



MOORHEAD PUBLIC SERVICE COMMISSION

MEETING AGENDA

Tuesday, March 18, 2025 - 4:30 PM

**Hjemkomst Center
202 First Avenue North, Moorhead
Auditorium**

Commissioners:

Joel Paulsen, Chairperson
Paul Baker, Vice Chairperson
Lisa Borgen, Secretary
Heidi Durand
Matt Leiseth
Jason Ness

Travis L. Schmidt, General Manager

The Moorhead Public Service Commission welcomes and encourages customer input on issues listed on the agenda or of general water/electric utility interest—time and Commission permitting. Speakers are limited to 3-minute presentations. Customers wishing to address the Commission regarding a specific agenda item will be afforded an opportunity during the discussion of that item. Customers wishing to speak on matters not listed on the agenda will be given the opportunity to do so under the heading “Customers to Be Heard/Recognitions.” Each person requesting the opportunity to speak is asked to fill out a *Request to Speak Form* (located on the table in the back of the room) and present it to the Administrative Assistant in attendance at the meeting. Any follow-up or feedback will be done by e-mail on anything that cannot be resolved this evening.

1. Call to Order

2. Approve Agenda

3. Approve Consent Agenda

All agenda items listed with an asterisk (*) are on the consent agenda and are considered routine or non-controversial. These items may be enacted by the Commission in one motion, which is a motion to approve the consent agenda. No discussion is expected for the items on the consent agenda; however, prior to approving the consent agenda, the Commission may request specific items be removed from the consent agenda for discussion and separate action.

***4. Approve Minutes of February 18, 2025**

***5. Approve Bills for Payment**

6. Customers to Be Heard/Recognitions

7. Old Business

8. **Reports**
 - a. **City Council**
 - b. **Public Service Commission**
 - c. **General Manager's Report**
 - d. **Accept Report on MPS' Advanced Metering Infrastructure Project**
- *9. **Approve Specifications and Authorize Advertisement for Bids for Roof Replacement at 415 Highway 75 North**
- *10. **Approve Change Order No. 3 with Border States Industries, Inc., for Circuit Breakers at Moorhead DOE Substation**
11. **Approve Task Order Agreement for Professional Services with Short Elliott Hendrickson, Inc.**
12. **Approve Cooperative and Self-Performed Watermain Improvement Projects**
13. **Award Bid for 2025 Water Distribution Pipe and Fittings**
14. **Approve Sponsorship Request from Moorhead Legacy Education Foundation for Moorhead Public Service Scholarship**
- *15. **Approved Revised Organizational Structure and Number of Personnel for 2025 and Amended Section 5.5 in MPS' Personnel Policy Manual**
16. **Close Meeting for Executive Session (if needed)**
17. **Upcoming Meetings**
 - a. **Public Service Commission Meetings**
April 8, 2025 (if needed)
April 22, 2025
 - b. **Meeting Opportunities for Commissioners^(A)**
 - **Tours of MPS Water Treatment Plant, Aquifer, Power Supply Grid, MPS Worksites, Employee Gatherings**
(Available Upon Request)
 - **MRES Annual Meeting**
May 7-8, 2025, Sioux Falls, SD
 - **APPA National Conference**
June 6-11, 2025, New Orleans, LA
 - **AWWA Annual Conference**
June 8-11, 2025, Denver, CO

18. Adjourn

How to obtain Public Service Commission agendas:

View on the Internet. Any attachments that are not available online may be viewed at the offices of Moorhead Public Service. E-mail subscription: mps@mpsutility.com
Request a copy at Second Floor City Hall, 500 Center Avenue (Moorhead Center Mall). Upon request, accommodations for individuals with disabilities, language barriers, or other needs to allow participation in Commission meetings will be provided. To arrange assistance, call Moorhead Public Service at 218.477.8003 (voice) or 711 (TDD/TTY).**Moorhead Public Service Commission meetings are broadcast live on Channel 12-Moorhead Community Access Television in Moorhead and digital Channels 67 and 68 for the metro area.**

Commissioner Matt Leiseth will be participating in this meeting via interactive television from the address of 428 5th Ave NW 281Aberdeen SD, 57401, which location is open and accessible to the public during the meeting.

^(A) APPA = American Public Power Association - www.publicpower.org
MMUA = Minnesota Municipal Utilities Association - www.mmua.org
MRES = Missouri River Energy Services - www.mrenergy.com
AWWA = American Water Works Association - www.awwa.org
MN AWWA = American Water Works Association-Minnesota Section - www.mnawwa.org
RRBC = Red River Basin Commission - www.redriverbasincommission.org

Minutes of the Moorhead Public Service Commission
Hjemkomst Center, Auditorium
Tuesday, February 18, 2025 – 4:30 PM

MEMBERS PRESENT: Paul Baker (video), Lisa Borgen, Matthew Leiseth (video), Jason Ness, and Joel Paulsen

MEMBERS ABSENT: Heidi Durand

OTHERS PRESENT: General Manager Travis Schmidt; Staff Members Adam Benhardt, Jake Long, Mark Moilanen, Susan Orth, Marc Pritchard, and James Sumba; MPS Attorney John Boulger; Assistant City Manager Mike Rietz

1. CALL TO ORDER.

Chairperson Paulsen called the meeting to order at 4:31 PM. A quorum of the following members was present: Baker, Borgen, Leiseth, Ness, and Paulsen.

2. ELECTION OF VICE CHAIRPERSON AND SECRETARY.

Commissioner Borgen made a motion to nominate Commissioner Baker to serve as the Commission's Vice Chairperson. Commissioner Ness seconded the motion. Commissioner Baker accepted the nomination. The motion passed with a 5-0 vote. Voting Yes: Baker, Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

Commissioner Leiseth made a motion to nominate Commissioner Borgen to serve as the Commission's Secretary. Commissioner Ness seconded the motion. Commissioner Borgen accepted the nomination. The motion passed with a 5-0 vote. Voting Yes: Baker, Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

3. APPROVE AGENDA.

Commissioner Borgen made a motion to approve the agenda. Commissioner Ness seconded the motion. The motion passed with a 5-0 vote. Voting Yes: Baker, Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

4. APPROVE CONSENT AGENDA.

Commissioner Ness made a motion to approve the consent agenda. Commissioner Borgen seconded the motion. The motion passed with a 5-0 vote. Voting Yes: Baker, Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

[The consent agenda approved above includes all items shown herein with an asterisk (*). These items were considered routine or non-controversial by the Commission and were enacted by the Commission in one motion, which is the motion above to approve the consent agenda.]

***5. APPROVE MINUTES OF JANUARY 21, 2025.**

Commissioner Ness made a motion to approve the minutes of January 21, 2025. Commissioner Borgen seconded the motion. The motion passed with a 5-0 vote. Voting Yes: Baker, Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

***6. APPROVE BILLS FOR PAYMENT.**

Commissioner Ness made a motion to approve the bills for payment. Commissioner Borgen seconded the motion. The motion passed with a 5-0 vote. Voting Yes: Baker, Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

***7. APPROVE SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR CONSTRUCTION OF MPS' REDUNDANT NETWORK OPERATIONS CENTER.**

Commissioner Ness made a motion to approve the specifications and authorize advertisement for bids for construction of Moorhead Public Service's redundant Network Operations Center, contingent upon final legal approval. Commissioner Borgen seconded the motion. The motion passed with a 5-0 vote. Voting Yes: Baker, Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

***8. APPROVE SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR 2025 WATER DISTRIBUTION PIPE AND FITTINGS.**

Commissioner Ness made a motion to approve the specifications and authorize advertisement for bids for 2025 Water Distribution Pipe and Fittings. Commissioner Borgen seconded the motion. The motion passed with a 5-0 vote. Voting Yes: Baker, Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

9. CUSTOMERS TO BE HEARD/RECOGNITIONS.

General Manager Travis Schmidt recognized Moorhead Public Service (MPS) Electric Lineman Devan Schuler for reaching his 5-year employment milestone and Utility Service Worker Todd Score for reaching his 15-year employment milestone.

