Commission Regular Session

NOVEMBER 24, 2026

HPU HIBBING PUBLIC UTILITIES
1902 E 6TH AVE
HIBBING, MINNESOTA 55746-0249
TELEPHONE: 218-262-7700
FAX: 218-262-7702

Commission Meeting Agenda

November 24, 2026

Commissioner Chair J. Bayliss	__	Commissioner J. Sandstede	__
Commissioner J. Stokes	__	Commissioner J. Babich	__
Commissioner J. Hart	__	Legal Counsel A. Borland	__
General Manager, L. Folstad	__	Power Plant Manager D. Edwards	__
Senior Director HR and OD K. Powers	__	Energy & Operations Manager P. Plombon	__
Financial Controller, B. Swart	__	Executive Assistant M. Schoeben	__
Electrical Manager S. Adams	__	Grant Writer & Engagement. Specialist E. Dixon	__

1. **CALL TO ORDER**
2. **ADDS/DELETES**
3. **APPROVAL OF MINUTES:** October 27, 2026, and November 10, 2026, Commission Meetings.
4. **CITIZENS' FORUM:** *Maximum amount of time per item: 5 minutes*
5. **GENERAL MANAGER & DEPARTMENT HEAD UPDATE**
6. **CONSENT AGENDA**
   - A. Approve invoices >$10,000 & approve the Bills & ACH Transfers dated November 5, 2026, through November 16, 2026.
   - B. Approve the payroll paid & overtime report for October 29, 2026, and November 12, 2026, pay dates.
   - C. Approve October 2026 Financials
   - D. Approval of Contribution Requests to Boys & Girls Clubs of the Northland & Algonquin Youth Activities Association
   - E. Approval of 2027 Commission Meeting Dates, Resolution 26-18
   - F. Approve Commission to attend the Annual Rams Dinner December 3, 2026
   - G. Approval of Cost Recovery Policy
   - H. Legislative Ask 2027 Costin Group
7. **FINANCIALS & RISK MANAGEMENT**
   - A. Factory Mutual Insurance Renewal
   - B. Approval to Award Beltline & Gas Plant Substation Demolition Contract to Bougalis Inc.
   - C. Request to Award Engineering Services Contract to Bolton & Menk for Roadway Lighting LED Conversion Project
   - D. Request Approval for Authorized Users on our Empower (457) Account
8. **POLICY**
9. **OLD BUSINESS**
10. **NEW BUSINESS**
    - A. Request to Approve Scope of Work of 2027 3rd Ave E Phase 1 21st st to 25th St, Joint Project with City of Hibbing.
    - B. Request to Approve Scope of Work of 2027 4th Ave E, 10th Ave E and 11th Ave E. Water Main and LSL Replacement
    - C. Request for Approval to Move Forward with Capacity Sale to RPU
11. **ADJOURNMENT**



Item 3

HIBBING PUBLIC UTILITIES
1902 E 6TH AVE
HIBBING, MINNESOTA 55746-0249
TELEPHONE: 218-262-7700
FAX: 218-262-7702

Item 3 – Approval of Minutes: October 27, 2026, and November 10, 2026, Commission Meetings.

November 24, 2026

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

RE: Item 3 - Approval of Minutes: October 27, 2026, and November10, 2026, Commission Meetings.

Dear Commissioners,

Please find attached for your approval draft minutes from the Commission Meetings held on October 27, 2026, and November 10, 2026.

Sincerely,



Larry Folstad
General Manager
Hibbing Public Utilities Commission

MINUTES OF THE PROCEEDINGS

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

Minutes of the regular meeting of the Public Utilities Commission, Hibbing, Minnesota, 1902 E. 6th Ave., Hibbing, MN 55746, held on October 27, 2026. Meeting held at Hibbing City Hall, 401 E. 21st St., Hibbing MN. Commission Vice Chair Sandstede called the meeting to order at 5:01 p.m. In attendance were Commissioner Sandstede, Commissioner Hart, Commissioner Stokes, and Legal Counsel, Andy Borland; General Manager, Larry Folstad, Senior Director of Human Resources & Organizational Development, Kendra Powers; Energy and Operations Manager, Paul Plombon, Power Plant Manager, Dan Edwards, Financial Controller, Bruce Swart; Customer Service Supervisor, Jill Hietala, Executive Assistant, Magan Schoeben; and Grant Writer & Engagement Specialist, Eliot Dixon. Also in attendance were HPU Employee & Local 94 Union President, George Pogachnik, HPAT Rep., Ron Wirkkula. Attending Virtually was Bethany Ryers, with Baker Tilly. Absent was Commissioner Babich, and Commissioner Bayliss.

Item 2. ADDS/DELETES

Item 3. APPROVAL OF MINUTES

Motion by Commissioner Hart, supported by Commissioner Stokes to approve the meeting minutes of the September 22, 2026 & October 13, 2026, Commission Meetings.

Motion approved unanimously

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

Item 5. GENERAL MANAGER/DEPARTMENT HEAD REPORTS

General Manager, Larry Folstad provided an update regarding the tear down of the old Beltline substation and the meeting of the City of Hibbing and HPU to discuss upcoming Capital Improvement plans.

Item 6. CONSENT AGENDA

Item 6.A Approve invoices >$10,000 & approve the Bills & ACH Transfers dated September 18, through October 16, 2026.
Item 6.B Approve the payroll paid & overtime report for October 1, 2026, and October 15, 2026, pay dates.
Item 6.C Approve September 2026 Financials.
Item 6.D Approval of Contribution Requests to Hibbing Drama Boosters & Hibbing Girls Hoops Club.
Item 6.E Approve the Commission to Attend the Beltline Substation Ribbon Cutting Ceremony on October 29, 2026, at 1:00 p.m.
Item 6.F Approve Liability Coverage Waiver from League of Minnesota Cities.

Motion by Commissioner Stokes, supported by Commissioner Hart to approve the Consent Agenda Items 6.A through 6.F.

Motion approved unanimously.

Item 7. FINANCIALS & RISK MANAGEMENT

Item 7.A Approval of Snowplow Purchase.
Motion by Commissioner Stokes, supported by Commissioner Hart to approve the purchase of a snowplow.

Motion approved unanimously.

Item 7.B Approval of AMI Water Meter Purchase
Motion by Commissioner Stokes, supported by Commissioner Hart to approve the purchase of AMI Water Meters.

Motion approved unanimously.

Item 7.C Approval of New Haven Drive Change Order for Jivery Construction
Motion by Commissioner Stokes, supported by Commissioner Hart to approve the change order for Jivery Construction.

Motion approved unanimously.

Item 7.D Request to Increase ACH Payment Limit to 1.5 million for Large Approved Vendors
Motion by Commissioner Stokes, supported by Commissioner Hart to approve the increase ACH payment limit to 1.5 million for large approved vendors.

Motion approved unanimously.

Item 7.E Request 4M Transfer for Capital Projects
Motion by Commissioner Stokes, supported by Commissioner Hart to approve the transfer for Capital Projects.

Motion approved unanimously.

Item 8. POLICY

Item 8.A Approval of Updates to the Apprentice Line Worker Job Description
Motion by Commissioner Stokes, supported by Commissioner Hart to approve the updates to the Apprentice Line Worker Job Description.

Motion approved unanimously.

Item 8.B Request Approval of Revised Job Description & Salary Adjustment for Business Analyst
Motion by Commissioner Stokes, supported by Commissioner Hart to approve the revised job description and salary adjustment for the Business Analyst.

Motion approved unanimously.

Item 8.C Request Approval of Job Description and Salary Adjustment for Executive and Human Resources Administrator
Motion by Commissioner Stokes, supported by Commissioner Hart to approve the job description and salary adjustment for the Executive and Human Resources Administrator.

Motion approved unanimously.

Item 9. OLD BUSINESS
No old business.

Item 10. NEW BUSINESS
No new business.

Item 11. ADJOURNMENT
Motion by Commissioner Stokes, supported by Commissioner Hart to adjourn the meeting at 5:18 p.m.

Motion approved unanimously.

Attest:

_____
James Bayliss, Chair

_____
Jeff Hart, Commission Secretary

Meeting materials are available at www.hpuc.com.
The next meeting is a working session scheduled for, November 10, 2026
for 5:00 p.m. at Hibbing City Hall, 401 E. 21st St., Hibbing MN 55746.

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DRAFT

MINUTES OF THE PROCEEDINGS

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

Minutes of the regular meeting of the Public Utilities Commission, Hibbing, Minnesota, 1902 E. 6th Ave., Hibbing, MN 55746, held on November 10, 2026. Meeting held at Hibbing City Hall, 401 E. 21st St., Hibbing, MN. Commission Chair 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; General Manager, Larry Folstad, Senior Director of Human Resources & Organizational Development, Kendra Powers; Energy & Operations Manager, Paul Plombon, Electrical Manager, Samantha Adams, Executive Assistant, Magan Schoeben; and Grant Writer & Engagement Specialist, Eliot Dixon. Also in attendance were HPU Employee & Local 94 Union President, George Pogachnik, and Lisa Crum of Crum Energy who attended the closed session via Teams.

CLOSED SESSION

Motion by Commissioner Sandstede, supported by Commissioner Stokes to enter closed session, pursuant to MN Stat. § 13D.05, subd. 3(b), for matters under attorney-client privilege.

