ARO
Wesco Total			\$4,658.90	



Item 6.E

Item 6.E – Award Construction Contract: Lead Service Line and Water Main Replacement 4th Ave E & 4th Ave W (OF0003.0)

July 21, 2026

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

RE: Item 6.E - Approve Bids and Award Construction Contract: 4th Ave E & 4th Ave W Water Main and Service Line Replacements (OF0003.0)

Dear Commissioners,

This agenda item requests action on awarding contract to Bougalis, Inc. for the construction of the 4th Ave E and 4th Ave W Water Main and Service Line Replacements (OF0003.0). After the fall 2025 lead action level exceedance, this project was prioritized in the approved April 28, 2026, Capital Improvement Plan to protect public health and further regulatory compliance with Lead and Copper Rule requirements.

The project was advertised for bids on June 12th and bids were opened July 13, 2026. The work on 4th Ave E was advertised as the base bid and 4th Ave W was advertised as an additive alternate. This project includes replacement of approximately 1600 feet of water main that likely includes leaded joints, 38 service lines of which, 17 are known to be lead, 3 hydrants, 12 valves, incidental storm drain improvements and street reconstruction of the 2100 and 2200 blocks of 4th Ave E and the 2000 and 2100 blocks of 4th Ave W.

One qualified bid was received from Bougalis, Inc. The base bid was \$1,217,231 and Additive Alternate bid was \$1,176,946 for a total bid of \$2,394,177. The bid was 1% higher than the Engineer's estimate indicating the total estimated cost for the project is tracking well with estimated project cost provided in the CIP.

Staff recommend the Commission awarding the construction contract to Bougalis, including the additive alternative, in the amount of \$2,394,177.

Sincerely



Paul Skubinna



VIA EMAIL

July 21, 2026

Hibbing Public Utilities Commission
Paul Skubinna, Engineering Manager
1902 East Sixth Avenue
Hibbing, MN 55746
paul.skubinna@hpuc.com

Re: **2026 Capital Watermain Improvements – Lead Service Line and Watermain Replacement Project**
HPU OF0003.0
BMI Project No.: 26X.142448.000

Dear Mr. Skubinna,

Bids were received and opened electronically through QuestCDN via Microsoft Teams on Monday, July 13, 2026, at 10:00 a.m. for the Project referenced above. One (1) bid was received; the result of which is tabulated below:

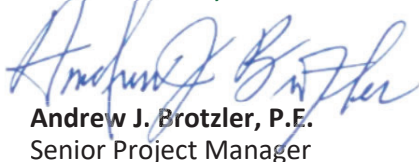
CONTRACTOR/BIDDER	BASE BID	ADD ALTERNATE (4TH AVENUE W)	BASE BID + ADD ALTERNATE (4TH AVENUE W)
Bougalis Inc.	\$1,217,231.00	\$1,176,946.00	\$2,394,177.00
<i>Engineer's Estimate:</i>	\$1,207,909.00	\$1,156,356.00	\$2,364,265.00

The low bidder for the Project is Bougalis Inc., from Hibbing, Minnesota with a Base Bid plus Add Alternate amount of **\$2,394,177.00**. The Base Bid includes the replacement of watermain, services, and street reconstruction for the 2100 and 2200 blocks of 4th Avenue East; and the Add Alternate includes the replacement of watermain, services, and street reconstruction for the 2000 and 2100 blocks of 4th Avenue West. A copy of Bougalis Inc.'s executed bidding forms is enclosed for your records. A detailed **Abstract of Bids** is also enclosed for your review.

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. It is recommended to award the contract with the Base Bid plus Add Alternate in the amount of **\$2,394,177.00**.

Sincerely,

Bolton & Menk, Inc.



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

AJB/lad

Enclosures

BID FORMS

2026 Capital Watermain Improvements - Lead Service Line and Watermain Replacement Project
26X.142448.000

The terms used in this Bid with initial capital letters have the meanings stated in the Instructions to Bidders, the General Conditions, and the Conditions.

ARTICLE 1—OWNER AND BIDDER

- 1.01 This Bid is submitted to: Hibbing Public Utilities Commission, 1902 E, 6th Avenue, Hibbing, MN 55746. Refer to the Advertisement for Bids for submittal location, format, and deadline for consideration.
- 1.02 This bid form is provided for Bidders reference. The Bid must be submitted to Hibbing Public Utilities Commission electronically through QuestCDN.
- 1.03 The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into an Agreement with Owner in the form included in the Bidding Documents to perform all Work as specified or indicated in the Bidding Documents for the prices and within the times indicated in this Bid and in accordance with the other terms and conditions of the Bidding Documents.

ARTICLE 2—ATTACHMENTS TO THIS BID

- 2.01 The following documents are submitted with and made a condition of this Bid:
 - A. Required Bid security;
 - B. Required Bidder Qualification Statement with supporting data.

ARTICLE 3—BASIS OF BID

- 3.01 Unit Price Bids
- 3.02 Bidder will perform the Work listed in the Bid Schedule at the indicated unit prices.
 - A. Bidder acknowledges that:
 1. Each Bid Unit Price includes an amount considered by Bidder to be adequate to cover Contractor's overhead and profit for each separately identified item, and
 2. Estimated quantities are not guaranteed, and are solely for the purpose of comparison of Bids, and final payment for all Unit Price Work will be based on actual quantities, determined as provided in the Contract Documents.

ARTICLE 4—TIME OF COMPLETION

- 4.01 Bidder agrees that the Work will be substantially complete and will be completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions on or before the dates or within the number of calendar days indicated in the Agreement.

ARTICLE 5—BIDDER'S ACKNOWLEDGEMENTS: ACCEPTANCE PERIOD, INSTRUCTIONS, AND RECEIPT OF ADDENDA

- 5.01 Bid Acceptance Period
 - A. This Bid will remain subject to acceptance for 61 days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of Owner.

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5.02 Instructions to Bidders

- A. Bidder accepts all of the terms and conditions of the Instructions to Bidders, including without limitation those dealing with the disposition of Bid security.

5.03 Receipt of Addenda

- A. Bidder hereby acknowledges receipt of the following Addenda:

Addendum Number	Addendum Date
N/A	

ARTICLE 6—BIDDER'S REPRESENTATIONS AND CERTIFICATIONS

6.01 Bidder's Representations

- A. In submitting this Bid, Bidder represents the following:
1. Bidder has examined and carefully studied the Bidding Documents, including Addenda.
 2. Bidder has visited the Site, conducted a thorough visual examination of the Site and adjacent areas, and become familiar with the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
 3. Bidder is familiar with all Laws and Regulations that may affect cost, progress, and performance of the Work.
 4. Bidder has carefully studied the reports of explorations and tests of subsurface conditions at or adjacent to the Site and the drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, with respect to the Technical Data in such reports and drawings.
 5. Bidder has carefully studied the reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, with respect to Technical Data in such reports and drawings.
 6. Bidder has considered the information known to Bidder itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Bidding Documents; and the Technical Data identified in the Supplementary Conditions or by definition, with respect to the effect of such information, observations, and Technical Data on (a) the cost, progress, and performance of the Work; (b) the means, methods, techniques, sequences, and procedures of construction to be employed by Bidder, if selected as Contractor; and (c) Bidder's (Contractor's) safety precautions and programs.
 7. Based on the information and observations referred to in the preceding paragraph, Bidder agrees that no further examinations, investigations, explorations, tests, studies,

or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.

8. Bidder is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Bidding Documents.
9. Bidder has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Bidder has discovered in the Bidding Documents, and of discrepancies between Site conditions and the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.
10. The Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
11. The submission of this Bid constitutes an incontrovertible representation by Bidder that without exception the Bid and all prices in the Bid are premised upon performing and furnishing the Work required by the Bidding Documents.

6.02 Bidder's Certifications

A. The Bidder certifies the following:

1. This Bid is genuine and not made in the interest of or on behalf of any undisclosed individual or entity and is not submitted in conformity with any collusive agreement or rules of any group, association, organization, or corporation.
2. Bidder has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid.
3. Bidder has not solicited or induced any individual or entity to refrain from bidding.
4. Bidder has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the Contract. For the purposes of this Paragraph 6.02.A:
 - a. Corrupt practice means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process.
 - b. Fraudulent practice means an intentional misrepresentation of facts made (a) to influence the bidding process to the detriment of Owner, (b) to establish bid prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition.
 - c. Collusive practice means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish bid prices at artificial, non-competitive levels.
 - d. Coercive practice means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.
5. By signing this Bid, Bidder certifies under oath that Bidder is in compliance with each of the minimum criteria listed in Minnesota Statute § 16C.285 Subdivision 3, with the exception of clause (7) "RESPONSIBLE CONTRACTOR REQUIREMENT DEFINED", at the time of submitting this bid. Bidder acknowledges that if Bidder's certification is later found to be false, it may result in the termination of a construction contract that has already been awarded. Bidder also acknowledges that Owner is not liable for declining

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to award a contract or terminating a contract based on a reasonable determination that the contractor falsely verified that it meets the minimum criteria.