10. OLD BUSINESS.

Chairperson Paulsen stated that the Commission's Customer Concern Working Group (Working Group) met to discuss an issue that a customer addressed at the January 21, 2025, Commission meeting regarding the customer's user rates and meter connections. The Working Group reviewed the information that was provided, and at this time, no action will be taken. General Manager Travis Schmidt will provide a letter to the customer regarding the working group's decision.

11. REPORTS.

City Council.

Commissioner Borgen, along with City of Moorhead staff, recently attended the Legislative Work Group meeting in St. Paul, Minnesota, where they met with legislators to discuss Moorhead's priorities. Borgen thanked General Manager Travis Schmidt for his commitment to attending Moorhead Area Day at the Capitol on March 4-5, 2025, in St. Paul, Minnesota.

Public Service Commission.

No report was made.

General Manager's Report.

General Manager Travis Schmidt provided an introduction of the General Manager's Report, which included the 2024 fourth quarter Strategic Plan updates, 2024 Community Solar Garden credits, Eide Bailly, LLP's annual audit, the 2025 flood outlook, and legislative newsletters from Minnesota Municipal Utilities Association and Missouri River Energy Services. Schmidt also provided highlights of MPS' dashboards for the fourth quarter of 2024. Schmidt responded to questions of the Commission. Discussion was held.

Schmidt provided detailed information on the Community Solar Garden credits that were dispersed to customers in 2024. Finance Division Manager Mark Moilanen provided an update on the process for the annual audit with Eide Bailly, LLP, that will take place in March 2025.

12. ACCEPT REPORT ON SERVICE TERRITORY PAYMENT TO RRVCPA FOR 2024 ENERGY USAGE.

Finance Division Manager Mark Moilanen provided information on the payment to Red River Valley Cooperative Power Association for 2024 energy sales. Moilanen and General Manager Travis Schmidt responded to questions of the Commission. Discussion was held.

Commissioner Borgen made a motion to accept the report on the electric service territory payment to Red River Valley Cooperative Power Association totaling \$78,856.43 for 2024 energy sales within their former service area. Commissioner Ness seconded the motion. The motion passed with a 5-0 vote. Voting Yes: Baker, Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

13. AWARD BIDS FOR 2025 WATER TREATMENT AND WASTEWATER TREATMENT CHEMICALS.

Water Plant Manager Marc Pritchard provided an overview of the chemicals purchased for MPS' water treatment and the City of Moorhead's wastewater treatment. Pritchard explained that the bid cycle was shortened from 12 months to 9 months cycle in an effort to secure more competitive pricing. Pritchard noted that prices for 8 of the 14 chemicals remained the same or were lower compared to previous years. Pritchard responded to questions of the Commission.

Commissioner Ness made a motion to award the bids for 2025 Water Treatment and Wastewater Treatment Chemicals to the lowest, qualified bidders meeting the qualifications, as shown on the attached Bid Tabulation Sheet attached hereto and made a part of these minutes. Commissioner Leiseth seconded the motion. The motion passed with a 5-0 vote. Voting Yes: Baker, Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

14. APPROVE SPONSORSHIP REQUEST FROM NATIONAL ALLIANCE ON MENTAL ILLNESS MOORHEAD FOR MENTAL HEALTH DAY IN THE PARK.

General Manager Travis Schmidt provided information on the sponsorship request from National Alliance on Mental Illness Moorhead. Schmidt stated that the event aligns with Moorhead Public Service's sponsorship criteria and is open to the general public.

Commissioner Borgen made a motion to approve the sponsorship request from National Alliance on Mental Illness Moorhead for Mental Health Day in the Park in the amount of \$700. Commissioner Ness seconded the motion. The motion passed with a 5-0 vote. Voting Yes: Baker, Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

15. CLOSE MEETING FOR EXECUTIVE SESSION.

The meeting was not closed for Executive Session.

16. UPCOMING MEETINGS.

Upcoming meetings of the Moorhead Public Service Commission are scheduled for March 4, 2025, if needed, and March 18, 2025.

17. ADJOURN.

The meeting adjourned at 5:15 PM.

The minutes herein are approved on this 18th day of March, 2025.

APPROVED BY:

ATTEST:

Joel Paulsen
Chairpersonⁱ

Lisa Borgen
Secretaryⁱ

ⁱ Pursuant to the Bylaws of the Moorhead Public Service Commission adopted January 18, 2022, Article 3, Section 11, states, "The Chairperson and Secretary shall sign, execute, and acknowledge all instruments authorized by the Commission or as are incident to the office. If either the Chairperson or Secretary is unavailable to execute an instrument, the Vice Chairperson may execute the instrument in place of the unavailable officer. Execution of instruments by two officers is required."

General Manager's Report

1. **Update on MPS' Multi-Site Spill Prevention, Controls, and Countermeasure Plan.**

On October 17, 2023, the Commission approved Task Order No. 2 with Houston Engineering, Inc., to update Moorhead Public Service's (MPS') existing Spill Prevention, Control, and Countermeasure Plan (SPCC), which is now known as the Multi-Site SPCC. MPS performs a comprehensive review of its SPCC at least once every five years. This plan, which must be updated every ten years to ensure accurate documentation of locations where MPS stores fluids that could pose environmental hazards. Revisions to the SPCC incorporate significant updates based on major changes to the Moorhead DOE Substation over the past few years.

The SPCC outlines the measures implemented by MPS staff to respond in a safe, effective, and timely manner to mitigate the impact of discharged oil, should it occur. The SPCC includes simulations to identify worst-case scenarios that could occur at each site, allowing for proper containment using procedures used to mitigate risks. Additionally, the plan incorporates regular inspections, preventative maintenance, staff training, and proper reporting procedures.

2. **2025 Flood Outlook.**

The flood outlook provides a summary of the 2025 weather forecast, covering the Fargo-Moorhead area as well as regional and national conditions. The attached report shows that the Fargo-Moorhead area is currently experiencing below normal snowfall. The report also analyzed over 120 years of precipitation data in relation to current hydrologic and soil conditions throughout the outlook period. Additionally, this outlook produces 50-plus flood crest scenarios that are then ranked from lowest-to-highest and are used to generate the probabilities of exceeding the ranked crest heights and flood categories.

The flood risk has decreased since the last outlook report from the end of January 2025, which is primarily due to below normal precipitation during the fall of 2024, below normal precipitation throughout the winter, and little to no snowpack and deep frost. The soil moisture levels are less than normal as the area continues to experience abnormally dry-to-severe drought conditions due to the lack of precipitation during the fall of 2024. The stream base flow is near, to slightly above, normal due to unusual rain in November 2024 and warmer temperatures melting the snowpack. Spring precipitation, especially any rainfall on frozen ground, is the greatest flood risk in the upcoming months. Climate predictions are forecasting above normal temperatures in March 2025, which will continue to melt any remaining snowpack and thaw frozen soils. On February 27, 2025, the National Weather Service (NWS) determined that the Fargo-Moorhead area could experience minor flooding in 2025.