Motion carried unanimously.

The Closed session took place from 5:03 p.m. until 5:59 p.m. The regular meeting resumed at 6:04 p.m.

As a result of the closed session, the Commission was advised to make motions on the following items.

1. Approval to withhold the September 26, 2026, Invoice to EPE and Deposit the Funds into Escrow Pending Resolution.

Motion by Commissioner Sandstede, supported by Commissioner Stokes to withhold payment of the September 26th, 2026, invoice to EPE and deposit the funds into Escrow Pending Resolution.

Motion carried unanimously.

2. Develop a cost benefit analysis for pursuing a potential claim against EPE.

Motion by Commissioner Sandstede, supported by Commissioner Stokes to develop a cost-benefit analysis for pursuing a potential claim against EPE.

Motion carried unanimously.

ADDS/DELETES

Commissioner Bayliss approved the addition of Grant Proceeds Distribution Agreement as Action Item 6, and MISO Meeting December 1-3,2026 as Action Item 7.

ACTION ITEMS

1. Approve Invoices >$10,000 & Approve the Bills & ACH Transfers dated October 17, 2026, through November 4, 2026.

Motion by Commissioner Stokes, supported by Commissioner Bayliss to approve invoices >$10,000 & approve bills & ACH Transfers dated October 17, 2026, through November 4, 2026.

Motion carried unanimously.

2. Approve Annual Renewal Payment to Caselle for $33,976.67

Motion by Commissioner Stokes supported by Commissioner Babich to approve annual renewal payment to Caselle for $33,976.67.

Motion carried unanimously.

3. Request Approval of Resolution 26-16 Water Rate Increase

Motion by Commissioner Stokes supported by Commissioner Babich to approve Resolution 26-16 Water Rate Increase.

Motion carried unanimously.

4. Request to Purchase Gas Regulators

Motion by Commissioner Stokes, supported by Commissioner Babich to approve the request to purchase Gas Regulators.

Motion carried unanimously.

5. Approval of Boiler Feedwater Pump #2 Rebuild

Motion by Commissioner Stokes, supported by Commissioner Hart to approve the boiler feedwater pump #2 rebuild.

Motion carried unanimously.

6. Request to Approve Grant Proceeds Distribution Agreement

Motion by Commissioner Sandstede supported by Commissioner Babich to approve the Grant Proceeds Distribution Agreement.

Motion carried unanimously.

7. Approval of Attendance to MISO Meeting December 1-3, 2026

No action taken.

DISCUSSION ITEMS

1. General Manager/Department Head Updates
2. MMUA Strategic Plan, Proposed Path Forward
3. Cost Recovery Policy Covering Utility Cost on Future Projects
4. Conversation with Dave Berg & Greg French, NEMMPA
5. Rate Increase 2027
6. Renting/Owning Vac Truck, Two Line Trucks, Vehicle Shortage
7. 2027 Power Production Allocation to GRE Set by Previous GM
8. Fire Hydrant Project Not Fundable by PFA
9. Review Bolton & Menk Inc.'s Roadway Lighting LED Conversion Project Engineering Proposal
10. Update on Retired Substation to Demolish
11. RAMS Dinner December 3, 2026, at 5:00 p.m.
12. Review Draft 2027 Commission Schedule

No action was taken on the discussion items.

ADJOURNMENT

Motion by Commissioner Stokes, supported by Commissioner Sandstede, to adjourn the meeting at 7:35 p.m.

Motion carried unanimously.

Attest:

_____
James Bayliss, Chair

_____
Jeff Hart, Commission Secretary

Meeting materials are available at www.hpuc.com.
The next meeting is a working session scheduled for November 24, 2026 at 5:00 p.m. at Hibbing City Hall, 401 E. 21st St., Hibbing MN 55746.

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Item 6.A

HPU HIBBING PUBLIC UTILITIES
1902 E 6TH AVE
HIBBING, MINNESOTA 55746-0249
TELEPHONE: 218-262-7700
FAX: 218-262-7702

Item 6.A – Approve Invoices >$10,000 and bills & ACH transfers dated November 5, 2026 – November 16,2026

November 24, 2026

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

RE: Item 6.A – Approve Invoices >$10,000 and bills & ACH transfers dated November 5, 2026 – November 16, 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 November 10, 2026.

Sincerely,



Larry Folstad
General Manager
Hibbing Public Utilities Commission

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
HIBBING ACH, CIT	000238-SEP	INV 000238-SEP26-602PUC Sep Storm sewer Rev	10/16/2026	10/22/2026	27,617.09	11122026	11/12/2026
	000238-SEP	INV 000238-SEP26-602PUC Sep sewer income from PUC	10/16/2026	10/22/2026	333,189.43	11122026	11/12/2026
	000238-SEP	INV 000238-SEP26-603PUC city garbage from puc	10/16/2026	10/22/2026	197,647.43	11122026	11/12/2026
Total HIBBING ACH, CITY OF:					558,453.95		
National Bank of Co	0105X10252	Minimum payment due on municipal loan.	10/25/2026	11/09/2026	14,745.87	11520261	11/05/2026
Total National Bank of Commerce:					14,745.87		
Grand Totals:					573,199.82		

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



Item 6.B

HPU HIBBING PUBLIC UTILITIES
1902 E 6TH AVE
HIBBING, MINNESOTA 55746-0249
TELEPHONE: 218-262-7700
FAX: 218-262-7702

Item 6.B – Approval of Payroll Paid and Overtime Reports – October 29, 2026, and November 12, 2026

November 24, 2026

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

RE: Item 6.B – Approval of Payroll Paid and Overtime Reports – October 29, 2026, and November 12, 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 October 27, 2026.

Sincerely,



Larry Folstad
General Manager
Hibbing Public Utilities Commission

Report Criteria:
Employee Transaction.Check Issue Date = 10/29/2026
Pay Code.Pay Code = 1-19, 25

Payroll Type	Amount
Total REGULAR WAGES:	191,284.01
Total REGULAR WAGES - FOREMAN:	344.44
Total REGULAR WAGES - LEAD:	42.80
Total OVERTIME WAGES:	22,421.19
Total OVERTIME WAGES - FOREMAN:	219.75
Total SUNDAY PREMIUM:	2,563.96
Total VACATION PAY:	26,206.04
Total SICK LEAVE - REGULAR:	7,354.63
Total UNEXCUSED SICK LEAVE:	.00
Total COMP TIME EARNED:	.00
Total COMP TIME USED:	3,159.12
Total PERSONAL HOLIDAY:	4,290.39
Total SHIFT DIFFERENTIAL .75/HR:	423.00
Total LONGEVITY:	3,310.43
Total STANDBY:	7,127.07
Total RETRO PAY:	36.00
Total CERTIFICATE/LICENSE:	1,185.35
Grand Totals:	269,968.18

Report Criteria:
Employee Transaction.Check Issue Date = 11/12/2026
Pay Code.Pay Code = 1-19, 25

Payroll Type	Amount
Total REGULAR WAGES:	188,263.86
Total REGULAR WAGES - FOREMAN:	840.60
Total REGULAR WAGES - LEAD:	151.64
Total OVERTIME WAGES:	29,501.64
Total OVERTIME WAGES - LEAD:	1,200.78
Total SUNDAY PREMIUM:	1,396.48
Total VACATION PAY:	12,504.98
Total SICK LEAVE - REGULAR:	11,163.61
Total UNEXCUSED SICK LEAVE:	.00
Total COMP TIME USED:	3,950.80
Total PERSONAL HOLIDAY:	3,383.08
Total SHIFT DIFFERENTIAL .75/HR:	461.63
Total LONGEVITY:	3,310.43
Total STANDBY:	6,684.15
Total RETRO PAY:	94.80
Total MISCELLANEOUS PAY:	356.80
Total CERTIFICATE/LICENSE:	1,185.35
Grand Totals:	264,450.63



Item 6.C

HIBBING PUBLIC UTILITIES
1902 E 6TH AVE
HIBBING, MINNESOTA 55746-0249
TELEPHONE: 218-262-7700
FAX: 218-262-7702

Item 6.C – Approve October 2026 Interim Financials

November 24, 2026

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

RE: Item 6.C – Approve October 2026 Interim Financials

Dear Commissioners;

Please find enclosed financials as of October 2026.

The year to date ended October 31, 2026, operating revenue totaled $26.97M compared to $26.41M for the same period last year.

Operating expenses total $28.54M which compares to $26.97M in 2025.

Operating income/(Loss) - (operating revenues minus operating expenses) is ($1.568M) compared to ($564K) one year ago.

Sincerely;

Bruce Swart

Controller

Public Utilities Commission

Financial Statements and
Supplementary Information

October 31, 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 October 31, 2026 and 2025 and the related statements of revenues, expenses and changes in net position for the ten 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 October 31, 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.