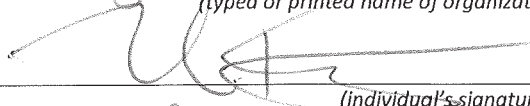
BIDDER hereby submits this Bid as set forth above:

Bidder:

Bougalis Inc

(typed or printed name of organization)

By:



(individual's signature)

Name:

Nick Bougalis

(typed or printed)

Title:

President

(typed or printed)

Date:

07/13/2026

(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:

Whitney Monroe

(typed or printed)

Title:

Manager

(typed or printed)

Date:

07/13/2026

(typed or printed)

Address for giving notices:

800 Greyhound Blvd

Hibbing, MN 55746

Bidder's Contact:

Name:

Nick Bougalis

(typed or printed)

Title:

President

(typed or printed)

Phone:

218-362-8415

Email:

ap@bougalisinc.com

Address:

800 Greyhound Blvd

Hibbing, MN 55746

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

BIDDING SCHEDULE

2026 CAPITAL WATERMAIN IMPROVEMENT - LEAD SERVICE LINE AND WATERMAIN REPLACEMENT PROJECT

4TH AVENUE W & 4TH AVENUE E

CLIENT PROJECT NO. OF0003.0

Hibbing Public Utilities Commission (City of Hibbing, MN)

BMI PROJECT NO. 26X.142448.000

ONLY ONE BIDDING SCHEDULE from each BIDDER shall be considered for the project. When more than one BIDDING SCHEDULE from an individual BIDDER is received only the last submittal meeting the bidding requirements shall be considered and all other copies shall be left unopened.

BIDDER agrees to perform all of the work described in the CONTRACT DOCUMENTS for the following unit prices:

NOTE: BIDS shall include sales tax and all applicable taxes and fees.

BIDDER must fill in unit prices in numerals, make extension for each item, and total.

CY (LV) = Cubic Yards, Loose Volume

CY (CV) = Cubic Yards, Compacted Volume (Measured in Place)

(P)=Planned Quantity Basis of Measurement

ITEM NO.	MNDOT SPEC NO.	ITEM	NOTES	APPROX. QUANT.	UNIT	UNIT PRICE	AMOUNT
BASE BID (4TH AVENUE E)							
1	2021.501	MOBILIZATION		1	LUMP SUM		
2	2101.502	CLEARING		33	EACH		
3	2101.502	GRUBBING		33	EACH		
4	2104.502	REMOVE HYDRANT		2	EACH		
5	2104.503	REMOVE WATERMAIN		803	LIN FT		
6	2104.503	SAWING PAVEMENT (FULL DEPTH)	4	328	LIN FT		
7	2104.503	REMOVE CURB & GUTTER		1643	LIN FT		
8	2104.504	REMOVE PAVEMENT (FULL DEPTH)	4	2708	SQ YD		
9	2104.504	REMOVE CONCRETE DRIVEWAY PAVEMENT		64	SQ YD		
10	2104.504	REMOVE CONCRETE WALK		1120	SQ YD		
11	2106.507	EXCAVATION - COMMON (EV) (P)	1	1666	CU YD		
12	2106.507	EXCAVATION - SUBGRADE (EV) (P)	1, 2, 3	1069	CU YD		
13	2106.507	EXCAVATION - MUCK (EV)	1, 2, 3	200	CU YD		
14	2106.507	SELECT GRANULAR EMBANKMENT (CV) (P)	1, 2	1069	CU YD		
15	2106.507	STABILIZING AGGREGATE (CV)	1, 2, 3	200	CU YD		
16	2106.601	DEWATERING		1	LUMP SUM		
17	2106.602	EXPLORATOR EXCAVATION - POT HOLE UTILITIES	3	20	HOUR		
18	2106.61	EXCAVATION EXPLORATORY	3	10	HOUR		
19	2108.504	GEOTEXTILE FABRIC TYPE 7		3158	SQ YD		
20	2211.507	AGGREGATE BASE (CV) CLASS 5		992	CU YD		
21	2360.509	TYPE SP 12.5 WEARING COURSE MIXTURE (2,B)		278	TON		
22	2360.509	TYPE SP 12.5 NON-WEARING COURSE MIXTURE (2,B)		278	TON		
23	2451.603	IMPROVED PIPE FOUNDATION	1, 2, 3	200	LIN FT		
24	2502.503	4" PERF TP PIPE DRAIN		1612	LIN FT		
25	2504.601	TEMPORARY WATER SERVICE		1	LUMP SUM		
26	2504.601	WATERMAIN TRACING SYSTEM		1	LUMP SUM		
27	2504.602	1" CORPORATION STOP & SADDLE		21	EACH		
28	2504.602	1" CURB STOP & BOX		21	EACH		
29	2504.602	6" GATE VALVE & BOX		4	EACH		

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Hibbing Public Utilities Commission - 26X.142448.000

BID FORMS

July 2, 2026

Hibbing Public Utilities Commission

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BIDDING SCHEDULE

2026 CAPITAL WATERMAIN IMPROVEMENT - LEAD SERVICE LINE AND WATERMAIN REPLACEMENT PROJECT

4TH AVENUE W & 4TH AVENUE E

CLIENT PROJECT NO. OF0003.0

Hibbing Public Utilities Commission (City of Hibbing, MN)

BMI PROJECT NO. 26X.142448.000

ONLY ONE BIDDING SCHEDULE from each BIDDER shall be considered for the project. When more than one BIDDING SCHEDULE from an individual BIDDER is received only the last submittal meeting the bidding requirements shall be considered and all other copies shall be left unopened.

BIDDER agrees to perform all of the work described in the CONTRACT DOCUMENTS for the following unit prices:

NOTE: BIDS shall include sales tax and all applicable taxes and fees.

BIDDER must fill in unit prices in numerals, make extension for each item, and total.

CY (LV) = Cubic Yards, Loose Volume

CY (CV) = Cubic Yards, Compacted Volume (Measured in Place)

(P)=Planned Quantity Basis of Measurement

ITEM NO.	MNDOT SPEC NO.	ITEM	NOTES	APPROX. QUANT.	UNIT	UNIT PRICE	AMOUNT
30	2504.602	8" GATE VALVE & BOX		2	EACH		
31	2504.602	CONNECT TO EXISTING WATERMAIN		5	EACH		
32	2504.602	HYDRANT (9.0' BURY)		2	EACH		
33	2504.603	1" TYPE PE PIPE (MAIN TO CURB STOP)	1	534	LIN FT		
34	2504.603	1" TYPE PE PIPE (CURB STOP TO FOUNDATION)	1	82	LIN FT		
35	2504.603	6" PVC WATERMAIN		82	LIN FT		
36	2504.603	8" PVC WATERMAIN		718	LIN FT		
37	2504.604	4" POLYSTYRENE INSULATION	1, 3	8	SQ YD		
38	2504.608	WATERMAIN FITTINGS		501	POUND		
39	2506.502	ADJUST FRAME RING & CASTING		2	EACH		
40	2506.602	CASTING ASSEMBLY		2	EACH		
41	2521.518	4" CONCRETE WALK		8738	SQ FT		
42	2521.518	6" CONCRETE WALK		2122	SQ FT		
43	2531.503	CONCRETE CURB & GUTTER DESIGN B618		1612	LIN FT		
44	2531.504	7" CONCRETE DRIVEWAY PAVEMENT		66	SQ YD		
45	2531.618	TRUNCATED DOMES		132	SQ FT		
46	2545.501	LIGHTING SYSTEM C		1	LUMP SUM		
47	2545.501	LIGHTING SYSTEM D		1	LUMP SUM		
48	2563.601	TRAFFIC CONTROL		1	LUMP SUM		
49	2573.502	STORM DRAIN INLET PROTECTION		7	EACH		
50	2573.503	SEDIMENT CONTROL LOG TYPE COMPOST		60	LIN FT		
51	2574.507	COMMON TOPSOIL BORROW (CV)		299	CU YD		
52	2574.508	FERTILIZER TYPE 3		131	POUND		
53	2575.508	HYDRAULIC STABILIZED FIBER MATRIX		278	POUND		
54	2575.509	MULCH MATERIAL TYPE 3		1	TON		
55	2575.608	SEED NORTHERN BLVD		57	POUND		
56		CONSTRUCTION ALLOWANCE		100000	UNIT	\$1.00	\$100,000.00
57		WATER SERVICE ALLOWANCE		10000	UNIT	\$1.00	\$10,000.00