Fargo-Moorhead Flood Outlook:

- 95 percent chance of exceeding 17.0 feet
- 75 percent chance of exceeding 19.7 feet
- 50 percent chance of exceeding 22.4 feet
- 25 percent chance of exceeding 27.2 feet
- 5 percent chance of exceeding 34.6 feet

At this point, unknown factors include additional snow accumulations, the spring thaw cycle, and spring rainfall. The NWS will provide an update every two weeks until mid-March 2025. Once the flood event begins, NWS plans to provide bi-weekly updates, if needed, on thaw reports and daily deterministic forecasts until the flood event has subsided.

3. **Tariff Impacts on Moorhead Public Service.**

With the recently enacted tariffs on imports and exports, MPS staff is closely watching how these tariffs could impact MPS' budgets and operations. The information below is a high-level overview of the current tariff situation as it continues to evolve. Staff will need to evaluate all materials and equipment, and look at alternate sources for materials and equipment to be efficient and economically responsible with MPS' budget.

Water Division:

Water Treatment Plant—Water Treatment Plant (WTP) chemicals, such as lime that is used for the water softening process, typically comes from Canada. Staff has been working with the distributor to shift the location from Canada to Superior, Wisconsin. MPS used this quality of lime during COVID-19 due to the closure of the Canadian border. The quality of the lime from Wisconsin is not as good as the product from Canada, but it works for MPS' process. MPS also has concerns about the ozone generators. MPS does not expect cost increases, but staff is reviewing the contract for certainty on this topic since the generators are being built in Montreal, Canada. Many other types of equipment, materials, and chemicals are currently sourced from within the United States (U.S.), which should not impact MPS' budget to a significant degree.

Water Distribution—Tariffs would impact water distribution piping and equipment sources, which are from outside the U.S. most of these items come from within the US. The vendor for 2025 has not experienced any impacts yet, but is watching closely, and will notify MPS of the cost implications, as the cost is reflected at the time of shipment.

Electric Division:

Purchased Power—MPS staff has been working with its power suppliers—Western Area Power Administration (WAPA) and Missouri River Energy Services (MRES)—to clarify the impacts on MPS and its customers. MRES and WAPA do not have purchased power contracts with Canadian power companies; the only impact comes from market purchases, and MRES has more than WAPA. However, the amount of power from Canada is between 1 and 3 percent, but can be more significant in the summer and winter months based upon power needs. Based on discussions with MRES, the impact on energy tariffs is somewhat immaterial and can be mitigated through generation resources that MRES owns within the U.S. Within the markets that MRES operates in, generation is operated based on market economics and the cost of operating each facility. MRES can purchase off the market or operate generation based upon market conditions in order to avoid the enacted tariffs, if necessary.

Equipment and Cable—Due to the raw materials needed to distribute and transform electricity, such as aluminum, copper, steel, and other materials that come from outside the U.S., MPS can expect to see increases in equipment needed for upcoming projects, or inventory that has not been purchased yet, in 2025. Depending upon the term of these tariffs, MPS will need to plan accordingly for budgets and projects in 2026, and future years, to minimize rate impacts. MPS staff will continue to watch this area to consider the timing of projects and purchases to mitigate risk.

IT Division:

Tariffs will also impact electronic equipment for IT infrastructure including computers, cameras, metering equipment, and IT network equipment. MPS has a majority of its Advanced Metering Infrastructure (AMI) metering equipment on site for the AMI Project, so the tariffs impact will be minor for this project. AMI equipment has already been purchased due to supply chain concerns, which will also help avoid any tariffs. MPS will need to consider these impacts and decide what is best for MPS based upon MPS' needs and budgets available.

4. APPA Legislative Rally and Federal Legislative Update.

During the week of February 24, 2025, American Public Power Association (APPA) held its annual Legislative Rally in Washington, D.C. Representatives from public power utilities from across the nation were in attendance, including MPS. Others attending were representatives from Joint Action Agencies, such as Missouri River Energy Services (MRES), and State associations including Minnesota Municipal Utilities Association (MMUA). Along with other members from MRES, MPS was represented by City of Moorhead (City) Mayor Shelly Carlson, Commissioner Paul Baker, and General Manager Travis Schmidt. When talking with the federal legislative delegation, the goal is to have one voice for public power. Overall, APPA, MRES, and MMUA have similar legislative priorities; however, each entity may have unique priorities that support specific needs. Below is a list of priorities for APPA, MRES, and MMUA, which includes a link to each entities' website to view their position papers. Attached is additional information that is not included on their websites. MPS and the City also discussed DG Fuels and addressed needs such as transmission and generation permit reform based upon this project possibly locating in Moorhead.

APPA Legislative Priorities: <https://www.publicpower.org/policy-positions>

1. Protect Municipal Bonds for Job Creation and Livable Communities
2. Defend Elective Payment Tax Credits to Keep Electricity Affordable
3. Enact Energy Permitting Reform
4. Protect Electric Reliability
5. Strengthen Partnerships for a Secure Grid
6. Other Issues
 - a. Supply Chain
 - b. Pole Attachments
 - c. Low Income Home Energy Assistance Plan (LIHEAP)
 - d. Power Marketing Administrations (PMAs) – such as WAPA
 - e. Non-Federal Hydropower–MRES Red Rock Hydro Power Dam in Pella, Iowa
 - f. Federal Emergency Management Agency (FEMA)
 - g. Workforce

MRES Legislative Priorities: <https://www.mrenergy.com/legislative-regulatory/federal-regulatory>

1. Municipal Tax Issues
2. Protecting the Federal Power Program
3. Transmission and Permit Reform
4. Optimizing the Red Rock Hydroelectric Project

MMUA Legislative Priorities: <https://www.mmua.org/policy>

1. Municipal Bonds
2. Support Direct/Elective Pay Tax Credits
3. Public Finance
4. Taxes on Nonprofits
5. Permitting Reform
6. Lead Service Line Replacement
7. Workforce Incentives

5. State Legislative Update.

General Manager Travis Schmidt and Commissioner Lisa Borgen attended Moorhead Area Day at the Capitol on March 4-5, 2025, in St. Paul, Minnesota, with the Fargo Moorhead West Fargo Chamber of Commerce to discuss business needs in the area. Representatives from Moorhead, Dilworth, and Clay County were in attendance from the public sector. Also attending were representatives from public and higher education, as well as leaders from the business

community. This event was very educational and productive. The significant topics of conversation were concerns regarding mental health, daycare needs, border city needs, and paid family medical leave. This event has been held for the past four years and may be a good opportunity for Commissioners to attend in the future, if available.

As a member of MRES and MMUA, MPS benefits from lobbying efforts that are in MPS' best interest. Attached are the most recent newsletters from MRES and MMUA.

6. Thank You Note from NAMI Moorhead.

Attached is a note from National Alliance on Mental Illness (NAMI) Moorhead thanking MPS for sponsoring Mental Health Day in the Park that will be held on April 26, 2025, at Viking Ship Park in Moorhead.

Division/Response Person: Travis L. Schmidt, General Manager.



Red River and Devils Lake Basins - 2025 Spring Flood Outlook

NWS Grand Forks • North Central River Forecast Center • February 27, 2025

This outlook is for the US portion of the basin and based on conditions through Monday, February 24, 2025. Visit our website at weather.gov/fgf/currentfloodoutlook for associated exceedance graphics, probabilities, and related discussions. An additional spring flood outlook will be issued on March 13th.