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

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
November 19, 2026

Public Utilities Commission

Statements of Net Position
October 31, 2026 and 2025

	October 31, 2026	October 31, 2025
Assets and Deferred Outflows of Resources		
Current Assets		
Cash	$ 1,233,503	$ 616,071
Investments (4M account)	8,708,457	16,653,533
Restricted assets:		
Cash held for fuel assistance recipients	47,542	6,171
Cash held for customer deposits	475,978	474,831
Accounts receivable, net of allowance for doubtful accounts of $72,138 and $150,552, respectively	1,448,745	1,416,518
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	98,789	81,372
Inventories	1,518,006	1,733,105
Prepaid expense	253,118	241,422
Total current assets	16,090,792	23,859,158
Noncurrent Assets		
Restricted assets:		
Bond reserve account (4M account)	1,313,341	810,670
Notes receivable, Steam conversion program	98,219	137,111
Lease receivable	523,364	432,344
Investment in joint venture	655,162	747,025
Regulatory assets	2,671,933	3,462,668
Capital assets:		
Plant in service	198,124,649	176,541,609
Accumulated depreciation/amortization	(105,356,508)	(100,390,300)
Construction work in progress	36,228,069	33,070,868
Total noncurrent assets	134,258,229	114,811,995
Total assets	150,349,021	138,671,153
Deferred Outflows of Resources		
Related to net pension liability	740,194	861,143
Related to postemployment benefits liability	121,611	674,169
Related to the purchase of LEA	90,782	134,126
Total deferred outflows of resources	952,587	1,669,438
Total assets and deferred outflows of resources	$ 151,301,608	$ 140,340,591

Public Utilities Commission

Statements of Net Position
October 31, 2026 and 2025

	October 31, 2026	October 31, 2025
Liabilities, Deferred Inflows of Resources and Net Position		
Current Liabilities		
Accounts payable	$ 4,237,552	2,563,761
Accrued interest	78,135	49,527
Accrued expenses	350,263	86,550
Due to City of Hibbing	555,497	599,794
Accrued vacation	421,236	419,988
Current portion of lease liability	131,836	206,164
Current portion of long-term debt, bonds and notes payable	906,000	622,000
Current liabilities payable from restricted assets:		
Third-party advances for fuel assistance	47,542	6,171
Customer deposits payable	475,978	474,831
Total current liabilities	7,204,039	5,028,786
Noncurrent Liabilities		
Accrued sick leave	1,038,306	958,717
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	21,712,415	12,174,098
Unamortized discount	-	(122)
Lease liability	7,112	138,944
Total noncurrent liabilities	38,681,026	30,321,479
Total liabilities	45,885,065	35,350,265
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	622,153	513,716
Total deferred inflows of resources	4,375,074	5,766,650
Net Position		
Net investments in capital assets	106,238,847	96,254,060
Restricted for debt service	1,313,341	637,703
Unrestricted	(6,510,719)	2,331,913
Total net position	101,041,469	99,223,676
Total liabilities, deferred inflows of resources and net position	$ 151,301,608	$ 140,340,591

Public Utilities Commission

Statements of Revenues, Expenses and Changes in Net Position
Ten Months Ended October 31, 2026 and 2025

	October 31, 2026	October 31, 2025
Operating Revenue		
Charges for services	$ 26,138,660	$ 25,898,159
Other	829,476	508,453
Total operating revenues	26,968,136	26,406,612
Operating Expenses		
Operation and maintenance	22,803,795	21,914,997
Depreciation and amortization	5,732,774	5,055,332
Total operating expenses	28,536,569	26,970,329
Operating income (loss)	(1,568,433)	(563,717)
Nonoperating Revenues (Expenses)		
Investment income	452,837	1,645,447
Miscellaneous nonoperating income (expense)	28,173	5,896
Equity in net income of joint venture	(76,281)	(65,857)
Interest expense	(338,722)	(173,965)
Total nonoperating revenues (expenses)	66,007	1,411,521
Income before contributions	(1,502,426)	847,804
Capital Contributions	1,871,249	3,000,000
Change in net position	368,823	3,847,804
Net Position, Beginning	100,672,646	95,375,872
Net Position, Ending	$ 101,041,469	$ 99,223,676

Public Utilities Commission

Statements of Cash Flows
Ten Months Ended October 31, 2026 and 2025

	October 31, 2026	October 31, 2025
Cash Flows From Operating Activities		
Receipts from customers	$ 28,048,262	$ 27,455,769
Principal collected from steam conversion loan program	35,984	36,948
Payments to suppliers	(15,833,158)	(17,543,907)
Payments for payroll and benefits	(6,131,081)	(5,750,192)
Net cash from operating activities	6,120,007	4,198,618
Cash Flows From Capital and Related Financing Activities		
Payments for additions to property, plant and equipment	(19,260,348)	(28,606,437)
Capital contributions received	2,040,381	3,575,272
Principal and interest paid on leases	(177,872)	(177,872)
Proceeds from debt issue	3,339,445	6,884,661
Principal paid	(755,000)	(596,939)
Interest paid	(461,604)	(244,611)
Net cash from capital and related financing activities	(15,274,998)	(19,165,926)
Cash Flows From Investing Activities		
Investments income received	215,434	1,203,484
Investments matured	5,912,292	10,301,100
Investments purchased	31,519	(420,084)
Net cash from financing activities	6,159,245	11,084,500
Net change in cash	(2,995,746)	(3,882,808)
Cash, Beginning	4,752,769	4,979,881
Cash, Ending	$ 1,757,023	$ 1,097,073
Cash is Presented on the Statements of Net Position		
Cash	$ 1,233,503	$ 616,071
Restricted assets	1,836,861	1,291,672
Total cash and restricted assets	3,070,364	1,907,743
Less noncash equivalents included in restricted assets	(1,313,341)	(810,670)
	$ 1,757,023	$ 1,097,073

Public Utilities Commission

Statements of Cash Flows
Ten Months Ended October 31, 2026 and 2025

	October 31, 2026	October 31, 2025
Reconciliation of Operating Income (Loss) to Net Cash From Operating Activities		
Operating income (loss)	$ (1,568,433)	$ (563,717)
Adjustments to reconcile operating income (loss) to net cash from operating activities:		
Other nonoperating income (loss)	28,173	5,896
Depreciation and amortization	5,732,774	5,055,332
Change in operating assets, deferred outflows or resources, liabilities and deferred inflows of resources:		
Accounts receivable	1,054,275	1,042,442
Other receivable	-	(12,013)
Inventories	(98,336)	(406,609)
Prepaid expenses	568,948	506,023
Receivable for steam conversion loan program	35,984	36,948
Lease receivable	(182,479)	7,972
Regulatory assets	14,999	-
Accounts payable	241,357	(586,376)
Accrued vacation and sick leave	79,999	(98,512)
Accrued expenses	77,588	(165,901)
Due to City of Hibbing	(16,392)	(563,110)
Third-party advances for fuel assistance	(28,436)	(64,617)
Customer deposits payable	(2,323)	12,832
Deferred inflows of resources	182,309	(7,972)
Net cash from operating activities	$ 6,120,007	$ 4,198,618
Noncash Capital and Related Financing Activities		
Unrealized gain on investments	$ 237,403	$ 441,963
Regulatory capitalized interest - net with interest expense	$ 117,406	$ 22,751

OTHER INFORMATION

Public Utilities Commission

Schedules of Departmental Revenues and Expenses
Periods Ended October 31, 2026 and 2025

	Ten Months Ended October 31, 2026				
	Electric	Steam	Gas	Water	Total
Operating Revenue					
Charges for services	$ 15,807,289	$ 1,737,940	$ 5,954,803	$ 2,638,628	$ 26,138,660
Other operating revenues	583,003	69,510	63,739	113,224	829,476
Others					
Total operating revenues	16,390,292	1,807,450	6,018,542	2,751,852	26,968,136
Operating Expenses					
Operation and maintenance	14,713,668	1,922,570	4,594,319	1,573,238	22,803,795
Depreciation and amortization	3,545,436	896,855	352,439	938,044	5,732,774
Total operating expenses	18,259,104	2,819,425	4,946,758	2,511,282	28,536,569
Operating (loss) income	$ (1,868,812)	$ (1,011,975)	$ 1,071,784	$ 240,570	$ (1,568,433)

	Ten Months Ended October 31, 2025				
	Electric	Steam	Gas	Water	Total
Operating Revenue					
Charges for services	$ 14,934,076	$ 1,761,458	$ 6,709,582	$ 2,493,043	$ 25,898,159
Other operating revenues	277,459	81,882	66,708	82,404	508,453
Others					
Total operating revenues	15,211,535	1,843,340	6,776,290	2,575,447	26,406,612
Operating Expenses					
Operation and maintenance	14,401,369	2,229,685	3,829,011	1,454,932	21,914,997
Depreciation	3,051,714	831,697	316,339	855,582	5,055,332
Total operating expenses	17,453,083	3,061,382	4,145,350	2,310,514	26,970,329
Operating (loss) income	$ (2,241,548)	$ (1,218,042)	$ 2,630,940	$ 264,933	$ (563,717)

Public Utilities Commission

Budget to Actual Comparison
Ten Months Ended October 31, 2026

	Actual	Budget	Difference
Operating Revenue			
Electric revenue	$ 16,390,292	$ 15,976,583	$ 413,709
Steam revenue	1,807,450	1,860,561	(53,111)
Gas revenue	6,018,542	6,708,893	(690,351)
Water revenue	2,751,852	2,751,070	782
Total operating revenues	26,968,136	27,297,107	(328,971)
Operating Expenses			
Electric:			
Operation and maintenance	14,713,668	13,993,529	720,139
Depreciation	3,545,436	3,801,422	(255,986)
Total electric	18,259,104	17,794,951	464,153
Steam:			
Operation and maintenance	1,922,570	1,936,124	(13,554)
Depreciation	896,855	900,000	(3,145)
Total steam	2,819,425	2,836,124	(16,699)
Gas:			
Operation and maintenance	4,594,319	3,916,801	677,518
Depreciation	352,439	345,569	6,870
Total gas	4,946,758	4,262,370	684,388
Water:			
Operation and maintenance	1,573,238	1,473,901	99,337
Depreciation	938,044	916,667	21,377
Total water	2,511,282	2,390,568	120,714
Total operating expenses	28,536,569	27,284,013	1,252,556
Operating Income (Loss)			
Electric	(1,868,812)	(1,818,368)	(50,444)
Steam	(1,011,975)	(975,563)	(36,412)
Gas	1,071,784	2,446,523	(1,374,739)
Water	240,570	360,502	(119,932)
Total operating income (loss)	$ (1,568,433)	$ 13,094	$ (1,581,527)



Item 6.D

HIBBING PUBLIC UTILITIES
1902 E 6TH AVE
HIBBING, MINNESOTA 55746-0249
TELEPHONE: 218-262-7700
FAX: 218-262-7702

Item 6.D – Authorize listed Requests for Contribution

November 24, 2026

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

RE: Item 6.D– Authorize Listed Requests for 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 contributions were requested in the month of November 2026.