BASE BID TOTAL BID:

\$ _____

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Hibbing Public Utilities Commission - 26X.142448.000

BID FORMS

June 2026
July 21, 2026

Hibbing Public Utilities Commission

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BIDDING SCHEDULE

2026 CAPITAL WATERMAIN IMPROVEMENT - LEAD SERVICE LINE AND WATERMAIN REPLACEMENT PROJECT

4TH AVENUE W & 4TH AVENUE E

CLIENT PROJECT NO. OF0003.0

Hibbing Public Utilities Commission (City of Hibbing, MN)

BMI PROJECT NO. 26X.142448.000

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CY (CV) = Cubic Yards, Compacted Volume (Measured in Place)

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ITEM NO.	MNDOT SPEC NO.	ITEM	NOTES	APPROX. QUANT.	UNIT	UNIT PRICE	AMOUNT
ADD ALTERNATE (4TH AVENUE W)							
A.1	2021.501	MOBILIZATION		1	LUMP SUM		
A.2	2101.502	CLEARING		24	EACH		
A.3	2101.502	GRUBBING		24	EACH		
A.4	2104.502	REMOVE HYDRANT		1	EACH		
A.5	2104.503	REMOVE FENCE		56	LIN FT		
A.6	2104.503	REMOVE WATERMAIN		798	LIN FT		
A.7	2104.503	SAWING PAVEMENT (FULL DEPTH)	4	486	LIN FT		
A.8	2104.503	REMOVE CURB & GUTTER		1624	LIN FT		
A.9	2104.504	REMOVE PAVEMENT (FULL DEPTH)	4	2600	SQ YD		
A.10	2104.504	REMOVE CONCRETE DRIVEWAY PAVEMENT		189	SQ YD		
A.11	2104.504	REMOVE CONCRETE WALK		1030	SQ YD		
A.12	2104.603	REMOVE CONDUIT & WIRE	3	50	LIN FT		
A.13	2106.507	EXCAVATION - COMMON (EV) (P)	1	1901	CU YD		
A.14	2106.507	EXCAVATION - SUBGRADE (EV) (P)	1, 2, 3	1092	CU YD		
A.15	2106.507	EXCAVATION - MUCK (EV)	1, 2, 3	200	CU YD		
A.16	2106.507	SELECT GRANULAR EMBANKMENT (CV) (P)	1, 2	1092	CU YD		
A.17	2106.507	STABILIZING AGGREGATE (CV)	1, 2, 3	200	CU YD		
A.18	2106.601	DEWATERING		1	LUMP SUM		
A.19	2106.602	EXPLORATOR EXCAVATION - POTHOLE UTILITIES	3	20	hour		
A.20	2106.61	EXCAVATION EXPLORATORY	3	10	hour		
A.21	2108.504	GEOTEXTILE FABRIC TYPE 7		3229	SQ YD		
A.22	2211.507	AGGREGATE BASE (CV) CLASS 5		1012	CU YD		
A.23	2360.509	TYPE SP 12.5 WEARING COURSE MIXTURE (2,B)		282	TON		
A.24	2360.509	TYPE SP 12.5 NON-WEARING COURSE MIXTURE (2,B)		282	TON		
A.25	2451.603	IMPROVED PIPE FOUNDATION	1, 2, 3	200	LIN FT		
A.26	2502.503	4" PERF TP PIPE DRAIN		1703	LIN FT		
A.27	2504.601	TEMPORARY WATER SERVICE		1	LUMP SUM		
A.28	2504.601	WATERMAIN TRACING SYSTEM		1	LUMP SUM		

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Hibbing Public Utilities Commission - 26X.142448.000

July 21, 2026
June 2026

Hibbing Public Utilities Commission

BID FORMS

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BIDDING SCHEDULE

2026 CAPITAL WATERMAIN IMPROVEMENT - LEAD SERVICE LINE AND WATERMAIN REPLACEMENT PROJECT

4TH AVENUE W & 4TH AVENUE E

CLIENT PROJECT NO. OF0003.0

Hibbing Public Utilities Commission (City of Hibbing, MN)

BMI PROJECT NO. 26X.142448.000

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(P)=Planned Quantity Basis of Measurement

ITEM NO.	MNDOT SPEC NO.	ITEM	NOTES	APPROX. QUANT.	UNIT	UNIT PRICE	AMOUNT
A.29	2504.602	1" CORPORATION STOP & SADDLE		17	EACH		
A.30	2504.602	1" CURB STOP & BOX		17	EACH		
A.31	2504.602	6" GATE VALVE & BOX		4	EACH		
A.32	2504.602	8" GATE VALVE & BOX		2	EACH		
A.33	2504.602	CONNECT TO EXISTING WATERMAIN		5	EACH		
A.34	2504.602	HYDRANT (9.0' BURY)		1	EACH		
A.35	2504.603	1" TYPE PE PIPE (MAIN TO CURB STOP)	1	434	LIN FT		
A.36	2504.603	1" TYPE PE PIPE (CURB STOP TO FOUNDATION)	1	56	LIN FT		
A.37	2504.603	4" PVC WATERMAIN		15	LIN FT		
A.38	2504.603	6" PVC WATERMAIN		471	LIN FT		
A.39	2504.603	8" PVC WATERMAIN		310	LIN FT		
A.40	2504.604	4" POLYSTYRENE INSULATION	1, 3	8	SQ YD		
A.41	2504.608	WATERMAIN FITTINGS		521	POUND		
A.42	2506.502	ADJUST FRAME RING & CASTING		2	EACH		
A.43	2506.602	CASTING ASSEMBLY		2	EACH		
A.44	2521.518	4" CONCRETE WALK		8311	SQ FT		
A.45	2521.518	6" CONCRETE WALK		2233	SQ FT		
A.46	2531.503	CONCRETE CURB & GUTTER DESIGN B618		1703	LIN FT		
A.47	2531.504	7" CONCRETE DRIVEWAY PAVEMENT		169	SQ YD		
A.48	2531.618	TRUNCATED DOMES		155	SQ FT		
A.49	2545.501	INSTALL 4-4-4 VASSAR WIRE	3	50	LIN FT		
A.50	2545.503	FURNISH & INSTALL 1.25" NON-METALLIC CONDUIT	3	50	LIN FT		
A.51	2563.601	TRAFFIC CONTROL		1	LUMP SUM		
A.52	2573.502	STORM DRAIN INLET PROTECTION		3	EACH		
A.53	2573.503	SEDIMENT CONTROL LOG TYPE COMPOST		40	LIN FT		
A.54	2574.507	COMMON TOPSOIL BORROW (CV)		289	CU YD		
A.55	2574.508	FERTILIZER TYPE 3		126	POUND		
A.56	2575.508	HYDRAULIC STABILIZED FIBER MATRIX		269	POUND		
A.57	2575.509	MULCH MATERIAL TYPE 3		1	TON		
A.58	2575.608	SEED NORTHERN BLVD		54	POUND		

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Hibbing Public Utilities Commission - 26X.142448.000

BID FORMS

July 21, 2026

Hibbing Public Utilities Commission

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BIDDING SCHEDULE

2026 CAPITAL WATERMAIN IMPROVEMENT - LEAD SERVICE LINE AND WATERMAIN REPLACEMENT PROJECT

4TH AVENUE W & 4TH AVENUE E

CLIENT PROJECT NO. OF0003.0

Hibbing Public Utilities Commission (City of Hibbing, MN)

BMI PROJECT NO. 26X.142448.000

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ITEM NO.	MNDOT SPEC NO.	ITEM	NOTES	APPROX. QUANT.	UNIT	UNIT PRICE	AMOUNT
A.59		CONSTRUCTION ALLOWANCE		100000	UNIT	\$1.00	\$100,000.00
A.60		WATER SERVICE ALLOWANCE		10000	UNIT	\$1.00	\$10,000.00
ADD ALTERNATE TOTAL BID:							\$ _____
TOTAL AMOUNT BID (BASE + ALTERNATE):							\$ _____

NOTES:

CY (LV) = CUBIC YARDS, LOOSE VOLUME

CY (CV) = CUBIC YARDS, COMPACTED VOLUME (MEASURED IN PLACE)

CY (EV) = CUBIC YARDS, EXCAVATED VOLUME (MEASURED IN PLACE)

(P) = PLANNED QUANTITY BASIS OF MEASUREMENT

(1) QUANTITY IS STRICTLY AN ESTIMATE AND MAY BE INCREASED OR DECREASED BY ANY AMOUNT WITHOUT A CHANGE IN THE UNIT BID

(2) ITEM TO BE USED AS DIRECTED BY THE ENGINEER DURING CONSTRUCTION FOR CORRECTIVE EXCAVATION BEYOND THE PLANNED TYPICAL SECTION

(3) TOKEN QUANTITY, TO BE USED AS DIRECTED BY THE ENGINEER

(4) MOST LIKELY BITUMINOUS PAVEMENT UNDERLAID WITH CONCRETE PAVEMENT. BID ITEMS INCLUDE CONCRETE AS NECESSARY.