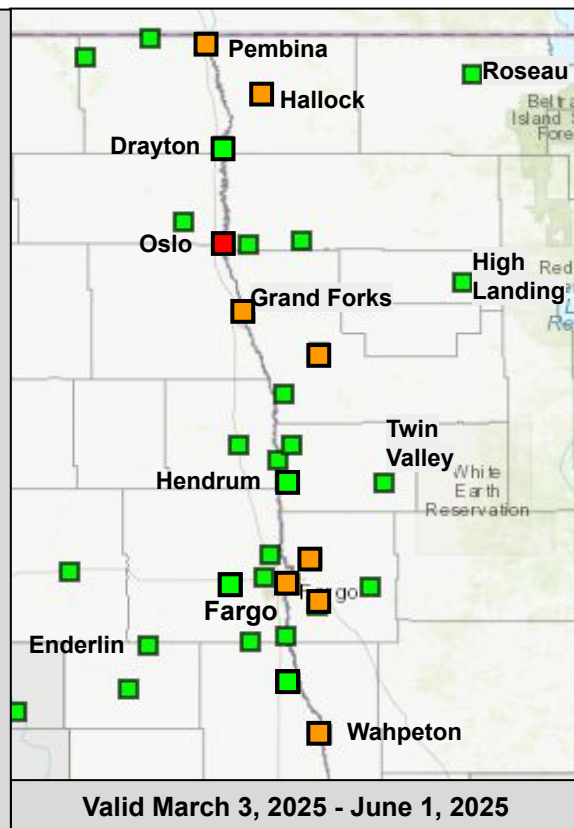
Key Message: The risk for significant (moderate or higher) spring flooding is low with this outlook issuance, running below long-term historical averages across the the Red River Basin (US portion).

Key Points:

- Minor to isolated moderate spring flooding in this outlook (50% exceedance probability) for some locations.
- Well above normal precipitation last November led to saturated soils and slightly elevated river levels before freeze-up. However, snowfall and associated precipitation has been well below normal this winter for the majority of the basin.
- Minimal snowpack early in the winter followed by below normal temperatures has led to a deep frost layer. Above normal temperatures are expected into March which will continue to erode any remaining snowpack and begin to thaw frozen soils.
- Spring precipitation, especially any rainfall on frozen ground, will be the most important flood risk factor in the coming months.

Flood Risk Indicated as > 50% of category:

- Major
- Moderate
- Minor
- < 50%



Snowmelt Flood Components:

- 1. Fall + Winter Precipitation and Soil Moisture: Below normal.** Fall precipitation (Sep.-Nov. 2024) was below normal for much of the basin. However, the fall season did end with well above normal Nov. precipitation, especially across northeastern North Dakota, which saturated soils before freezing up. Below normal precipitation continued through the winter, allowing abnormally dry to severe drought conditions to persist across the southern basin and into north central Minnesota.
- 2. Base Streamflow: Near to slightly above normal.** At the end of Dec., USGS analyses indicated the Red River and its tributaries were flowing near to slightly above normal (especially in the far south) due to above normal Nov. precipitation.
- 3. Frost Depth: Deeper than normal.** Minimal to no snowpack early in the winter, followed by stretches of below normal temperatures, led to the formation of a deep frost layer. Currently, frost depth values range from 35-50 inches across the basin although some thawing of the top layer of soil has occurred due to recent above normal temperatures.
- 4. Snowpack and Associated Water Content: Below normal.** Snowfall (and associated water content) since Dec. 1st is running 25-75 percent of normal, lowest across the southern and central basin and up into northwestern Minnesota. Recent above normal temperatures have allowed melting of the snowpack to commence with current snow depths ranging from zero across the southern basin to up to 10 inches in isolated areas near the international border.
- 5. Future Conditions:** Climate outlooks now indicate above normal temperatures into March which will continue to melt any remaining snowpack and slowly thaw frozen soils. While near to below normal precipitation is currently predicted, any rainfall on frozen ground (or any lingering snowpack) will continue to be the most important flood risk factor.

DEVILS LAKE AND STUMP LAKE

Valid February 24, 2025 - September 30, 2025

DEVILS LAKE	95%	90%	75%	50%	25%	10%	5%
Creel Bay	1450.3	1450.4	1450.6	1450.8	1451.3	1451.8	1452.4
Eastern Stump Lake	1450.3	1450.4	1450.6	1450.8	1451.3	1451.8	1452.4

Devils Lake and Stump Lake are currently at ~1449.4 ft (zero datum 1400.00 NGVD29).

RED RIVER AND TRIBUTARIES

Valid March 3, 2025 - June 1, 2025

RED RIVER MAINSTEM	95%	90%	75%	50%	25%	10%	5%
Wahpeton	8.5	9.0	10.1	11.2	12.6	14.3	14.7
Hickson	15.3	16.6	19.4	22.1	26.8	31.5	33.1
Fargo	17.0	17.5	19.7	22.4	27.2	32.2	34.6
Halstad	12.7	13.4	16.9	21.3	26.5	31.7	35.6
Grand Forks	21.8	22.7	26.7	31.5	38.1	42.0	44.3
Oslo	19.5	20.7	26.2	31.7	34.3	35.5	36.4
Drayton	20.8	21.4	26.1	31.7	37.3	39.7	41.1
Pembina	30.3	32.1	36.9	42.2	46.2	48.6	50.4

Note:
Probabilities for all river points do not take into account effects due to ice, jamming, etc. Higher stages than depicted may occur.

MINNESOTA TRIBUTARIES	95%	90%	75%	50%	25%	10%	5%
South Fork Buffalo River							
Sabin	12.6	12.7	13.4	13.9	14.5	15.1	16.1
Buffalo River							
Hawley	5.3	5.6	6.2	7.3	8.6	9.0	9.3
Dilworth	12.3	12.9	15.1	17.1	19.3	20.9	21.6
Wild Rice River							
Twin Valley	4.6	4.8	5.6	6.5	7.7	8.7	10.0
Hendrum	12.2	13.8	17.0	19.9	23.6	27.4	28.9
Marsh River							
Shelly	6.9	7.7	8.8	9.5	11.2	12.9	14.9
Sand Hill River							
Climax	9.1	9.7	11.2	11.8	15.5	19.1	22.2
Red Lake River							
High Landing	3.6	4.2	5.0	6.3	8.2	9.1	10.0
Crookston	10.2	10.6	12.6	15.5	17.4	20.7	23.2
Snake River							
Above Warren	62.6	62.8	63.3	64.1	65.1	66.5	68.1
Alvarado	99.6	100.3	101.1	103.1	106.3	108.0	109.4
Two Rivers River							
Hallock	799.6	800.2	801.7	804.0	805.5	807.5	808.8
Roseau River							
Roseau	8.8	9.0	9.7	11.1	13.1	15.5	16.0

Legend:
Below Flood Stage
Minor
Moderate
Major
Flood of Record

NORTH DAKOTA TRIBUTARIES	95%	90%	75%	50%	25%	10%	5%
Wild Rice River							
Abercrombie*	12.7	13.5	15.2	19.5	24.2	27.4	29.3
Sheyenne River							
Valley City	5.8	6.1	6.9	8.4	11.0	12.0	12.8
Lisbon	5.3	5.5	6.4	8.1	10.8	11.9	14.5
Kindred	6.7	6.9	7.9	9.9	12.9	15.8	18.8
West Fargo Diversion	10.7	10.8	10.9	11.6	13.0	15.4	18.7
Harwood	75.3	75.5	76.0	78.2	80.1	86.6	91.2
Maple River							
Enderlin	5.4	5.8	7.0	8.0	9.7	11.3	12.4
Mapleton	11.8	12.7	14.0	16.9	19.5	21.2	22.5
Goose River							
Hillsboro	3.4	3.6	4.2	5.3	7.5	10.3	12.6
Forest River							
Minto	3.2	3.3	3.8	4.3	5.1	6.5	7.5
Pembina River							
Walhalla	6.0	6.2	7.0	7.8	9.6	12.0	13.3
Neché	10.8	11.4	13.1	15.0	18.1	20.9	21.1

* Flood stages increased by 10.0 ft October 2023

February 2025

Optimizing the Red Rock Hydroelectric Project

Missouri River Energy Services (MRES) is comprised of 61-member municipal electric communities in four states: Iowa, Minnesota, North Dakota and South Dakota. As municipal-owned utilities, each exists to serve their customers with reliable and affordable power. Included in this power portfolio is the Red Rock Hydroelectric Project (RRHP) located at the Red Rock Dam on the Des Moines River near Pella, Iowa.