Organization	Sector of Support	Request Amount
Boys & Girls Club of the Northland Hibbing-Branch	Recreation	$500
Algonquin Youth Activities Association	Recreation	$500

Sincerely,

Larry Folstad
General Manager
Hibbing Public Utilities Commission

Setting The Table

A place to belong.

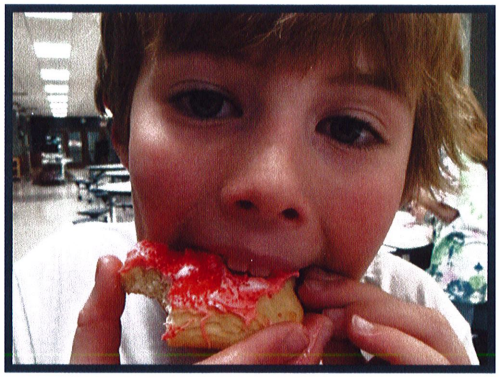


For every child. For every community.



"The Boys & Girls Club is about so much more than activities for kids. It gives children a safe, welcoming place where they can learn, build relationships with positive adults, have fun, get a meal, and simply be kids. Just as importantly, it gives families a reliable, affordable resource they can count on throughout the year. Helping bring the Club to Hibbing was important to me because I saw how much our community needed this kind of support, and I am proud to now serve as Board Chair and help keep this opportunity available to local kids and families."

Cassie Liubakka
Hibbing BGC Board Chair



Together, we set the table for opportunity.

PLEASE CONSIDER A YEAR-END GIFT TODAY!

YES! I want to help set the table for kids with my gift!

Please fill out & send in enclosed envelope. Thank you!

Enclosed is my gift, please direct my funds to the following community:

☐ Duluth ☐ Hibbing ☐ Grand Rapids & Greenway ☐ Superior

Gift Amount:
☐ $500 ☐ $250 ☐ $100 ☐ $50 ☐ $25 ☐ Other $ _____

I would like my gift to be a monthly gift of:
☐ $50 ☐ $25 ☐ $15 ☐ $10 ☐ Other $ _____

Name _____

Address _____

City _____ State _____ Zip _____

Email _____

Phone _____

Payment Information

Check: Payable to: Boys & Girls Clubs of the Northland

Credit/Debit Card
☐ Visa ☐ Mastercard ☐ Discover ☐ American Express

Card Number _____

Expiration Date _____ CVV _____

Cardholder Signature _____

BOYS & GIRLS CLUBS OF HIBBING

EVERY GIFT. EVERY CHILD. EVERY COMMUNITY.

Thank you!

Your gift is tax-deductible to the fullest extent of the law.



Every child deserves a seat at the table.

Dear Eliot,

We talk a lot about Club Kids and the positive impact our programs have on kids who need it most, but we can't do this important work without the help of this community.

One day, all of these kids will grow up and tell people stories from their childhood. They will sit at tables with people who didn't know them as Club Kids, didn't watch them get off the bus, and didn't cheer them on during kickball. Those former Club Kids will tell the stories of their lives. Stories of the friends they met, the games they played, and the tough times they navigated. We won't be there to edit the story or tell our version. But we are here, right now, helping to write those stories, create those memories, and cheer them on. So let's keep setting those tables like they matter. Because they do.

The Hibbing Club has been in this community for nearly 4 years already! Kids rely on us for a safe place to go after school and during the summer. Parents rely on us to bridge the gap. Families rely on us for meals, homework help, and building a stronger community for the next generation.

That's why we are writing to you. To ask you to help us welcome every single kid to the community table; to help them belong. Will you make a personally meaningful gift to help ensure that our Club is here to provide a safe and supportive space for our youth?

Your gift will help us continue setting the table for Club Kids across our community. **We need Club Kids, and Club Kids need You!**

With sincere gratitude,

Brittany Lindstrom

Thank you for supporting local youth & wishing the HPU team a Happy Holidays!! :)

Brittany Lindstrom, Director of Grants & Community Engagement
blindstrom@bgcnorth.org

Eliot Dixon
Hibbing Public Utilities
1902 6th Ave E
Hibbing MN 55746-2154

1

BOYS & GIRLS CLUB
OF HIBBING

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: Boys & Girls Clubs of the Northland-Hibbing Branch

CHECK PAYABLE TO: Boys & Girls Club of Hibbing

CONTACT NAME: Brittany Lindstrom PHONE NO: 218-966-1101

ADDRESS: PO Box 613 Hibbing, MN 55746

DATE: 11/16/2026

PROJECT DESCRIPTION: (Please provide project description including scope, estimated project costs, location, schedule, etc.)
At Boys & Girls Clubs of the Northland, we are dedicated to ensuring that our community's youth have greater access to quality programs and services that empower their lives and build great futures. The Club Experience provides daily access to a broad range of programming focused on our four pillars: Academic Success, Health & Well-Being, Character & Leadership, and Life & Workforce Readiness. The Hibbing Club is located at Lincoln Elementary School and operates from 2:00–7:00 p.m. during the school year and 7:30 a.m.–3:00 p.m. during the summer. Due to significant growth in the number of youth and families served, our annual operating budget is projected to increase from roughly $379,000 in 2026 to $481,000 in 2027.

AMOUNT OF REQUEST: $500

REASON FOR REQUEST: (Please describe the ways in which the request meets the statutory purpose, describe under PURPOSE above): This request supports the well-being of Hibbing-area youth and families while strengthening our community's current and future workforce. By providing safe, affordable out-of-school programming, the Club allows parents and caregivers to maintain employment while their children receive positive mentorship, academic enrichment, and opportunities to develop essential life skills. Through career exploration, leadership development, and workforce readiness programming, we also help prepare the next generation of local workers and community leaders. Annual membership is just $20 per youth, and no child is turned away due to an inability to pay. Financial support will help us meet growing demand while keeping these essential services accessible to local families.

REQUEST FOR CONTRIBUTION

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

_____

_____

_____

_____

_____
Commission Secretary

_____
Date

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HPU HIBBING PUBLIC UTILITIES

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: ALGONQUIN YOUTH ACTIVITIES ASSOCIATION

CHECK PAYABLE TO: AYAA

CONTACT NAME: KEVIN GARGANO PHONE NO 218-969-2887

ADDRESS: PO BOX 330 HIBBING MN 55746

DATE: 11-19-26

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

WE AWARD SCHOLARSHIPS TO LOCAL STUDENTS WITH OUR FUNRAISING EFFORTS. IN MARCH WE GAVE TWENTY STUDENTS A $500.00 SCHOLARSHIP EACH.

AMOUNT OF REQUEST: $500.00

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

WE ALSO DONATE MONEY TO STUDENT ORGANIZATIONS, ACADEMIC PROGRAMS, AND ATHLETIC TEAMS. IE: HIBBING BOYS & GIRLS CLUB, LINCOLN PTO, HIGH SCHOOL SPORTS.

-- REVERSE SIDE FOR HPUC USE ONLY --

REQUEST FOR CONTRIBUTION

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

_____

_____

_____

_____

_____
Commission Secretary

_____
Date

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-- REVERSE SIDE FOR HPUC USE ONLY --



Item 6.E

HIBBING PUBLIC UTILITIES
1902 E 6TH AVE
HIBBING, MINNESOTA 55746-0249
TELEPHONE: 218-262-7700
FAX: 218-262-7702

Item 6.E – 2027 Draft Commission Schedule

November 24, 2026

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

RE: Item 6.E – 2027 Draft Commission Schedule

Dear Commissioners,

Attached for the Commission's approval is the 2027 Commission Meeting Schedule, Resolution 26-18.

Commissioners are encouraged to review the proposed dates and provide any feedback or suggested changes. With the Commission's approval Resolution 26-18 will be finalized if there are not any needed changes.

Thank you for your time and consideration.