(To Be Submitted with The Bid)

BIDDERS QUALIFICATIONS

GENERAL INFORMATION

The low bidder is requested to furnish the following information. Additional sheets shall be attached as required.

Contractor's name and address:

Bougalis Inc
800 Greyhound Blvd
Hibbing, MN 55746

Number of years as a Contractor in construction work of this type: 22 years

Names and titles of all officers of Contractor's firm:

Nick Bougalis - President

SUBMIT a list of three construction contracts completed by the Contractor during the last five years involving work of similar type and comparable value. The list shall include the following information as a minimum:

- Name, address, and telephone number of owner.
- Name of project.
- Location of project.
- Brief description of the work involved.
- Contract amount.
- Date of completion of contract.
- Name, address and telephone number of architect or engineer.
- Name of owner's project engineer.

EQUIPMENT/MATERIAL SOURCE INFORMATION

The low bidder is requested to list the name of the manufacturer or supplier and catalog numbers of the equipment or material proposed to be furnished under the bid. Awarding of a contract under this bid will not imply approval by the Owner of the manufacturers or suppliers listed by the low bidder.

- Plant Mix Bituminous
- Aggregates

****END OF SECTION****

REFERENCES

Project: 2025 Capital Watermain Replacement (Hibbing)
3mil 9/20/2025

Contact person & telephone: Luke 218-262-7700

Owner HPUC 1902 16th Ave Hibbing, MN
Bolton & Menk Inc 301 E Howard St. 218-231-0018

Project: 2024 41st St Capital Watermain (Hibbing)
2mil 10/17/2024

Contact person & telephone: Luke 218-262-7700

Owner HPUC 1902 16th Ave Hibbing, MN
Bolton & Menk Inc 301 E Howard St. 218-231-0018

Project: 2024 Kelly Lake Capital Watermain (Kelly Lake)
2.3 mil 8/30/2024

Contact person & telephone: Luke 218-262-7700

Owner HPUC 1902 16th Ave Hibbing, MN
Bolton & Menk Inc 301 E Howard St. 218-231-0018

AIA[®]Document A310[™] – 2010

Bond No. NB000639

Bid Bond**CONTRACTOR:***(Name, legal status and address)*

Bougalis, Incorporated

800 Greyhound Blvd

Hibbing, MN 55746

SURETY:*(Name, legal status and principal place of business)*

Merchants National Bonding, Inc.

PO Box 14498

Des Moines, IA 50306

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

OWNER:*(Name, legal status and address)*

Hibbing Public Utilities Commission

Bond Amount: Five Percent of the Bid Amount (5% of Bid Amount)

PROJECT: Project No. 26X.142448.000 - Hibbing Public Utilities Commission - 2026 Capital Watermain Improvements - Lead Service Line and Watermain Replacement Project

(Name, location or address, and Project number, if any)

The Contractor and Surety are bound to the Owner in the amount set forth above, for the payment of which the Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, as provided herein. The conditions of this Bond are such that if the Owner accepts the bid of the Contractor within the time specified in the bid documents, or within such time period as may be agreed to by the Owner and Contractor, and the Contractor either (1) enters into a contract with the Owner in accordance with the terms of such bid, and gives such bond or bonds as may be specified in the bidding or Contract Documents, with a surety admitted in the jurisdiction of the Project and otherwise acceptable to the Owner, for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof; or (2) pays to the Owner the difference, not to exceed the amount of this Bond, between the amount specified in said bid and such larger amount for which the Owner may in good faith contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect. The Surety hereby waives any notice of an agreement between the Owner and Contractor to extend the time in which the Owner may accept the bid. Waiver of notice by the Surety shall not apply to any extension exceeding sixty (60) days in the aggregate beyond the time for acceptance of bids specified in the bid documents, and the Owner and Contractor shall obtain the Surety's consent for an extension beyond sixty (60) days.

If this Bond is issued in connection with a subcontractor's bid to a Contractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

When this Bond has been furnished to comply with a statutory or other legal requirement in the location of the Project, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

Signed and sealed this 8th day of July, 2026

(Witness)

(Witness)

Bougalis, Incorporated
(Principal)

(Seal)

(Title)
Merchants National Bonding, Inc.
(Surety)

(Seal)

(Title) Attorney-in-Fact
Troy Staples

CAUTION: You should sign an original AIA Contract Document, on which this text appears in RED. An original assures that changes will not be obscured.

Init.

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ACKNOWLEDGMENT OF PRINCIPAL (Individual)

State of _____)
County of _____)

On this _____ day of _____, in the year _____, before me personally come(s) _____, to me known and known to me to be the person(s) who (is) (are) described in and executed the foregoing instrument and acknowledge(s) to me that he/she executed the same.

Notary Public

ACKNOWLEDGMENT OF PRINCIPAL (Partnership)

State of _____)
County of _____)

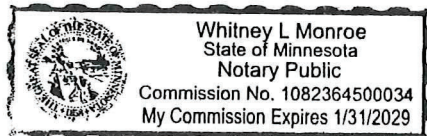
On this _____ day of _____, in the year _____, before me personally come(s) _____, a member of the co-partnership of _____, to me known and known to me to be the person who is described in and executed the foregoing instrument and acknowledges to me that he/she executed the same as for the act and deed of the said co-partnership.

Notary Public

ACKNOWLEDGMENT OF PRINCIPAL (Corporation)

State of Minnesota)
County of St. Louis)

On this 13th day of July, in the year 2026, before me personally come(s) Nick Baugalis, to me known, who, being duly sworn, deposes and says that he/she is the President of the Baugalis Inc, the corporation described in and which executed the foregoing instrument; that he/she knows the seal of the said corporation; the seal affixed to the said instrument is such corporate seal; that it was so affixed by the order of the Board of Directors of said corporation, and that he/she signed his/her name thereto by like order.



[Signature]
Notary Public

ACKNOWLEDGMENT OF SURETY

State of Minnesota)
County of Dakota)

On this 8th day of July, in the year 2026, before me personally come(s) Troy Staples, Attorney(s)-in-Fact of Merchants National Bonding, Inc. with whom I am personally acquainted, and who, being by me duly sworn, says that he/she is (are) the Attorney(s)-in-Fact of Merchants National Bonding, Inc. company described in and which executed the within instrument; that he/she know(s) the corporate seal of such company; and that seal affixed to the within instrument is such corporate seal and that it was affixed by order of the Board of Directors of said company, and that he/she signed said instrument as Attorney(s)-in-Fact of the said company by like order.



[Signature]
Notary Public

MERCHANTS BONDING COMPANY™ POWER OF ATTORNEY

Know All Persons By These Presents, that MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., both being corporations of the State of Iowa, and MERCHANTS NATIONAL INDEMNITY COMPANY, an assumed name of Merchants National Bonding, Inc., (herein collectively called the "Companies"), do hereby make, constitute and appoint, individually,

Jennifer Boyles; Joel Krech; Nick Denn; Nick Hochban; Sam Kemp; Thomas G Kemp; Thomas M Lahl; Troy Staples; Zachary Pate

their true and lawful Attorney(s)-in-Fact, to sign its name as surety(ies) and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof, on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

This Power-of-Attorney is granted and is signed and sealed by facsimile under and by authority of the By-Laws adopted by the Board of Directors of the Companies.

"The President, Secretary, Treasurer, or any Assistant Treasurer or any Assistant Secretary or any Vice-President shall have power and authority to appoint Attorneys-in-Fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof."