Although RRHP was an existing flood-control facility, the planning, permitting, and construction of RRHP was a long process, with Federal Energy Regulatory Commission (FERC) licensing beginning in 2005. The permitting was an open process, allowing ample opportunities for public comment and both federal and state agency input. Permitting was concluded when RRHP received its 404 and 408 approvals from the U.S. Army Corps of Engineers (USACE) in March 2014. The formal groundbreaking was in August 2014 and construction was completed in October 2020. RRHP has been in operation since spring of 2021.

RRHP is licensed at 43.1 megawatts (MW) of electricity, or enough energy to meet the needs of about 18,000 homes. It is capable of generating up to 55 MW at certain times when the water level is elevated. The USACE continues to operate and manage the dam and the river at Lake Red Rock, while the RRHP generation plant itself is operated by MRES and managed by MRES employees.

RRHP is a great resource for MRES and its members throughout the region. It supplies clean, renewable energy with no emissions and does so with minimal impact on the environment. It also increases low dissolved oxygen levels in the water when running which makes the water more conducive for fisheries. It is a domestic source of energy that has a peak flow of water from March to August, which coincides with the highest demand by customers of MRES members. To continue optimizing these benefits, MRES needs to maintain flexibility in operating RRHP.

Background On RRHP Operations

As required by the FERC license, an Operating Memorandum of Agreement (OMOA) was developed and entered into with USACE during the last days of construction. The OMOA describes the detailed operations of RRHP and specifies any restrictions needed to protect the purpose of the USACE's operations at the dam, which includes navigation, recreation, water quality and flood control. These terms of the OMOA were the result of significant analysis and discussions over many months.

The OMOA provides MRES flexibility in operations by allowing MRES to adjust flows throughout the day by a plus-or-minus 15 percent (+/-15%) variance. This allows MRES the ability to adjust water amounts and produce more energy at times that are more beneficial from an operational and regional reliability perspective, which provides significant value to electric ratepayers.

In June 2022, outside of the OMOA process, the Iowa Department of Natural Resources (IA DNR) advocated that MRES discontinue the +/-15% flow deviation contained in the OMOA. Because the +/-15% deviation saves customer money and allows MRES to reliably optimize generation, MRES did not agree to discontinue the practice without some justification. The USACE later issued a literature review that was done collaboratively with the IA DNR in October 2022 to form their basis to stop the +/-15% flow variance. The literature review was overly broad and not based on a site-specific, independent study.

MRES' engineering consultant, Gomez and Sullivan Engineers, reviewed the literature cited by the IA DNR and the USACE, and concluded that the IA DNR and the USACE's analysis of the environmental effects from the +/-15% deviation was not accurately characterized by the literature and was largely over-stated. On the contrary, based on site-specific information, the impacts to water level and velocity changes are relatively minor and do not impact flood control, dam safety or public safety. However, a push for a major flow deviation change is concerning as it will result in an arbitrary change in operations, which in turn impacts customer costs, reduces the ability to follow customer demand, and could adversely impact regional reliability.

MRES staff estimates that without the +/-15% flow deviation that RRHP provides in operational and reliability benefits, the cost implications are estimated between \$300,000 to \$350,000 per year. As a municipal-owned utility, these (avoidable) costs would be passed along to MRES' member utilities and recovered in higher power rates.

To that end, MRES and IA DNR are continuing to discuss options other than a complete suspension of the +/-15% deviation. In a show of good faith, MRES has voluntarily suspended the use of the +/-15% flow deviation while discussing these issues with IA DNR. MRES hopes that IA DNR will work with us to find a resolution that allows MRES to use flow deviation to supply energy at high-use times while providing minimal impact to rate payers. MRES continues to meet with the IDNR to find a mutually agreeable solution that also protects ratepayers.



2025 Federal Legislative Priorities

Issue Discussed	Requested Legislative Action
Municipal bonds	<p>Protect and continue the current tax exemption for municipal bonds. Bonding is the primary way local governments finance infrastructure. Current law exempts the interest paid on municipal bonds from being subject to federal taxes and has provided this exemption since the US federal tax code was developed in 1913. This makes municipal bonds more attractive to investors, and it collectively saves local governments billions of dollars each year. Subjecting municipal bonds to taxes would amount to being a tax imposed on local government and would increase the costs of projects. These increases would be passed on to customers through increased utility rates, higher taxes, enhanced user fees, and other added costs.</p>
Support direct/elective pay tax credits	<p>Preserve and protect “direct pay,” aka “elective pay,” tax credits as authorized by Congress in 2022. This tool helps level the playing field for municipal utilities looking to invest in clean energy. Under direct pay, all sectors of the electricity industry—private investor-owned utilities (IOUs), rural electric cooperatives, and municipal utilities—have access to these new tax credits that provide financial incentives to promote a wide array of clean energy solutions. These resources include nuclear, carbon capture, battery storage, hydro, and other renewable energy infrastructure.</p>
Public finance	<p>Complete the modernization of public finance laws. Our priorities include (1) restoring the authority to use advance refunding bonds which will save municipal utilities millions of dollars in interest rates, (2) increasing the threshold under which a lender remains a small issuer from \$10 million to \$30 million, thus allowing smaller lending institutions to remain competitive at the local level, and (3) exempting public finance bonds and grants to local governments from sequestration and recission, which will help protect stability and encourage investment in our communities.</p>
Taxes on nonprofits	<p>Oppose additional taxing of nonprofits. Nonprofit entities are currently exempt from most federal income taxes. They do currently pay federal taxes on unrelated business income (UBIT), and they pay many other forms of tax as well. Additional taxing of nonprofits will increase costs, which in turn will likely reduce the services they can offer for the greater good. Further taxing of entities like MMUA that assist local governments amounts to taxing the local units because they will have to pay more for the specialized services offered by the nonprofit. These expenses will, in turn, be passed on to ratepayers, indirectly increasing their taxes through higher utility bills.</p>
Permitting reform	<p>Support bipartisan permitting reform legislation. We urge Congress to approve bipartisan legislation that (1) streamlines federal regulations and permits for energy projects across the country, (2) allows new energy infrastructure, including pipelines and transmission, and (3) reduces judicial review guidelines.</p>

Issue Discussed	Summary of Discussion
Lead service lines replacement	<p>Repeal the mandate to replace lead service lines by 2037 or pass legislation that makes compliance feasible. While municipal utilities believe everyone should have safe drinking water, the current federal mandate creates an under-funded requirement and exposes utilities to increased liability for property damage incurred during a switch out. Estimated costs are several times higher than the \$15 billion currently budgeted to help local governments offset the expense of replacing lead service lines. Alternatively, make the deadline attainable by (1) providing full funding to replace existing lead pipes, and (2) pass immunity protections to hold utilities harmless for damages that may occur to property and structures as a result of the excavation and related work required to switch out the service lines.</p>
Workforce incentives	<p>Sign onto and support the Freedom to Invest in Tomorrow's Workforce Act. HR 1151 has enjoyed broad bipartisan support in the past, including having Rep. Finstad as a co-author. Now is the time to get it passed and signed into law. Workforce shortage is a widespread problem for utilities, especially those located in less populated areas. HR 1151 is legislation that would allow more flexibility in how the proceeds of a 529 Savings Plan can be spent. For the first time 529 funds could be used for expenses related to training in middle-skill jobs that may require a certificate or license but not a college degree or graduate education. These skilled trade jobs make up the majority of utility jobs. Passing this legislation will help train workers for these essential positions. We encourage the Senate to reintroduce comparable and complementary legislation such as was authored and/or sponsored by Sen. Klobuchar in the 118th Congress including S.83—American Apprenticeship Act, S.722—Freedom to Invest in Tomorrow's Workforce Act, and S.3816—Skills Investment Act of 2024.</p>

Hometown services. Hometown strengths. Hometown solutions.