Sincerely,



Larry Folstad
General Manager

RESOLUTION NO. 26-18

PUBLIC NOTICE OF HIBBING PUBLIC UTILITIES COMMISSION
SCHEDULE OF WORKING SESSIONS AND REGULAR MEETINGS FOR 2027

The Hibbing Public Utilities Commission is hereby giving public notice of the regular meetings and working sessions of the Hibbing Public Utilities Commission for the Calendar Year 2027. Meetings are held at 5:00 p.m. The location of the meetings is at the Hibbing City Hall, 401 E. 21st St. Hibbing, MN. This schedule is also available on the HPU website at www.hpuc.com.

Regular meetings are scheduled as below:

Month	Date
January	12th
	26th
February	9th
	23rd
March	9th
	23rd
April	13th
	27th
May	11th
	25th
June	8th
	22nd
July	13th
	27th
August	9th
	24th
September	14th
	28th
October	12th
	26th
November	9th
	23rd
December	14th
	28th

All changes to the above-mentioned meetings will be published in the newspaper and at hpuc.com.

All above listed meetings will be held at City Hall, 401 E.21st St. Hibbing, MN.

BY ORDER OF HIBBING PUBLIC UTILITIES COMMISSION

_____
James Bayliss,
Commission Chair

_____
Jeff Hart
Commission Secretary

DRAFT



Item 6.F

HPU HIBBING PUBLIC UTILITIES
1902 E 6TH AVE
HIBBING, MINNESOTA 55746-0249
TELEPHONE: 218-262-7700
FAX: 218-262-7702

Item 6.F – Approval for the Commission to Attend the Annual RAMS Dinner on December 3, 2026

November 24th, 2026

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

Item 6.F- Approval for the Commission to Attend the Annual RAMS Dinner on December 3, 2026

Dear Commissioners,

Seeking approval for the Commission to attend the Annual RAMS Dinner on December 3, 2026 at the Iron Trail Event Center in Virginia, the HPUC has a table of eight. Three Commissioners are interested in attending. HPU plans to fill the remaining five seats with interested Staff.

Thank you for your consideration.

Sincerely,



Larry Folstad
General Manager
Hibbing Public Utilities Commission

RANGE ASSOCIATION OF MUNICIPALITIES AND SCHOOLS

2026 RAMS Annual Dinner Registration

The RAMS Annual Dinner will be held on Thursday, December 3 at the Iron Trail Motors Event Center in Virginia. Come and join us for a fun evening with RAMS membership and celebrating our work together!

Electronic Registration is Required. You may register up to 8 guests at a time.

Highlights from the meeting will include:

- Membership election of new board members - Must attend to vote!
- RAMS 2026 summary and membership activity year-in-review
- 2027 legislative preview
- Speeches from Range Delegation legislators
- Award presentation honoring the service of outgoing board members
- Dynamic keynote speaker who will engage and elevate the region

RAMS Annual Dinner
Thursday, December 3
Iron Trail Motors Event Center, Virginia, MN 55792
5:00 pm – Social Hour, Board Candidate Meet-and-Greet
6:30 pm – Dinner Begins
6:45 pm – Program Begins



Item 6.G

HIBBING PUBLIC UTILITIES
1902 E 6TH AVE
HIBBING, MINNESOTA 55746-0249
TELEPHONE: 218-262-7700
FAX: 218-262-7702

Item 6.G – Cost Recovery Policy

November 24, 2026

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

RE: Item 6.G – Cost Recovery Policy

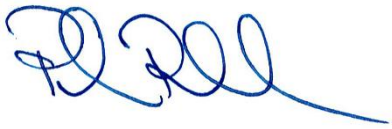
Dear Commissioners,

For your consideration, staff is presenting the final policy governing the extension of utility services and infrastructure. This was discussed at the last working session and is presented in its unaltered form.

Please see attached documentation.

Thank you for your consideration.

Sincerely,



Paul Plombon
Energy & Operations Manager

Hibbing Public Utilities
Policy Number: CUST003UtilityExtension
Date: November 24, 2026

Subject: Extension of Utility Infrastructure

This policy applies to all requests for new service connections, upgrades, line extensions, main extensions, and infrastructure expansions associated with Electric, Gas, Water, and Steam.

HPU will not be financially responsible for the cost of extending any utility infrastructure beyond its existing service responsibilities. Extensions of service include new services, increased capacity, new developments, commercial/industrial projects, or other private benefits.

Applicants for extension of services shall be held liable for all costs associated with the additional infrastructure. Costs incurred can include, but are not limited to engineering design, surveys, metering equipment, inspections, easements, environmental reviews, construction, permits, and restorations.

Once construction is complete, all portions of the extension that are typically HPU's responsibility shall be turned over to the utility for ownership. Transfer of ownership includes actual infrastructure, testing results, as builds, access agreements, easements, and right-of-way.

Under no circumstance shall HPU be obligated to expend its own funds for the extension of electric, water, gas, or steam to benefit specific customers or developers unless expressly approved by a written signed agreement by the Hibbing Public Utilities Commission.

DRAFT

_____
Commission Chair

_____
Commission Secretary

_____
Adopted by Commission Action



Item 6.H

HPU HIBBING PUBLIC UTILITIES
1902 E 6TH AVE
HIBBING, MINNESOTA 55746-0249
TELEPHONE: 218-262-7700
FAX: 218-262-7702

Item 6.H – Review HPU Legislative Funding 2027 Project Info Page

November 24, 2026

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

RE: Item 6.H – Review HPU Legislative Funding 2027 Project Info Page

Dear Commissioners,

Please find attached for your review HPU's Legislative Funding 2027 Project Info Page. The purpose of this document is to effectively communicate HPU's project needs, Hibbing's local context, and the details of the utility's funding ask. This document has been developed with the direct feedback and input of HPU's legislative consultants at the Costin Group.

Sincerely,

Eliot Dixon
Grant Writer & Communications Specialist
Hibbing Public Utilities Commission

HPU HIBBING PUBLIC UTILITIES
1902 E 6TH AVE
HIBBING, MINNESOTA 55746-0249
TELEPHONE: 218-262-7700
FAX: 218-262-7702

HIBBING PUBLIC UTILITIES | 2027 FUNDING PRIORITIES

Protecting public health. Modernizing Essential Infrastructure.

$X.XM	$13.03M	Nov. 2028
2027-2028 Project Package	2027-2028 Project Package	HPU Lead Compliance Target

ELEVATED LEAD LEVELS & A SYSTEM-WIDE SOLUTION

In 2025, the Hibbing Public Utilities Commission reported a lead 90th-percentile result of 32 ppb, above the federal 15 ppb action level. HPU's coordinated response consists of corrosion control treatment, targeted lead service line replacement, and water main renewal to return the system to within federal safety compliance levels for lead. These projects will be performed in alignment with the state and federal lead compliance deadlines. In order to accomplish this work in a manner that protects Hibbing's public health, meets the regulatory timelines, and protects drinking water affordability, HPU requests $X.X million in state capital support for a coordinated project response.

PROJECT OUTCOMES

System-wide Lead Corrosion Control Treatment – Install lead corrosion control treatment to reduce lead released from existing sources and significantly reduce lead levels system-wide.

Targeted Lead service line removal – Replace identified lead service lines in the high concentration areas to eliminate lead sources from the water system.

Renewed water distribution infrastructure – Replace century-old and otherwise deteriorated water mains alongside lead removals, coordinating the City of Hibbing paving plan to reduce repeat excavation and maximize investment impact.

MEASURABLE RESULTS

- Lead Treatment Solution installation and monitoring; return of system to lead level compliance prior to EPA-set deadline of Nov. 2028
- Number of lead service lines fully removed and addresses of households served; monitored in alignment with MDH set goal of statewide lead service line removal by 2033.
- Linear feet and blocks of water main replaced; in alignment with the local Water Main Capital Improvement Plan.

FUNDING IMPACT

HPUC and the community members of Hibbing are committed to funding XX% of the total project cost, demonstrating a substantial local investment in these critical improvements. State participation would reduce the financial burden on local households while accelerating project completion to meet federal and state regulatory deadlines. This partnership with the state will **protect public health**, particularly for Hibbing's most vulnerable residents, while helping **ensure essential water services remain affordable** for the community.

DRAFT

WHO BENEFITS

Lead exposure poses the greatest risk to young children, potentially causing lasting harm to their health and development. Low-income households are particularly vulnerable, as they often lack the financial resources to replace lead plumbing, purchase water filters, or relocate. This project will improve drinking water safety throughout Hibbing while prioritizing the protection of children and vulnerable households.

	Populations most vulnerable to lead	
15,823	**~2,785**	**~2,563**
CITY-WIDE RESIDENTS	CHILDREN UNDER 18	INDIVIDUALS BELOW POVERTY LEVEL

AT A GLANCE: COMMUNITY STATS

*Based on US Census Estimates

Population	**15,823**
Median Household Income	**$55,789**

Key Demographics:

	Hibbing	State Average
Residents age 65+	**23.3%**	**18.3%**
Residents age <18	**17.6 %**	**22.4%**
Residents below the poverty line	**16.2%**	**9.3%**



Item 7.A

HPU HIBBING PUBLIC UTILITIES
1902 E 6TH AVE
HIBBING, MINNESOTA 55746-0249
TELEPHONE: 218-262-7700
FAX: 218-262-7702

Item 7.A – Factory Mutual Insurance Renewal

November 24, 2026

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

RE: Item 7.A – Factory Mutual Insurance Renewal

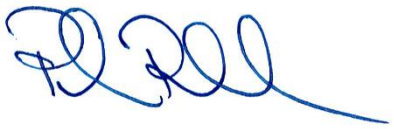
Dear Commissioners,

For your consideration, we are presenting an invoice for payment from Miners Insurance Agency for HPU's commercial property insurance renewal. Miners Insurance Agency facilitates our renewal with Factory Mutual. The total for the renewal amounts to $638,411.00. This amount is in line with prior renewals from Factory Mutual. Our partnership with Factory Mutual and Miners Insurance ensures our $250,000,000 in assets are protected.