"The signature of any authorized officer and the seal of the Company may be affixed by facsimile or electronic transmission to any Power of Attorney or Certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company, and such signature and seal when so used shall have the same force and effect as though manually fixed."

In connection with obligations in favor of the Florida Department of Transportation only, it is agreed that the power and authority hereby given to the Attorney-in-Fact includes any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts required by the State of Florida Department of Transportation. It is fully understood that consenting to the State of Florida Department of Transportation making payment of the final estimate to the Contractor and/or its assignee, shall not relieve this surety company of any of its obligations under its bond.

In connection with obligations in favor of the Kentucky Department of Highways only, it is agreed that the power and authority hereby given to the Attorney-in-Fact cannot be modified or revoked unless prior written personal notice of such intent has been given to the Commissioner - Department of Highways of the Commonwealth of Kentucky at least thirty (30) days prior to the modification or revocation.

In Witness Whereof, the Companies have caused this instrument to be signed and sealed this 2nd day of June, 2025



MERCHANTS BONDING COMPANY (MUTUAL)
MERCHANTS NATIONAL BONDING, INC.
MERCHANTS NATIONAL INDEMNITY COMPANY

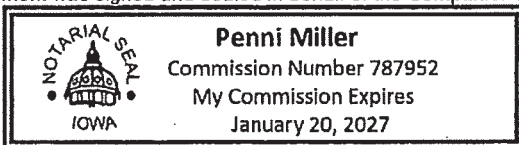
By

Larry Taylor

President

STATE OF IOWA
COUNTY OF DALLAS ss.

On this 2nd day of June, 2025, before me appeared Larry Taylor, to me personally known, who being by me duly sworn did say that he is President of MERCHANTS BONDING COMPANY (MUTUAL), MERCHANTS NATIONAL BONDING, INC., and MERCHANTS NATIONAL INDEMNITY COMPANY; and that the seals affixed to the foregoing instrument are the Corporate Seals of the Companies; and that the said instrument was signed and sealed in behalf of the Companies by authority of their respective Boards of Directors.



(Expiration of notary's commission
does not invalidate this instrument)

Penni Miller

Notary Public

I, Elisabeth Sandersfeld, Secretary of MERCHANTS BONDING COMPANY (MUTUAL), MERCHANTS NATIONAL BONDING, INC., and MERCHANTS NATIONAL INDEMNITY COMPANY do hereby certify that the above and foregoing is a true and correct copy of the POWER-OF-ATTORNEY executed by said Companies, which is still in full force and effect and has not been amended or revoked.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Companies on this 8th day of July, 2026.



Elisabeth Sandersfeld

Secretary

POA 0018 (5/25)

ABSTRACT OF BIDS

2024 CAPITAL WATERMAIN IMPROVEMENT - LEAD SERVICE LINE AND WATERMAIN REPLACEMENT PROJECT
4TH AVENUE, W & 4TH AVENUE E
CLIENT PROJECT NO. 01000.0
HIBBING PUBLIC UTILITIES COMMISSION (CITY OF HIBBING, MN)
BMR PROJECT NO. 26X.142448.000