MRES Legislative Line

Iowa

During the session, visit the Iowa page on the Missouri River Energy Services (MRES) members-only website to follow Iowa bills of interest to MRES members and access the [Iowa Legislative Guide for 2025-2026](#).

Iowa Fast Facts:

- Governor Reynolds has announced an energy omnibus proposal that includes nuclear energy, integrated resource plans, and the right of first refusal for new transmission lines is moving forward.
- Solar developers are pushing legislation to create community solar gardens with no oversight over the developers.
- Eminent domain legislation remains alive in the House.

Session Update

The first legislative funnel deadline came and went last week. Most bills needed to pass out of a committee by March 7 to receive further consideration during this legislative session. Subcommittees and committees met almost continuously all last week; even a snowstorm that shut down the interstate in multiple directions did not slow down activity at the Capitol. This funnel deadline is the first deadline on the way to (hopefully) a May 2nd adjournment. So, what survived the first funnel deadline?

Governor's Energy Plan

One of Governor Reynolds' priorities this year is reliable, low-cost energy for Iowa residents and businesses. The governor has proposed [HSB 123](#) and [SSB 1112](#), which include several items to advance this goal. Some of the highlights include:

- The Right of First Refusal with joint ownership on new electric transmission lines for incumbent utilities.
- Codifying best practices for land restoration as part of constructing new transmission lines.
- Requiring rate-regulated utilities to file integrated resource plans (IRP) every five years. The IRP will be filed with the IUC and approved after the utility holds a stakeholder meeting to engage the IUC, OCA, and utility customers.
- Expanding advanced ratemaking to be technology-neutral, and the MW threshold will be lowered to 40MW (from 300MW). In addition, a utility's IRP cannot be more than 24 months old.
- Codifying language for flexible electric rates for large energy users while ensuring no cross-subsidization among customer classes.
- Updating the Energy Infrastructure Revolving Fund to include natural gas and water infrastructure and expand the entities eligible for the funds.

HSB 123 and SSB 1112 have both advanced out of committee with an amendment to remove the service territory portion of the bill. As these bills continue to advance, we believe there will be an amendment to clarify the definition of "municipally

owned utility” so MRES can participate in ROFR projects and some other technical fixes.

Energy Issues

This year, the Iowa Utilities Commission’s (IUC) department bill is [HF 304](#) (previously [HSB 65](#)). It makes non-substantive changes to the form for new electric franchise requests. This is still active in the House.

Solar developers support [HF 140](#) (previously [HSB 81](#)), which authorizes developer-led community solar facilities. This legislation raises service territory concerns and lacks consumer protections or oversight of the community solar facilities. In the Senate, similar legislation failed to advance out of committee.

[HSB 308](#) was introduced late last week in the Ways and Means committee and would expand eligibility for LIHEAP and charge fees to all utilities to cover the costs.

Eminent Domain Issues

Several bills related to eminent domain have been introduced in the Senate and House, most of them limited to pipelines. Several bills advanced out of the House Judiciary Committee, most of them specifically focused on CO2 pipelines. However, none of the Senate companion bills have moved.

- [HF 780](#) – Limits permits for the operation of CO2 pipelines to one 25-year period.
- [HF 639](#) – Establishes enhanced insurance requirements on CO2 pipelines.
- [HF 790](#) – Requires at least one IUC member to be present at all hearings and informational meetings.
- [HF 763](#) – Allows landowners to sue for eminent domain determination in Polk County court and removes the bond requirement to sue.
- [HF 237](#) – Limits the scope of actions that allow IUC to threaten or impose sanctions against intervenors
- [HF 610](#) – Gives all elected officials and anyone with "minimally plausible interest" the right to intervene in IUC proceedings
- [HSB 287](#) – Explicitly prohibits CO2 pipelines from using eminent domain.

[SSB 1166](#) was the only eminent domain bill in the Senate to receive a subcommittee hearing. It restricts the use of eminent domain for electric transmission and pipelines until at least 90 percent of parcels and 75 percent of the total distance have voluntarily agreed to an easement. While it passed unanimously out of the subcommittee, it did not advance out of committee.

Other Issues

[SSB 1115](#), as introduced, would have removed the referendum requirement for a city to create or dispose of a city utility. It was amended in committee to reduce the notice timeline from 60 days to 30 days.

Minnesota

Visit the [Minnesota page](#) to follow Minnesota bills of interest to MRES members. The [MRES Minnesota Legislative Guide for 2025-2026](#) has been updated to reflect the latest changes in the House and Senate committees. It will be updated after the March 11 special election in the House, which will cause committees to shift again.

Minnesota Fast Facts:

As bills are being heard, concerns over rates are coming up more frequently. At cracker barrels, please note that unfunded mandates end up costing ratepayers’ money and do not often yield the results promised.

February Budget and Economic Forecast

On March 6, Minnesota Management and Budget (MMB) released the February Budget and Economic Forecast. The budget outlook was adjusted downward. The FY 2026-2027 projected balance is now \$456 million, or about \$160 million lower than prior estimates. Higher forecasted inflation has impacted the projected revenues and expenditures. The big concern is that on the current spending and revenue path, the state will likely face a \$5.995 billion shortfall for the FY 2028-2029 biennium. MMB indicated that there may still be potential impacts from possible energy tariffs by Canada on energy imported into the state, as well as a potential reduction in federal funds to the state.

Committee Deadlines Set

Committee deadlines have been announced for the Minnesota session. The first and second deadlines are April 4, 2025, at 5 p.m. Usually, the second deadline is set a week after the first deadline. However, this session, April 4, will mark the day that committees must act on a policy bill **and** its companion bill for the policy proposal to move forward. “Acting favorably” includes holding a bill over for inclusion in an omnibus bill.

The third deadline is April 11 at noon. This is for committees to act favorably on major appropriation and finance bills. Again, any finance bill **and** its companion bill must have been acted upon in order to move forward.

These deadlines do not apply to House committees on Capital Investment, Ways and Means, Taxes, or Rules and Legislative Administration. They also do not apply to Senate committees on Capital Investment, Finance, Taxes, or Rules and Administration.

As a caveat, even if a bill has not been heard in committee, it can still appear in an amendment or an omnibus bill—even on the very last day of the session.

Special Election

The special election for the House District 40B seat is on March 11. Most believe the seat will go to DFL candidate David Gottfried. If that holds true, the House will be at a 67 to 67 tie. Committees, which currently have a GOP majority and GOP chairs, will be adjusted to reflect the tie and will have an even number of committee members and shared leadership. However, on the House floor, Rep. Lisa DeMuth (R-Cold Spring) will remain the Speaker of the House.

House Energy Finance and Policy

On Tuesday, March 4, the committee heard [HF 1738](#), which would repeal the renewable development account (RDA). Xcel ratepayers fund the RDA as a trade-off made years ago to allow additional dry cask storage for nuclear waste. The RDA account funds are distributed to renewable energy projects in Xcel’s service territory. The RDA has been the target of periodic controversy as

the legislature and others have raided the RDA to fund specific projects.