Please see attached documentation.

Thank you for your consideration.

Sincerely,



Paul Plombon
Energy & Operations Manager

Miners Insurance Agency

2509 1st AVE
Hibbing, MN 55746
Phone: 218-262-2355

DATE:
NOVEMBER 12, 2026

INVOICE #
11122026

TO:
Hibbing Public Utilities

FOR:
Commercial Property Policy

DESCRIPTION	AMOUNT
Commercial Property - FM Global (Policy #1179468) Effective 01/01/2027	$638,411
	TOTAL $638,411

Make all checks payable to Miners Insurance Agency
If you have questions about this invoice contact our office.
218-262-2355
THANK YOU FOR YOUR BUSINESS!



Item 7.B

HPU HIBBING PUBLIC UTILITIES
1902 E 6TH AVE
HIBBING, MINNESOTA 55746-0249
TELEPHONE: 218-262-7700
FAX: 218-262-7702

Item 7.B – Award of Beltline and Gas Plant Substation Demolition Construction Contract to Bougalis Inc. in the amount of $126,400.00.

November 24th, 2026

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

Dear Commissioners,

Staff requests Commission approval to award a $126,400.00 construction contract to Bougalis Inc. to demolish the retired 2,400V and 13.8kV substations at the Beltline site and the retired 13.8 kV substation at the Gas Plant site.

Staff solicited competitive bids and received four responsive quotes. Bougalis Inc. submitted the lowest quote, with a lump sum for both sites $126,400.00.

EMR in Hibbing provided the highest estimated recycling value for the scrap metal and equipment at $40,000.00. The contractor will deliver the material to EMR, and EMR will credit the proceeds to HPU's account for payment to HPU. Based on that estimate, the estimated net cost to HPU for both sites is $86,400.00. The final net cost will depend on the actual recycling proceeds at the time of delivery.

Staff respectfully requests that the Commission award the contract to Bougalis Inc. for $126,400.00 and authorize the disposition of the recovered scrap metal and equipment through EMR for recycling, with proceeds paid to HPU.

Respectfully,

Samantha Adams

Samantha Adams | HPU Electrical Manager

November 16, 2026

Samantha Adams
Hibbing Public Utilities
Manager – Electric Distribution

Quote: Demolition of “Y” yard and beltline substations

- Mobilization / De-mobilization “Y” yard substation
- All fluids to be removed from equipment by others prior to Bougalis Inc. starting demolition.
- Remove all above grade structures at the “Y” yard substation down to top of concrete foundations.
- None of the equipment being removed will be salvaged or repurposed and can be demolished by means necessary.
- The steel shed and the fencing will remain at the “Y” yard substation location.
- All demolition materials will be hauled to EMR on the HPU account, and HPU will receive full payment from EMR.
- Mobilization / De-mobilization beltline substation
- All fluids to be removed from equipment by others prior to Bougalis Inc. starting demolition.
- Remove all site fencing from the project area.
- Remove and legally dispose of existing telephone poles from project area.
- Remove all above grade structures at the beltline substation down to top of concrete foundations.
- None of the equipment being removed will be salvaged or repurposed and can be demolished by means necessary.
- All demolition materials will be hauled to EMR in Hibbing on the HPU account, and HPU will receive full payment from EMR.
- Remove and legally dispose of existing concrete foundations below grade in their entirety. Foundations assumed to be 6’ deep or less.
- Remove liner and grounding grid in its entirety from the project location.
- Furnish and install clean compacted granular material to backfill foundations up to grade.
- Level site to existing conditions and grade after demolition is complete.
- Furnish and install grass seed in the spring at the project site.

Lump sum for specific scope of work above: $126,400.00

Not Included Items:

- Permit / permit fees
- Testing / testing fees
- Fluid removal from equipment
- Environmental costs or fees

Thank you for the opportunity; Please advise,

Regards,



Anthony Lautizi
m: (218) 969-7216
e: tony@bougalisinc.com



Item 7.C

HPU HIBBING PUBLIC UTILITIES
1902 E 6TH AVE
HIBBING, MINNESOTA 55746-0249
TELEPHONE: 218-262-7700
FAX: 218-262-7702

Item 7.C - Award of Engineering Services Contract to Bolton & Menk for the Roadway Lighting LED Conversion Project with fees not to exceed $93,000.00 - from Resolution 24-19.

November 24th, 2026

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

Dear Commissioners,

Staff requests Commission approval to award an engineering services contract to Bolton & Menk for Hibbing Public Utilities' (HPU's) Roadway Lighting LED Conversion Project, with fees not to exceed $93,000.

The project will replace existing high-pressure sodium roadway lighting fixtures with LED fixtures throughout HPU's service area within the City of Hibbing.

HPU has been awarded up to $720,000 in federal Carbon Reduction Program funding, which covers 80% of eligible project costs. At the full award amount, HPU's 20% match would be $180,000. HPU plans to fund its share through the operations and maintenance (O&M) budget and may use capital funds if necessary. Staff will continue to pursue outside funding to help cover the local match.

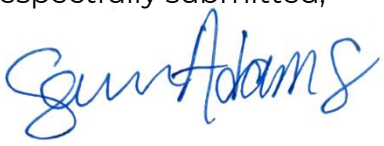
The proposal identifies June 30, 2027, as the deadline for letting the project for bids. The proposed schedule calls for preliminary plans and cost estimates in March 2027, final plans and specifications in May 2027, and project letting in June 2027.

Bolton & Menk's proposed services include the following.

- Project management and coordination on behalf of HPU with the City of Hibbing, St. Louis County, and MnDOT.
- Environmental review and preparation of documentation required for federal funding.
- Review of existing lighting infrastructure, lighting analysis, LED fixture recommendations, and calculations of projected energy savings and carbon emission reductions.
- Preparation of construction plans, specifications, and an engineer's estimate of construction costs.
- Bidding and construction support, including plan revisions and shop drawing review.

Staff recommends that the Commission award the engineering services contract to Bolton & Menk for a fee not to exceed $93,000. The attached proposal details the scope, fee, and schedule.

Respectfully submitted,



Samantha Adams | HPU Electrical Manager

October 21, 2026

BOLTON & MENK

Real People. Real Solutions.

301 East Howard Street
Suite 26
Hibbing, MN 55746
Bolton-Menk.com

Larry Folstad
General Manager
Hibbing Public Utilities Commission

RE: Roadway Lighting CP 0000-910827, SP 069-595-009

Dear Mr. Folstad:

Bolton & Menk is pleased to submit this proposal to assist Hibbing Public Utilities Commission with the Roadway Lighting CP 0000-910827, SP 069-595-009 project. We understand that HPU was awarded Federal Carbon Reduction Program (CRP) funding in the amount of $720,000 earmarked for Fiscal Year 2027. As required by the program, bids for construction must be let by the end of FY 2027 (June 30, 2027) and federal environmental documentation and regulations must be satisfied. The awarded funds offer HPU a significant opportunity to modernize the roadway lighting fixtures across their service area within the City of Hibbing.

The Roadway Lighting project will replace existing High Pressure Sodium luminaires with modern LED luminaires throughout HPU's service area. A robust and thorough plan is required to effectively document the luminaires to be replaced and to ensure that they are replaced to HPU's specifications and in a manner that satisfies the federal requirements set forth by the Carbon Reduction Program.

The results of this effort will provide HPU with a federally authorized and biddable plan to be executed by a contractor in 2027. Our team will aid in facilitating the bidding process and work with the awarded contractor on any required information or field changes, as necessary.

In continued service to Hibbing Public Utilities Commission, we are excited at the opportunity to complete the Roadway Lighting CP 0000-910827, SP 069-595-009 project. I will serve as your lead client contact and project manager. Please contact me at (218) 812-8900 or andrew.brotzler@bolton-menk.com if you have any questions regarding our proposal.

Respectfully submitted,

Bolton & Menk, Inc.

Andy Brotzler, PE
Municipal Senior Project Manager

PROJECT APPROACH

SCOPE OF SERVICES

TASK 1: PROJECT MANAGEMENT AND AGENCY COORDINATION

Effective communication and coordination among stakeholders will be critical to the success of this study. Andy Brotzler will provide overall project management throughout the study process, ensuring that technical activities remain aligned with project objectives, schedule expectations, and budget requirements.

Project Management

Our project management efforts will include:

- Day-to-day communication with HPU staff, as needed.
- Budget management and tracking.
- Monthly invoice and progress reporting.
- Schedule monitoring and updates.
- Internal project team coordination.
- Development of meeting materials and action item tracking.
- Ongoing quality control/quality assurance.