BID DATE: 7/13/2026
TIME: 10:00 AM

*bid amount changed due to found calculation/addition error



ITEM NO.	MNDOT SPEC NO.	ITEM	NOTES	APPROX. QUANT.	UNIT	Engineer's Estimate Bolton & Menk, Inc.		Bougeis, Inc. Hibbing, MN		
						UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	
BASE BID (4TH AVENUE E)										
1	2021.501	MOBILIZATION		1	LUMP SUM	\$80,000.00	\$80,000.00	\$45,000.00	\$45,000.00	
2	2201.502	CLEARING		33	EACH	\$650.00	\$21,450.00	\$1,200.00	\$39,600.00	
3	2301.502	GRUBBING		33	EACH	\$350.00	\$11,550.00	\$600.00	\$19,800.00	
4	2304.502	REMOVE HYDRANT		2	EACH	\$800.00	\$1,600.00	\$800.00	\$1,600.00	
5	2304.503	REMOVE WATERMAIN		803	LN FT	\$12.00	\$9,636.00	\$10.00	\$8,030.00	
6	2304.503	SAWING PAVEMENT (FULL DEPTH)		328	LN FT	\$7.00	\$2,296.00	\$7.00	\$2,296.00	
7	2304.503	REMOVE CURB & GUTTER		1643	LN FT	\$15.00	\$24,645.00	\$10.00	\$16,430.00	
8	2304.504	REMOVE PAVEMENT (FULL DEPTH)		4	2708	SQ YD	\$34.00	\$136.00	\$23.00	\$92.00
9	2304.504	REMOVE CONCRETE DRIVEWAY PAVEMENT		64	SQ YD	\$15.00	\$960.00	\$18.00	\$1,152.00	
10	2304.504	REMOVE CONCRETE WALK		1120	SQ YD	\$12.00	\$13,440.00	\$13.50	\$15,120.00	
11	2306.507	EXCAVATION - COMMON (EV) (P)		1	1466	CU YD	\$18.00	\$26,388.00	\$18.00	\$26,388.00
12	2306.507	EXCAVATION - SUBGRADE (EV) (P)		1, 2, 3	1069	CU YD	\$26.00	\$27,814.00	\$20.00	\$21,380.00
13	2306.507	EXCAVATION - MUCK (EV)		1, 2, 3	200	CU YD	\$26.00	\$5,200.00	\$20.00	\$4,000.00
14	2306.507	SELECT GRANULAR EMBANKMENT (CV) (P)		1, 2	1069	CU YD	\$32.00	\$34,208.00	\$30.00	\$32,070.00
15	2306.507	STABILIZED AGGREGATE (CV)		1, 2, 3	200	CU YD	\$55.00	\$11,000.00	\$50.00	\$10,000.00
16	2306.601	DEWATERING		1	LUMP SUM	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	
17	2306.602	EXPLORATOR EXCAVATION - POTHOLE UTILITIES		3	30	HOUR	\$750.00	\$2,250.00	\$400.00	\$6,000.00
18	2306.630	EXCAVATION EXPLORATORY		3	30	HOUR	\$1,100.00	\$3,300.00	\$250.00	\$7,500.00
19	2308.504	GEOTEXTILE FABRIC TYPE 7		3158	SQ YD	\$3.00	\$9,474.00	\$5.00	\$15,790.00	
20	2311.507	AGGREGATE BASE (EV) CLASS 5		992	CU YD	\$40.00	\$39,680.00	\$48.00	\$47,616.00	
21	2360.509	TYPE SP 12.5 WEARING COURSE MIXTURE (2.8)		278	TON	\$115.00	\$31,970.00	\$105.00	\$29,130.00	
22	2360.509	TYPE SP 12.5 NON-WEARING COURSE MIXTURE (2.8)		278	TON	\$140.00	\$38,920.00	\$105.00	\$29,130.00	
23	2451.603	IMPROVED PIPE FOUNDATION		1, 2, 3	200	LN FT	\$10.00	\$2,000.00	\$5.00	\$1,000.00
24	2502.503	4" PERP TP PIPE DRAIN		1612	LN FT	\$15.00	\$24,180.00	\$15.00	\$24,180.00	
25	2504.601	TEMPORARY WATER SERVICE		1	LUMP SUM	\$35,000.00	\$35,000.00	\$50,000.00	\$50,000.00	
26	2504.601	WATERMAIN TRACING SYSTEM		1	LUMP SUM	\$20,000.00	\$20,000.00	\$10,000.00	\$10,000.00	
27	2504.602	1" CORROSION STOP & SADDLE		21	EACH	\$1,200.00	\$25,200.00	\$1,250.00	\$26,250.00	
28	2504.602	1" CURB STOP & BOX		21	EACH	\$1,200.00	\$25,200.00	\$1,250.00	\$26,250.00	
29	2504.602	6" GATE VALVE & BOX		4	EACH	\$13,500.00	\$54,000.00	\$13,700.00	\$54,800.00	
30	2504.602	8" GATE VALVE & BOX		2	EACH	\$5,000.00	\$10,000.00	\$5,000.00	\$10,000.00	
31	2504.602	CONNECT TO EXISTING WATERMAIN		5	EACH	\$3,500.00	\$17,500.00	\$3,500.00	\$17,500.00	
32	2504.602	HYDRANT (3/4" BURY)		2	EACH	\$5,500.00	\$11,000.00	\$10,000.00	\$20,000.00	
33	2504.603	1" TYPE PE PIPE (MAIN TO CURB STOP)		1	534	LN FT	\$30.00	\$16,020.00	\$20.00	\$10,680.00
34	2504.603	1" TYPE PE PIPE (CURB STOP TO FOUNDATION)		1	82	LN FT	\$75.00	\$6,150.00	\$15.00	\$1,230.00
35	2504.603	6" PVC WATERMAIN		82	LN FT	\$10.00	\$820.00	\$10.00	\$820.00	
36	2504.603	8" PVC WATERMAIN		718	LN FT	\$12.00	\$8,616.00	\$10.00	\$7,180.00	
37	2504.604	4" POLYSTRENE INSULATION		1, 3	8	SQ YD	\$70.00	\$560.00	\$60.00	\$480.00
38	2504.608	WATERMAIN FITTINGS		501	POUND	\$15.00	\$7,515.00	\$26.00	\$13,026.00	
39	2506.502	ADJUST FRAME RING & CASTING		2	EACH	\$700.00	\$1,400.00	\$800.00	\$1,600.00	
40	2506.602	CASTING ASSEMBLY		2	EACH	\$850.00	\$1,700.00	\$1,700.00	\$3,400.00	
41	2521.518	4" CONCRETE WALK		8738	SQ FT	\$12.00	\$104,856.00	\$11.00	\$96,118.00	
42	2521.518	6" CONCRETE WALK		2122	SQ FT	\$15.00	\$31,830.00	\$16.00	\$33,952.00	
43	2531.503	CONCRETE CURB & GUTTER DESIGN B618		1612	LN FT	\$15.00	\$24,180.00	\$10.00	\$16,120.00	
44	2531.504	7" CONCRETE DRIVEWAY PAVEMENT		66	SQ YD	\$55.00	\$3,630.00	\$53.00	\$3,500.00	
45	2531.618	TRUNCATED DOMES		132	SQ FT	\$95.00	\$12,540.00	\$72.00	\$9,504.00	
46	2545.501	LIGHTING SYSTEM C		1	LUMP SUM	\$9,000.00	\$9,000.00	\$9,100.00	\$9,100.00	
47	2545.501	LIGHTING SYSTEM D		1	LUMP SUM	\$18,000.00	\$18,000.00	\$12,100.00	\$12,100.00	
48	2563.601	TRAFFIC CONTROL		1	LUMP SUM	\$30,000.00	\$30,000.00	\$7,500.00	\$7,500.00	
49	2573.502	STORM DRAIN INLET PROTECTION		7	EACH	\$200.00	\$1,400.00	\$400.00	\$2,800.00	
50	2573.503	SEDIMENT CONTROL LOG TYPE COMPOST		60	LN FT	\$18.00	\$1,080.00	\$6.00	\$360.00	
51	2574.507	COMMON TOPSOIL BORROW (CV)		289	CU YD	\$15.00	\$4,335.00	\$45.00	\$13,005.00	
52	2574.508	FERTILIZER TYPE 3		131	POUND	\$1.00	\$131.00	\$10.00	\$1,310.00	
53	2575.508	HYDRAULIC STABILIZED FIBER MATRIX		278	POUND	\$1.00	\$278.00	\$10.00	\$2,780.00	
54	2575.509	MULCH MATERIAL TYPE 3		1	TON	\$400.00	\$400.00	\$4,000.00	\$4,000.00	
55	2575.608	SEED NORTHERN BLVD		57	POUND	\$8.00	\$456.00	\$10.00	\$570.00	
56		CONSTRUCTION ALLOWANCE		100000	UNIT	\$1.00	\$100,000.00	\$1.00	\$100,000.00	
57		WATER SERVICE ALLOWANCE		10000	UNIT	\$1.00	\$10,000.00	\$1.00	\$10,000.00	
BASE BID TOTAL BID							\$1,287,469.00		\$1,217,231.00	
ADD ALTERNATE (4TH AVENUE W)										
A.1	2021.501	MOBILIZATION		1	LUMP SUM	\$75,000.00	\$75,000.00	\$45,000.00	\$45,000.00	
A.2	2201.502	CLEARING		24	EACH	\$650.00	\$15,600.00	\$1,200.00	\$28,800.00	
A.3	2301.502	GRUBBING		24	EACH	\$350.00	\$8,400.00	\$600.00	\$14,400.00	
A.4	2304.502	REMOVE HYDRANT		1	EACH	\$800.00	\$800.00	\$800.00	\$800.00	
A.5	2304.503	REMOVE FENCE		56	LN FT	\$10.00	\$560.00	\$10.00	\$560.00	
A.6	2304.503	REMOVE WATERMAIN		798	LN FT	\$12.00	\$9,576.00	\$10.00	\$7,980.00	
A.7	2304.503	SAWING PAVEMENT (FULL DEPTH)		4	486	LN FT	\$7.00	\$3,402.00	\$7.00	\$3,402.00
A.8	2304.503	REMOVE CURB & GUTTER		1624	LN FT	\$15.00	\$24,360.00	\$10.00	\$16,240.00	
A.9	2304.504	REMOVE PAVEMENT (FULL DEPTH)		4	2600	SQ YD	\$24.00	\$62,400.00	\$20.00	\$49,600.00
A.10	2304.504	REMOVE CONCRETE DRIVEWAY PAVEMENT		189	SQ YD	\$18.00	\$3,402.00	\$18.00	\$3,402.00	
A.11	2304.504	REMOVE CONCRETE WALK		1030	SQ YD	\$12.00	\$12,360.00	\$13.50	\$13,905.00	
A.12	2304.603	REMOVE CONDUIT & WIRE		3	50	LN FT	\$2.00	\$6.00	\$32.00	\$1,000.00
A.13	2306.507	EXCAVATION - COMMON (EV) (P)		1	1901	CU YD	\$18.00	\$34,218.00	\$18.00	\$34,218.00
A.14	2306.507	EXCAVATION - SUBGRADE (EV) (P)		1, 2, 3	1092	CU YD	\$26.00	\$28,392.00	\$20.00	\$21,840.00
A.15	2306.507	EXCAVATION - MUCK (EV)		1, 2, 3	200	CU YD	\$26.00	\$5,200.00	\$20.00	\$4,000.00
A.16	2306.507	SELECT GRANULAR EMBANKMENT (CV) (P)		1, 2	1092	CU YD	\$32.00	\$34,944.00	\$30.00	\$32,760.00
A.17	2306.507	STABILIZED AGGREGATE (CV)		1, 2, 3	200	CU YD	\$55.00	\$11,000.00	\$50.00	\$10,000.00
A.18	2306.601	DEWATERING		1	LUMP SUM	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	
A.19	2306.602	EXPLORATOR EXCAVATION - POTHOLE UTILITIES		3	30	HOUR	\$750.00	\$2,250.00	\$400.00	\$6,000.00
A.20	2306.630	EXCAVATION EXPLORATORY		3	30	HOUR	\$1,100.00	\$3,300.00	\$250.00	\$7,500.00
A.21	2308.504	GEOTEXTILE FABRIC TYPE 7		3229	SQ YD	\$3.00	\$9,687.00	\$5.00	\$16,145.00	
A.22	2311.507	AGGREGATE BASE (EV) CLASS 5		1012	CU YD	\$40.00	\$40,480.00	\$48.00	\$48,576.00	
A.23	2360.509	TYPE SP 12.5 WEARING COURSE MIXTURE (2.8)		282	TON	\$115.00	\$32,430.00	\$107.00	\$30,174.00	
A.24	2360.509	TYPE SP 12.5 NON-WEARING COURSE MIXTURE (2.8)		282	TON	\$140.00	\$39,480.00	\$107.00	\$30,174.00	
A.25	2451.603	IMPROVED PIPE FOUNDATION		1, 2, 3	200	LN FT	\$10.00	\$2,000.00	\$5.00	\$1,000.00
A.26	2502.503	4" PERP TP PIPE DRAIN		1703	LN FT	\$15.00	\$25,545.00	\$15.00	\$25,545.00	
A.27	2504.601	TEMPORARY WATER SERVICE		1	LUMP SUM	\$35,000.00	\$35,000.00	\$50,000.00	\$50,000.00	
A.28	2504.601	WATERMAIN TRACING SYSTEM		1	LUMP SUM	\$20,000.00	\$20,000.00	\$10,000.00	\$10,000.00	
A.29	2504.602	1" CORROSION STOP & SADDLE		17	EACH	\$1,200.00	\$20,400.00	\$1,250.00	\$21,250.00	
A.30	2504.602	1" CURB STOP & BOX		17	EACH	\$1,200.00	\$20,400.00	\$1,250.00	\$21,250.00	
A.31	2504.602	6" GATE VALVE & BOX		4	EACH	\$13,500.00	\$54,000.00	\$13,700.00	\$54,800.00	
A.32	2504.602	8" GATE VALVE & BOX		2	EACH	\$5,000.00	\$10,000.00	\$5,000.00	\$10,000.00	
A.33	2504.602	CONNECT TO EXISTING WATERMAIN		5	EACH	\$3,500.00	\$17,500.00	\$3,500.00	\$17,500.00	
A.34	2504.602	HYDRANT (3/4" BURY)		1	EACH	\$5,500.00	\$5,500.00	\$10,000.00	\$10,000.00	
A.35	2504.603	1" TYPE PE PIPE (MAIN TO CURB STOP)		1	434	LN FT	\$10.00	\$4,340.00	\$5,200.00	\$22,560.00
A.36	2504.603	1" TYPE PE PIPE (CURB STOP TO FOUNDATION)		1	56	LN FT	\$75.00	\$4,200.00	\$1	