The bill passed out of the committee on a partisan vote and was referred to the Ways and Means Committee. MRES did not take a position on this bill.

On Thursday, the committee heard [HF 1852](#), a bill requiring solar systems to meet specific setback requirements from park and wildlife management areas. After a robust debate, it was voted out of committee and sent to the floor.

On Tuesday, March 11, the committee will hear [HF 1859](#) (requiring all wind to be set back at least one mile from a residence), [HF 252](#) (exempting small natural gas utilities from Public Utilities Commission regulation), and [HF 787](#) (exempting generation from out of state from the Minnesota carbon free mandate). While MRES is monitoring these bills, MRES is not testifying at this point.

No agenda has been posted for Thursday.

Senate Energy, Utilities, Environment and Climate

On March 3, the committee heard a presentation from the Minnesota Climate Innovation Finance Authority (MCIFA). In general, MCIFA noted that it is putting \$23.85 million into a Solar for All program, which it hopes to align with cooperatives and municipal utilities. It is also looking at over 100 more green projects.

On March 5, the committee heard several appropriations bills for specific energy projects. These included [SF 2017](#)—funds for green ammonia power generation research; [SF 1713](#)—funds for a Green Hydrogen Project development; [SF 1710](#)—funds to build out a renewable energy certification program for ammonia and hydrogen, as well as renewable energy; and [SF 1787](#)—funds to improve school ventilation and possible geothermal financing for schools. All the bills were laid over for possible inclusion in an omnibus bill. MRES remained neutral on each of these bills.

The committee will hear [SF 1142](#) on Monday, March 10. This bill would revise net metering for cooperative and municipal utilities. There are a

large amount of testifiers signed up for this hearing. MRES will be monitoring.

The committee will meet on Wednesday, March 12, but the agenda has not been posted as of this writing.

Bills of Note

- [HF 9 \(Swedzinski\)/SF 572 \(Mathews\)](#): A multi-issue energy bill would remove the cap on new hydroelectric power, clarify when the CFS/RES may be delayed due to rate impact, and provide sales tax exemption for residential heating/electrification. The House version has been voted out of the House Energy Committee and sent to Taxes, where it was heard on Wednesday. The bill is still pending in the Ways and Means Committee.
- [Nuclear Moratorium](#): Several bills have been heard regarding the repeal of the nuclear moratorium. Passage is mainly dependent on approval by the Prairie Island community. Both the House and Senate committees have heard bills that were laid over for possible inclusion in an omnibus bill.
- [Hydropower Cap Repeal](#): [SF 426](#) was previously heard and held over for a possible omnibus bill in Senate Energy, Utilities, Environment, and Climate. A similar bill, [HF 75](#), was heard in House Energy and was passed directly to the floor.
- [Revising Net Metering](#): [HF 845](#) and [SF 1142](#) would revise net metering, shifting away from retail rate and “up-rating” input into the distribution system. The House version was heard in House Energy in mid-February and sent to the House floor. The Senate version has not been heard yet.
- [Utility Lobbying](#): [SF 1472](#) (no companion) was set for hearing and then pulled out of the committee hearing. SF 1472 would change the definition of administrative action under state campaign finance rules. The effect is that anyone working on any PUC docket would need to register as a lobbyist if they met certain hours-worked thresholds. MRES will oppose this bill if it is reset for hearing.
- [Data Center Generation](#): [HF 28/ SF 1393](#) would allow for alternative environmental review for

data centers and exempt backup generation for data centers from the certificate of need process, even if it were larger than the 50 MW threshold. The House version is pending on the House floor. The Senate version has not been heard.

- [Data Center Tax Incentives](#): While MRES remains neutral, it monitors [HF 1277/ SF 769](#). The House and Senate versions have been heard in their respective Tax committees and were laid over for possible inclusion in an omnibus.
- [Ban the Ban](#): [HF 483](#) and [HF 484](#) will be heard on Monday, March 3, in House Elections Finance and Government Operations. The bills ban local prohibitions on natural gas and propane. Both bills were passed out of this committee and referred to the Housing Finance and Policy Committee.
- [Utility Commission Size](#): [HF 1345](#) (Rarick) would state that city commissions will consist of 3, 5, or 7 members when establishing a commission. However, it also gives the city the ability to reduce the number of commissioners by ordinance. It will be heard in House Elections Finance and Government Operations on March 10.

North Dakota

During the session, visit the North Dakota page on the Missouri River Energy Services (MRES) members-only website to follow North Dakota bills of interest to MRES members and to access [the North Dakota Legislative Guide for 2025-2026](#). [MRES Hydroelectric Legislation](#)
MRES is pursuing legislation to update the

North Dakota Fast Facts:

Watch for invitations and mark your calendars for a March 25 dinner with your legislators in Bismarck. Invitations will be sent out to lawmakers the first week of March.

definition of hydroelectric power in state statutes. When the North Dakota renewable energy objective was first passed, hydroelectric power was limited to that built after 2007. However, now that members in our four-state footprint may receive renewable energy certificates (RECs) from the federal dams on

the Missouri River, MRES is asking that the North Dakota definition be updated to match the surrounding states by allowing all hydropower, regardless of its vintage, to be counted as renewable. The bill, [HB 1211](#), has passed the House and received a Do Pass recommendation from the Senate Finance and Taxation Committee. The bill passed the Senate on Friday, March 7 with a unanimous 47 to 0 vote. It is expected that the Governor will sign the bill.

Other Bills of Interest

In addition to the legislation noted above, MRES is also closely watching the following bills:

- [SB 2339](#): Limiting wildfire liability for utilities who have taken specific mitigation measures. The bill limits courts from applying a standard of strict liability to a qualified utility in a cause of action if the utility has met wildfire prevention and mitigation measures. It is important to note that the bill only puts some guardrails on potential liability and damages. Utilities would still be responsible for property damage and lost production. MRES is supportive of this bill and has filed testimony. It passed the Senate and is currently pending in the House Energy and Natural Resources Committee.
- [SB 2359](#): This bill repeals the voluntary renewable energy objective and utilities' reporting requirements. It does not impact MRES' hydropower definition bill. It passed the Senate before crossover and is currently awaiting a hearing in House Energy and Natural Resources.

MRES Dinner

MRES will host a dinner for MRES member lawmakers on March 25 at 5:30 p.m. at the Broadway Grill and Tavern, located at 100 W. Broadway Ave., Bismarck. Formal invitations were sent to MRES member lawmakers, members and associate communities should also have received their invitations via email. Please join us in Bismarck with your legislators.

South Dakota

During the session, visit the [South Dakota page](#) on the Missouri River Energy Services (MRES)

members-only website to follow South Dakota bills of interest to MRES members and to access the South Dakota Legislative Guide for 2025-2026.

South Dakota Fast Facts:

- MRES continues to monitor pipeline related legislation: HB 1249.
- Governor Rhoden signed HB 1052 prohibiting the use of eminent domain for carbon oxide pipelines.

Last week, the eminent domain issue came to a head with the passage of HB 1052, which prohibits the use of eminent domain by a pipeline transporting carbon oxide; it was promptly signed by Governor Rhoden. Property tax proposals were also debated throughout the week and will continue into this final week. The Governor has offered a property tax relief proposal (SB 216), which will continue to be scrutinized along with SB 191 and HB 1235. The main run of the SD Legislature will conclude at the close of business late Thursday. The legislature will reconvene for one day, March 31, to consider any gubernatorial vetoes. They will also convene in a special session in July to take up the proposal to construct a new men's maximum-security prison.

The bills of interest to MRES acted upon last week and/or this week are listed below.