Project Management Team Meetings

Bolton & Menk will facilitate up to three virtual Project Management Team (PMT) meetings with representatives from the City of Hibbing and St Louis County, and HPU, as needed. Meetings will be held to update stakeholder agencies about project progress, request feedback, and coordinate schedule and design requirements.

Agency Coordination

In addition to PMT meetings, Bolton & Menk will provide ongoing coordination with staff from St Louis County, the City of Hibbing, and MnDOT, as needed, throughout the design process. This coordination will ensure agency expectations are met and facilitate efficient review of technical findings and recommendations.

Deliverables

- Meeting agendas, summaries, presentations
- Monthly progress updates

TASK 2: ENVIRONMENTAL DOCUMENTATION

The project team will document the natural and social environment within the project area. Since the project is anticipated to have no ground disturbance, Documentation for Federal Projects with Minor Impacts will be completed and submitted to MnDOT State Aid for Location Transportation (SALT) in compliance with the National Environmental Policy Act (NEPA). This process will begin with early coordination efforts which include historical/archaeological sites/features, state and federal threatened and endangered species, and a review of the Natural Heritage Information System on rare plants and animals, native plants, and other rare features. Any edits received from MnDOT SALT will be addressed before submitting the final environmental document.

Deliverables

- Documentation for Federal Projects with Minor Impacts to MnDOT SALT

TASK 3: ELECTRICAL DESIGN

Existing Conditions Review and Analysis

Bolton & Menk will review available utility records, field verify of lighting infrastructure, evaluate existing poles, luminaires, foundations, controls, and electrical systems.

The project team will perform photometric analyses to verify that proposed LED lighting meets applicable illumination and uniformity criteria while achieving the City's energy efficiency and carbon reduction goals. Bolton & Menk will calculate anticipated energy savings and carbon emission reductions associated with the conversion from existing HPS luminaires to LED technology. Visual lighting comparisons and renderings may be developed to assist the City and stakeholders in evaluating fixture types, light distribution characteristics, color temperature options, and anticipated roadway lighting performance.

Design Services

Electrical design services will include evaluation of existing circuits, service points, controls, conductors, and associated lighting infrastructure to determine compatibility with the proposed LED conversion.

Designs will be developed in accordance with applicable National Electrical Safety Code (NESC), National Electrical Code (NEC), utility standards, and industry lighting practices.
Bolton & Menk will prepare plans, specifications, standard details, and an Engineer's Opinion of Probable Construction Cost (PS&E) for bidding and construction. As part of the project, Bolton & Menk may assist the City of Hibbing in developing or updating street lighting standards, specifications, and standard details to support future lighting system improvements and maintenance activities.

Deliverables

- Photometric Analysis and Lighting Design
- Energy Savings and Carbon Reduction Calculations
- Visual Lighting Comparisons and Stakeholder Presentation Materials
- LED Lighting Fixture Recommendations
- Street Lighting Standards and Standard Details
- Plans, Specifications, and Engineer's Opinion of Probable Construction Cost (PS&E)
- Federal Funding and Grant Support Documentation

TASK 4: CONSTRUCTION SUPPORT

Bolton & Menk will provide bidding and construction support to HPU by answering contractor questions during bidding and construction, amending construction plans as needed, and reviewing construction shop drawings. We are able to provide final inspection services and punch list verification at the request of HPU on an hourly basis.

Deliverables

- Shop Drawing Review
- Bidding and Construction RFI Assistance

ASSUMPTIONS

1. Existing poles and foundations will remain in service unless deficiencies are identified by the Owner or observed during field review.
2. The project primarily consists of luminaire replacement, and associated lighting system upgrades necessary to support LED conversion.
3. Detailed pole structural analysis, foundation investigations, or extensive electrical distribution upgrades are not included unless specifically authorized by the Owner.
4. Existing utility records, asset inventories, and available as-built information will be provided by HPUC and the City.
5. NESC compliance reviews will be performed based on visible field conditions and available documentation and will not constitute a comprehensive utility system safety audit.
6. Project will include no ground disturbance. If ground disturbance is necessary, a separate NEPA process may need to be followed and would require scope and fee revisions.

KEY STAFF

Andy Brotzler, PE will serve as the project manager and will provide design guidance and process control. He will oversee quality assurance throughout the project and will lead coordination efforts between the stakeholder agencies and lead meetings.

Jake Rick, ME, will serve as the lead electrical design and will oversee the technical analysis and design electrical elements

Mike Larson, PE, PTOE, RSP1 will provide plan development oversight and QA/QC of final design materials.

Gina Auwles will serve as the lead environmental planner for the project and will develop and produce all required environmental documentation.

SCHEDULE

Upon authorization to proceed, Bolton & Menk will begin work immediately to deliver a project letting prior to the end of FY2027. The schedule will be refined during project initiation and coordinated with HPU staff. Major milestones are outlined below.

- Notice to Proceed: November 2026
- 60% Plans, Cost Estimate: March 2027
- 100% Plans, Specifications, Cost Estimate: May 2027
- Project Letting: June 2027

BUDGET

The following table summarizes the hours and cost breakdown for each work task item included in this proposal. The total fee is estimated at an hourly not to exceed fee of **$93,000.00**. Our fee includes all labor, general business, and other normal customary expenses associated with operating a professional business. Unless otherwise noted, the fee includes vehicle and personal expenses, mileage, telephone/computer, and routine expendable supplies; no separate charges will be made for these activities or materials. No out-of-scope work will be performed without written consent from the Client.

Construction administration and observation work is not included in the fee provided above. A separate scope and fee will be provided at the time of contract award.

DRAFT



Item 7.D

HPU HIBBING PUBLIC UTILITIES
1902 E 6TH AVE
HIBBING, MINNESOTA 55746-0249
TELEPHONE: 218-262-7700
FAX: 218-262-7702

Item 7.D – Request approval for Authorized Users on our Empower (457) Account

November 24, 2026

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

RE: Item 7.D - Request approval for Authorized Users on our Empower (457) Account

Dear Commissioners,

I respectfully request approval to add designated employees as authorized users to our organization's existing Empower 457 Deferred Compensation account.

The purpose of this request is to provide designated employees with the appropriate access necessary to assist with the administration and management of the organization's retirement plan. This access will allow authorized personnel to perform assigned administrative duties, access relevant account information, and assist with routine plan-related transactions and responsibilities.

I propose to designate the following as Authorized Users:

- Larry Folstad
- Kendra Powers
- Bruce Swart
- Magan Schoeben
- Travis Marsh

Upon approval, I will coordinate with Empower to complete the necessary authorization documentation and establish the appropriate access permissions for each designated employee.

Thank you for your consideration and approval of this request.



Kendra Powers
Senior Director of Human Resources
Hibbing Public Utilities Commission



Item 10.A

HIBBING PUBLIC UTILITIES
1902 E 6TH AVE
HIBBING, MINNESOTA 55746-0249
TELEPHONE: 218-262-7700
FAX: 218-262-7702

Item 10.A – Request to Approve Scope of Work of 2027 3rd Ave E Phase 1, 21st to 25th St, Joint Project with City of Hibbing

November 24, 2026

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

RE: Item 10.A - Request to Approve Scope of Work of 2027 3rd Ave E Phase 1, 21st to 25th St, Joint Project with City of Hibbing

Dear Commissioners,

We're requesting and recommending approval of the attached Bolton & Menk, Scope of Work for the 2027 3rd Ave E Phase 1 Project at the hourly rates not to exceed $122,536 that we're collaborating with the City of Hibbing on.

We're reducing engineering cost on the project by working with the City of Hibbing Engineering Team, using our Engineering and Management Staff for Site Inspections and other cost saving measures as we see the opportunities.

*Andrew Brotzler of B&M will be available at the meeting to speak to our PFA Funding Path for the Water Main/Copper Services Portion of the project, The Lead Line Replacements are already approved. Project will be fundable at 15 points and reimbursed by PFA Loan.

See the "Scope of Work" attached for your review and reach out if we can help with any questions or concerns you may have.

Thank you for your consideration.

Sincerely,



Larry Folstad
General Manager

BOLTON & MENK
Real People. Real Solutions.

301 E Howard Street
Suite 26
Hibbing, MN 55746

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

Via Email

November 24, 2026

Mr. Larry Folstad, General Manager
Hibbing Public Utilities Commission
1902 E. 6th Ave.
Hibbing, MN 55746

Re: 3rd Avenue E Phase I – LSL & Watermain Replacement Project
Engineering and Design Services

Dear Mr. Folstad,

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 plans and specifications for the 3rd Avenue E Phase I – LSL & Watermain Replacement Project.

This scope of work has been broken into two primary tasks; final design and project bidding services. Developing an accurate and concise project manual for bidding is one of the most important steps to delivering a successful project and we consider these tasks as the milestones in the project development process.

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 these capital improvement projects for the 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

BOLTON & MENK
Real People. Real Solutions.

301 E Howard Street
Suite 26
Hibbing, MN 55746

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

Scope of Services – 3rd Avenue E Phase I – LSL & Watermain Replacement Project

The ***3rd Avenue E Phase I – LSL & Watermain Replacement Project*** includes the replacement watermain along 3rd Avenue E between E 21st Street and E 25th Street. The project includes the replacement of 43 water services. This project is the first phase of the 3rd Avenue E Street Improvement project that will be completed in collaboration with the City of Hibbing. The City of Hibbing will be the lead agency for the project that will include the reconstruction of 3rd Avenue E from E 21st Street to E 25th Street.