Item 6.F

Item 6.F – Professional Services Agreement: Construction Phase Engineering Services 4th Ave W 4th Ave E Lead Water and Service Line Replacements (OF0003.0)

July 21st, 2026

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

RE: Item 6.F - Professional Services Agreement: Construction Phase Engineering Services 4th Ave E & 4th Ave W (OF0003.0)

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 4th & 4th Lead Service Line and Water Main Replacement (OF0003.0) 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 \$152,192 for the construction base bid scope of work and \$133,454 for the additive alternate bid scope of work for a total of \$285,646 for the entire project scope. Total project budget was estimated at \$3,450,000. Assuming award of both the base and additive alternate, including the engineering fees proposed in this action item, total project delivery expenditures would be \$2,919,823, for a savings of \$530,177. Funding sources for this project include a requested \$1,154,050 in PFA loan for water main replacement components of the project, \$1,000,000 in MDH lead line replacement grant, and \$765,733 in PUC direct funding for the balance of the project expenses not eligible for other funding sources.

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 4ht and 4th lead line and water main replacement 2 construction project.

Sincerely;

A handwritten signature in blue ink that reads "Paul Skubinna". The signature is written in a cursive, flowing style.

Paul Skubinna



Real People. Real Solutions.

301 E Howard Street
Suite 26
Hibbing, MN 55746

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

Via Email

July 21, 2026

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

Re: 2026 Capital Watermain Improvement – Lead Service Line and Watermain Replacement Project
Construction Engineering Services
HPU OF0003.0
BMI Project No.: 26X.142448

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 2026 Capital Watermain Improvement – Lead Service Line and Watermain 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
 - 2026 Capital Watermain Improvement – Lead Service Line and Watermain Replacement

Task 1: Construction Services

Subtask 1.1 Project Management & Funding Administration

Bolton & Menk will perform construction administration for the 2026 Capital Watermain Improvement – Lead Service Line and Watermain 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 | 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, subgrade excavation, concrete curb and gutter, and final street grading

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 \$152,192.00 for the Base Bid**. This fee is based on the delivery of the above-scope and full-time construction observation for up to 12 weeks. If the Add Alternate is awarded, the additional proposed fee will be billed hourly as **not-to-exceed amount of \$133,454 for the Add Alternate for a total proposed fee of \$285,646.00**.



Item 6.G

Item 6.G – Chang Order Request: (OF0002.0) Hydrant Replacement Construction

July **21**, 2026

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

RE: Item 6.G – Hydrant Replacement Project Change Order 2

Dear Commissioners,

For your consideration, staff request authorization to implement Change Order 2 for the Hydrant Replacement Project currently under construction.

This change order is regarding the replacement of hydrant #483 as scheduled within the current project scope. Hydrant 483 is located at the intersection of 1st Ave and West 39th Street. This connection point is the same location the planned New Haven water main extension and loop will connect to the 18" water main within 1st Ave.

Change Order 2 includes installation of a 18x12 tee fitting on the transmission main, a 12-inch valve, and "stubbing-out" and capping 40 feet of 12" water main in the direction of the planned New Haven Drive water main extension and loop and connection of the replaced hydrant to the 12-inch main.

Both the new water main connection and replacement of the hydrant #483 will require excavation of 1st Ave and shut-down of the 18-inch water main under 1st Ave. This change order would minimize the number and duration of shutdowns required for the 18-inch transmission main and help minimize traffic disruption and the cost of excavating and patching 1st Ave multiple times.

Staff recommend the Commission authorize Change Order 2 to Hecimovich Mechanical Contracting Inc. in the amount of \$36,995.82.

Sincerely,



Paul Skubinna

CHANGE ORDER FORM**NO.: 2**

Owner:	Hibbing Public Utilities Commission	Owner's Project No.:	OF.0002.0
Engineer:	Bolton and Menk, Inc. Bob Hecimovich Mechanical Contracting	Engineer's Project No.:	24X.1238209.000
Contractor:	Inc.	Contractor's Project No.:	
Project:	2025 Hydrant Replacement Project		
Contract Name:			
Date Issued:	July 21, 2026	Effective Date of Change Order:	July 21, 2026

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

Description:

The installation of hydrant 483 shall include 12" watermain valve, 18"x12" tee, 12"x6" tee, and 12" DR 18 PVC Watermain to allow for future connection as part of New Haven Phase 2 project.

ADD: 2504.608 Watermain Fittings – 743 LB @ \$22/LB : \$16,346.00
 2504.602 12" Gate valve & Box – 1 Each @13,529.82/EACH : \$13,529.82
 2504.603 12" PVC Watermain – 40 LIN FT @178 /LIN FT : \$7,120.00

Attachments:

None

Change in Contract Price		Change in Contract Times [State Contract Times as either a specific date or a number of days]	
Original Contract Price:		Original Contract Times:	
\$ 1,040,326.00		Substantial Completion:	August 31, 2026
		Ready for final payment:	August 31, 2026
Change from previously approved Change Orders No. 1 to No. [Number of previous Change Order]:		[Increase] [Decrease] from previously approved Change Orders No.1 to No. [Number of previous Change Order]:	
\$ 0		Substantial Completion:	N/A
		Ready for final payment:	N/A
Contract Price prior to this Change Order:		Contract Times prior to this Change Order:	
\$ 1,040,326.00		Substantial Completion:	August 31, 2026
		Ready for final payment:	August 31, 2026
Increase this Change Order:		[Increase] [Decrease] this Change Order:	
\$ 36,995.82		Substantial Completion:	N/A
		Ready for final payment:	N/A
Contract Price incorporating this Change Order:		Contract Times with all approved Change Orders:	
\$ 1,077,321.82		Substantial Completion:	August 31, 2026
		Ready for final payment:	August 31, 2026

	Recommended by Engineer (if required)	Accepted by Contractor
By:	Signed by: Andy Brotzler 3A2B14330E0D43A	Signed by: Sheri Hecimovich 44E1B8F717E14C33
Title:	Andrew Brotzler, Project Engineer	Sheri Hecimovich
		President- Bob Hecimovich Mechanical Contracting Inc.
Date:	July 14, 2026	July 14, 2026
	Authorized by Owner	Approved by Funding Agency (if applicable)
By:		
Title:		
Date:		



Item 6.H

Item 6.H – Shared Services Discussion

July 21, 2026

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

RE: Item 6.H – Shared Services Discussion

Dear Commissioners,

For your discussion and approval to proceed, the management team, along with input from union members, have compiled a list of shared services that HPU is currently absorbing the entire cost for. Staff have compiled a sample of utility accounts, both residential and commercial, and has concluded an average customer bill is comprised of 30% city services. Please consider this list as a starting point and not an all-encompassing list.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read 'P. Plombon', with a long horizontal flourish extending to the right.