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) Topographic survey (all survey information to be provided by City of Hibbing)
b) Geotechnical investigation
c) Revisions or updates to contract documents after acceptance of bids.
d) Construction contract administration.
e) All permitting fees will be invoiced separately to HPU.

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

Task 1: Final Design (Development of Plans and 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 project technical specifications and any necessary labor/wage requirements for incorporation into City of Hibbing contract documents. Our team envisions weekly correspondence to ensure HPU's input on the design is actively included throughout the process. We intend to submit final design plans, technical specifications, and engineer's estimate for review at the following stages of completion:

a) 60% Plan Review – Submittal to include existing conditions, proposed removals, construction plan & profiles, preliminary utility relocations, and preliminary cost estimate.

b) 100% Plan Review – Submittal of final design plans, project technical specifications, and engineer's estimate for approval and signatures.

Deliverables:

- 60% Construction Plan Set for HPU Review and Comment
- Draft technical specifications for HPU Review and Comment
- Required Permits
- Engineer's Cost Estimate
- Funding coordination and processing for lead service line replacements

Task 2: Project Advertisement and Bidding

The final task will include coordination and support for City of Hibbing advertising and bidding for the proposed construction project.

a) Bolton & Menk will respond to contractor inquiries related to proposed watermain improvements.
b) Bolton & Menk will provide a recommendation to the Commission for support of award of the contract by the City of Hibbing.

Deliverables:

- Bid award support recommendation letter.

PROJECT SCHEDULE

The preliminary project schedule is presented below with milestones and approximate dates.

Milestone	Approximate Date
Commission Authorize Design	November 24, 2026
Final Plans and Technical Specifications	January 2027
Address State Aid Review Comments	February 2027
Advertise for Bids (by City of Hibbing)	February/March 2027
MDH Project Priority List Submittal	March 12, 2027
MDH Plan Submittal for Certification	March 31, 2027
MDH IUP Submittal	June 4, 2027
Construction	June 2027 – October 2027

FEES

Bolton & Menk proposes to perform all work on an hourly basis for a **not-to-exceed fee of $122,536.** With an estimated project cost of $1.2M, this is approximately 10 percent of the estimated project cost and represents approximately 750 design hours to deliver the project in accordance with the above project schedule. 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 $122,536 without prior authorization from HPU.

It is our understanding that HPU may provide construction related services and surveying in collaboration with the City of Hibbing for this project. Bolton & Menk can provide on-call construction related services during construction on an hourly basis at an estimated hourly rate of $165.00/hour.



Item 10.B

HIBBING PUBLIC UTILITIES
1902 E 6TH AVE
HIBBING, MINNESOTA 55746-0249
TELEPHONE: 218-262-7700
FAX: 218-262-7702

Item 10.B – Request to Approve Scope of Work of 2027 4th Ave E, 10th Ave E and 11th Ave E. Water Main and LSL Replacement

November 24, 2026

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

RE: Item 10.B - Request to Approve Scope of Work of 2027 4th Ave E, 10th Ave E and 11th Ave E. Water Main and LSL Replacement

Dear Commissioners,

We are requesting and recommending approval of the attached Bolton & Menk, Scope of Work for the 2027 4th Ave E, 10th Ave E and 11th Ave E. Water Main and LSL Replacement at the hourly rates not to exceed $275,044.00.

Bolton & Menk has been our Engineering Firm from the start of this project from 2025/2026, and this is a continuation to see this through to completion in 2027 and through final PFA reimbursements and Close Out.

*Andrew Brotzler of B&M will be available at the meeting to speak to our PFA Funding Status and Preapprovals to date and answer any questions. The project is approved for funding and will be reimbursed by a PFA Loan.

See the “Scope of Work” attached for your review and reach out if we can help with any questions or concerns you may have.

Thank you for your consideration.

Sincerely,

Larry Folstad
General Manager

BOLTON & MENK
Real People. Real Solutions.

301 E Howard Street
Suite 26
Hibbing, MN 55746

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

Via Email

November 24, 2026

Mr. Larry Folstad, General Manager
Hibbing Public Utilities Commission
1902 E. 6th Ave.
Hibbing, MN 55746

Re: 2027 Capital Watermain Improvement – LSL & Watermain Replacement
Engineering and Design Services

Dear Mr. Folstad,

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 plans and specifications for the 2027 Capital Watermain Improvement - LSL and Watermain Replacement Project.

This scope of work has been broken into three primary tasks; preliminary design, final design and project bidding services. Developing an accurate and concise project manual for bidding is one of the most important steps to delivering a successful project and we consider these tasks as the milestones in the project development process.

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 these capital improvement projects for the 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

BOLTON & MENK
Real People. Real Solutions.

301 E Howard Street
Suite 26
Hibbing, MN 55746

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

Scope of Services – 2027 Capital Watermain Improvements – LSL & Watermain Replacement

The ***2027 Capital Watermain Improvements – LSL & Watermain replacement project*** includes the replacement of 50 water service lines (of which 17 are known lead or galvanized), 1,600 linear feet of watermain, and full reconstruction of the following streets:

- 2500 Block of 4th Avenue E
- 2200 Block of 10th Avenue E
- 2100 Block of 11th Avenue E
- 2200 Block of 11th Avenue E

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 four primary tasks as follows.

Task 1: Survey and Preliminary Design

Bolton & Menk will perform a field control survey and create a base map identifying existing above and below ground infrastructure features including existing roadway features, storm sewer, public utility infrastructure, adjacent buildings, contours, and private small utilities. Boring and pavement core sampling will be conducted to confirm existing conditions. Underground utility information will be located and described per available as-builts, field markings, and private utility map information facilitated through Gopher State One Call. Right-of-way and property lines will be illustrated based on found field monumentation and plat information received from Saint Louis County and the City of Hibbing.

Preliminary design will focus on data collection and the establishment of existing conditions. Topographic data collected in the field will be processed and combined with the base map and utility data to create a working existing conditions map for use in the final design.

*** Topographic survey of 2200 Block of 10th Avenue E was completed previously.

Deliverables:

- Utility Locate Documentation
- Boring and Pavement Core Sampling Results
- Existing Conditions Figures

Task 2: Geotechnical Investigation

Bolton & Menk will coordinate with a geotechnical subconsultant to perform a subsurface geotechnical investigation within the project area. This will include the completion of up to 8 soil borings (2 per city block) and a geotechnical report and recommendations for utility construction, backfill, and street section design.

Task 3: Final Design (Development of Plans and 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 bidding documents which will include project specifications, instructions to bidders, bid proposal form, and any necessary labor/wage requirements. We will prepare and coordinate all necessary permits for the project, including the submittal of necessary plans and specifications to MDH for certification of the proposed improvements and project. Our team envisions weekly correspondence to ensure HPU's input on the design is actively included throughout the process. We intend to submit final design plans, specifications, and engineer's estimate for review at the following stages of completion:

a) 60% Plan Review – Submittal to include existing conditions, proposed removals, construction plan & profiles, preliminary utility relocations, and preliminary cost estimate.

b) 100% Plan Review – Submittal of final design plans, project proposal and specifications, and engineer's estimate for approval and signatures.

Deliverables:

- 60% Construction Plan Set for HPU Review and Comment
- Draft specifications for HPU Review and Comment
- Final Construction Plan Set & Project Proposal
- Required Permits
- Engineer's Cost Estimate
- Funding coordination for LSL funds awarded for the project and processing for lead service line replacements.

Task 4: Project Advertisement and Bidding

The final task will include coordination for advertising and bidding for the proposed construction project.

a) Bolton & Menk will coordinate advertisement of bids.
b) Bolton & Menk will respond to contractor inquiries.
c) Bolton & Menk and HPU will host the bid opening.
d) Bolton & Menk will produce a bid abstract and updated contract documents.
e) Bolton & Menk will provide a recommendation to the Commission for award of the contract.

Deliverables:

- Bid Advertisement Documentation
- Bidding Documents (Project Manual)
- Bid Abstract and Final Contract Documents

Bolton & Menk is an equal opportunity employer.

PROJECT SCHEDULE

The preliminary project schedule is presented below with milestones and approximate dates.

Milestone	Approximate Date
Commission Authorize Design	November 24, 2026
MDH Submittal for Certification	March 31, 2027
Advertise for Bids	April 2027
Bid Opening	May 2027
Award Contract	June 2027
Construction	June 2027 – October 2027 **

** As the project design progresses, we will work with you to evaluate a final proposed construction schedule.

FEES

Bolton & Menk proposes to perform all work on an hourly basis for a **not-to-exceed fee of $275,044.** With an estimated project cost of $3.59M, this is approximately 7.5 percent of the estimated project cost and represents almost 1,500 design hours to deliver the project in accordance with the above project schedule. 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 $275,044 without prior authorization from HPUC.

Due to the nature of construction and the possibility of unforeseen conditions and schedules, we would propose an estimated hourly fee for construction-related services. We will provide a proposal and summary of these services after the bids are received in order to provide a well-defined scope and schedule. We anticipate that this fee will be approximately 10 percent of the construction costs but may vary based on the level of construction administration services requested by the HPU.