Paul Plombon
Energy & Operations Manager

HPU Recommended Proposals

- Licenses for Casselle used exclusively by the city would be invoiced accordingly.
- HPU proposes to invoice for support services required by Casselle to operate software. Rate of 30% of the total invoice.
- HPU currently pays the city, monthly, on garbage/sewer billed. HPU proposes to change to paying only on revenue received each month.
- HPU proposes to invoice directly for credit card fees on garbage only accounts, and 30% for all other accounts with city services attached.
- HPU Proposes to invoice the city for all returned fees, ACH transactions, and EFT transactions on garbage only accounts.
- HPU will invoice directly for mailed garbage accounts at a rate of .93 per account. Invoices for shared accounts would be 30% of .93 per mailed billing. If the city requests a mailing insert, then the percentage of shared costs increases to 50%.
- HPU would also like to discuss, in the near future,
 - Street lighting costs (electric usage, bulbs, labor)
 - Using water meter reads to bill sewer usage.
 - Pitney Bowes service fees.
 - Monthly billing/reading (time, labor, future upgrades, cashier time)
 - Power usage for holiday lighting
 - Status of shared city street restorations after repairs are made.



Item 6.I

Item 6.I – Approve transfer from 4M Account

July 21, 2026

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

RE: Item 6.I – Approve transfer from 4M Account

Dear Commissioners;

In the first six months of 2025, HPU invested \$9,290,298 in capital investments. The improvements were primarily funded by HPU operating revenue. PFA loan payments funded \$937K of water treatment expenses.

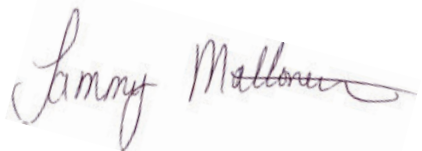
We anticipate that an additional amount of \$1.4 M of these 2026 capital expenses could be submitted to the PFA for reimbursement under a 2025 PFA loan.

During this busy construction season our payments to vendors exceed operational income.

We are requesting a transfer of 3 million dollars from the 4M account. This is in addition to the \$900K which was approved by the commission in June.

Currently both the operating budget and capital budget are being reevaluated to mitigate the need for future transfers.

Sincerely;



2026 Year to date Capital project funding	
Capital Expenditures 2026	\$ (9,290,298.46)
PFA reimbursements - Water Treatment plant 2026	\$ 937,360.13
Grant Funds Received January-June 2026	
4M Investment withdrawal 6/26/2026	\$ 900,000.00
YTD cash impact of capital purchases	\$ (7,452,938.33)
Budgeted Depreciation (Jan-June 2026)	\$ 3,096,689.50
2026 Capital purchases payments in excess of depreciation	\$ (4,356,248.83)

Tammy Mattonen



Item 7.A

Item 7.A – Purchasing Policy

July 21, 2026

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

RE: Item 7.A – Purchasing Policy

Dear Commissioners,

For your consideration, the management team, along with commission and legal input, have developed a purchasing policy for Hibbing Public Utilities. This policy outlines the approval matrix and requirements for requesting quotes. We are recommending approval of this policy.

Please see attached policy.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read 'P. Plombon', with a long horizontal flourish extending to the right.

Paul Plombon
Energy & Operations Manager

HPU Purchasing Policy

Section 1 – Purchases Less Than \$3,000

Purchases with an anticipated total cost of less than **\$3,000** may be made without obtaining competitive quotes, provided the purchase is reasonable, necessary, and within the approved budget.

Employees are expected to:

- Ensure the purchase serves a legitimate business purpose.
- Seek the best value whenever practical.
- Follow all applicable approval and authorization procedures.
- Maintain documentation, such as receipts or invoices, for all purchases.
- The Department Head shall review and approve the purchase request.

Section 2 – Purchases from \$3,000 to \$10,000

Purchases with an anticipated total cost of **\$3,000 through \$10,000** require that a minimum of three (3) quotes be attempted and documented whenever practicable. These purchases require review and approval to ensure they are necessary, within the approved budget, and in the best interest of the organization.

Requirements

- Whenever practicable, a minimum of three (3) quotes should be attempted and documented.
- The Department Head shall review and approve the purchase request.
- The General Manager must provide final approval before a purchase order is issued or the purchase is made.
- The purchase must be within the approved operating or capital budget.
- Employees are encouraged to obtain the best available pricing and consider quality, delivery, and service when selecting a vendor.

Section 3 – Purchases from \$10,001 to \$25,000

Purchases with an anticipated total cost of **\$10,001 through \$25,000** require that a minimum of three (3) quotes be attempted and documented whenever practicable. These purchases also require review and approval to ensure they are necessary, within the approved budget, and in the best interest of the organization.

Requirements

- Whenever practicable, a minimum of three (3) quotes should be attempted and documented.
- Purchases must be included within the approved budget.
- Approval is required from the Department Head, General Manager, and the Commission before the purchase or contract is executed.
- The Commission approval shall be documented in the meeting minutes.

Section 4 – Purchases from \$25,001 to \$174,999

Purchases with an anticipated total cost of **\$25,001 through \$174,999** require a minimum of three (3) written quotes. These purchases also require review and approval to ensure they are necessary, within the approved budget, and in the best interest of the organization.

Requirements

- A minimum of three (3) written quotes must be obtained and documented whenever practicable. If three written quotes cannot be obtained, the procurement file must include documentation explaining the reason.
- Purchases must be included within the approved budget.
- Approval is required from the Department Head, General Manager, and the Commission before the purchase or contract is executed.
- The Commission approval shall be documented in the meeting minutes.

Section 5 – Public Bids (Over \$175,000)

Purchases with an anticipated total cost of **\$175,000 or more** shall be procured through a formal public bidding process unless otherwise permitted by law or approved under an authorized exception.

The public bidding process shall include:

- Preparation of clear and complete bid specifications.
- Public advertisement of the bid opportunity in accordance with applicable laws and organizational requirements.
- A specified deadline for submission of sealed bids or approved electronic bids.
- Public opening of bids when required.
- Evaluation of bids based on compliance with specifications, responsiveness, responsibility of the bidder, and overall value.
- Award of the contract by the appropriate governing authority or authorized official.

The organization reserves the right to reject any or all bids, waive minor informalities when permitted, and rebid the project when it is determined to be in the organization's best interest.

Section 6 – Purchasing Approval Matrix

The following approval levels apply to all purchases based on the anticipated total cost of the procurement, including shipping, installation, and any applicable fees.

Purchase Amount	Procurement Method	Required Approval
Less than \$3,000	Direct Purchase	Department Head
\$3,000 – \$10,000	Direct Purchase with a minimum of three (3) written quotes whenever practicable	Department Head and General Manager
\$10,001- \$25,000	Direct Purchase with a minimum of three (3) written quotes whenever practicable	Department Head, General Manager, and Commission
\$25,001- \$174,999	Minimum of three (3) written quotes	Department Head, General Manager, and Commission
\$175,000 and above	Formal Public Bid	Department Head, General Manager, and Commission

Additional Approval Requirements

- All purchases must be within an approved budget or have prior authorization for a budget amendment.
- No employee may approve a purchase for which they will personally benefit.
- Purchases shall not be artificially divided or "split" into multiple smaller purchases to avoid quote or public bidding requirements.
- The Finance Department shall establish policy compliance in the purchasing software.
- Contracts, amendments, and change orders that increase the total contract value beyond an approval threshold must receive the approval required for the new total contract amount.
- Emergency purchases may be authorized by the General Manager when necessary to protect safety or essential operations. All emergency purchases shall be documented and presented to the Commission at its next regular meeting for ratification, if required.



Item 7.B

Item 7.B – Request Formation of Finance Committee

July 21, 2026

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

RE: Item 7.B.- Request Formation of Finance Committee

Dear Commissioners,

To strengthen the financial governance, accountability, and long-term sustainability of HPU, I respectfully request the formation of a Finance Committee.

The initial focus of the Finance Committee is to develop an interim financial plan that will provide a structured framework for the organization's financial operations, priorities, and resource management until a comprehensive long-term financial plan is adopted.

In carrying out this responsibility, the Finance Committee shall:

- Develop and present an interim financial plan for review and approval by the Commission.
- Assess the organization's current financial position and identify immediate financial priorities.
- Prepare recommendations for budgeting, revenue generation, expenditure management, and financial controls.
- Review financial reports and provide recommendations to the Commission.
- Promote transparency, accountability, and sound financial management practices.
- Recommend policies and procedures to strengthen the organization's financial operations.

Upon completion and adoption of the interim financial plan, the Finance Committee will transition to an ongoing oversight role. The committee will meet on a regular basis to review HPU's financial statements, monitor the organization's financial performance, evaluate compliance with approved financial policies and budgets, and provide recommendations to the Commission to ensure continued fiscal responsibility and long-term financial stability.

Thank you for your consideration of this request.

Sincerely,

A handwritten signature in blue ink that reads "Kendra Powers". The signature is written in a cursive, flowing style.

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