[SB 198](#) – This proposal offered by Senate Majority Leader Jim Mehlhaff (R-Pierre) would require mediation before condemnation by anyone authorized to utilize eminent domain. After various legislative maneuvers, the House State Affairs Committee ultimately tabled the bill.

[HB 1052](#) (Rep. Lems, R-Canton) prohibits eminent domain for carbon oxide pipelines. MRES was neutral on the bill. The Senate State Affairs Committee passed it 7-2, and the full Senate approved it 23-12. The governor promptly signed it.

[HB 1085](#) (Rep. Vasgaard, R-Centerville) establishes a moratorium on the construction of carbon dioxide pipelines. The Senate State Affairs Committee defeated the amended bill with a motion to defer to the 41st legislative day.

[HB 1249](#) (Rep. Nolz, R-Mitchell) - protects landowners from deception, fraud, harassment, intimidation, misrepresentation, or threat in acquiring easements for CO2 pipelines. Protections from deception are already in statute, so this legislation is duplicative and targets a particular industry. The bill (1249A) passed the Senate State Affairs Committee 5-4. The Senate will take up the bill today.

THE CAPITOL LETTER

Vol. 25, No. 8
March 12, 2025

FROM **MMUA**



General session update

The Senate Energy Committee started the week of March 3 by hearing an overview from the Minnesota Climate Innovation Finance Authority (MnCIFA). MnCIFA is the new “Green Bank” established by the 2023 legislature with the intended purpose of providing grants, loans, and credit enhancements to accelerate clean energy projects and greenhouse gas reduction projects. Special focus is to be given to disadvantaged, low-income, and tribal communities. If this sounds familiar, it is because MnCIFA presented a similar overview at MMUA’s 2025 Legislative Conference.

The committee ended its week on March 5 by hearing requests for four projects to be funded from the Renewable Development Account (RDA). The RDA is a special account funded by a per-cask fee paid by Xcel for the storage of its nuclear waste. The money can only be spent in Xcel service territory.

Ironically, the House Energy Committee began its week on March 4 by hearing HF 1738, a bill authored by Rep. Chris Swedzinski (R–Ghent) which seeks to abolish the RDA. The committee ended its week by hearing HF 1852, a bill authored by Rep. Tom Murphy (R–Underwood) which would establish setback requirements between solar developments and parks and wildlife management areas (WMAs). The bill was followed by budget overviews from the Department of Commerce and the Minnesota Public Utilities Commission.

Other issues

The February budget forecast was released on March 6. This official forecast is used for the purpose of developing the State’s budget for the fiscal years 2026 and 2027. The anticipated surplus for this time period decreased by more than 25%, coming in at \$456 million. However, in the outyears of 2028-2029, the surplus is projected to become a \$6 billion deficit. The forecast does not take into consideration potential changes in federal funding.

Finally, watch for the April edition of *The Resource* for a full summary of the 2025 APPA Legislative Rally. MMUA extends its gratitude to all the delegates and guests who participated in this year’s event. MMUA also thanks the members of the Minnesota congressional delegation and their staff members for meeting with us. Please let us know if you have any suggestions for improving everyone’s experience at the 2026 rally.

Links/contact

A list of all introduced bills, copies of bills both as introduced and amended, a calendar of all scheduled hearings, and other useful information can be found at the [legislature's website](#).

Please contact Kent Sulem (ksulem@mmua.org) or Bill Black (bblack@mmua.org) if you have any questions or suggestions regarding *The Capitol Letter* or topics covered in any issue throughout the session.



just a little note

THANK YOU FOR YOUR
SUPPORT IN OUR SHARED
MISSION IN MAKING MENTAL
HEALTH A PRIORITY IN THE

F-M AREA! Jim Merri

mpally & Whitney Miller Renee

Accept Report on MPS' Advanced Metering Infrastructure Project

RECOMMENDATION:

The General Manager respectfully requests the Commission accept a report on Moorhead Public Service's Advanced Metering Infrastructure Project.

BACKGROUND:

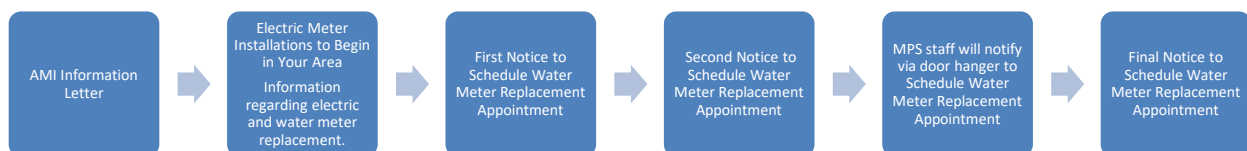
Moorhead Public Service (MPS) maintains and operates the electric and water utility within the city of Moorhead and is in the process of upgrading MPS' existing metering system from automated meter reading to advanced metering infrastructure (AMI).

MPS is in the early deployment phase of installing electric and water meters in the System Acceptance Test (SAT) area. The SAT is a test of the process, equipment, software, and all other applicable contract equipment and supplies. This test is used to demonstrate and determine whether the systems and the scope of work in the initial phase are compliant with the functional and performance requirements set forth in the SAT protocol as stated in the contract.

MPS is dedicated to ensuring a smooth transition and keeping customers informed throughout the project. Staff has prepared a series of notices to inform customers throughout the meter exchange process. Customers can expect to receive at least three mailed letters regarding the AMI Project. Due to the unique features of each type of meter, the electric and water meters will be installed by two different contractors on different dates.

The first letter will inform customers about the project and the assistance that MPS will require from customers to complete the project. The second letter will notify customers when electric meter replacement is about to begin in their area and additional information on what to expect during water and electric meter replacements. Most electric meters are located outside of the home or building, no appointment is necessary. Since most water meters are located inside a home or building, the third letter will include instructions on scheduling an appointment to replace the water meter.

Below is a flow chart detailing the communication process and appointment scheduling that will occur throughout the project:



Customers that fail to schedule an appointment will continue to receive two additional letters in the mail and a door hanger notice placed by MPS staff. Approximately 10 days following the final notice letter, customers that have continued to not allow access to the meter or schedule an appointment may be subject to suspension of service as stated in MPS' Water Service Rules and Regulations. Customer assistance in scheduling meter appointments in a timely fashion is critical for future utility operations and ensuring the project is completed efficiently and cost-effectively.

With the project extending over many months to complete, MPS plans to phase-in communications to customers as the project expands throughout MPS' service territory.

MPS staff is in the process of amending Administrative Policy No. 19 -“Collection of Accounts to incorporate language for non-conforming meters. Non-conforming meters will require MPS staff to manually read meters each month at the customers property and; therefore, will not be able to utilize over-the-air meter reads. The amendment to Administrative Policy No. 19 will include language to recover additional costs associated with MPS staff’s time needed to manually read non-conforming meters.

The costs associated with the AMI Project were included in MPS’ 2023 budget, and future years, due to this being a multi-year project.

KEY ISSUES:

- MPS is in the early deployment phase of installing electric and water meters in the SAT area.
- MPS is dedicated to ensuring a smooth transition and keeping customers informed throughout the project. Staff has prepared a series of notices to inform customers throughout the meter exchange process.
- Customers can expect to receive at least three mailed letters in regards to the AMI project.
- Customer assistance in scheduling meter appointments in a timely fashion is critical for future utility operations and ensuring the project is completed efficiently and cost-effectively.

FINANCIAL CONSIDERATIONS:

- The costs associated with the AMI project were included in MPS’ 2023 budget, and future years, due to this being a multi-year project.

Respectfully Submitted,



Travis L. Schmidt
General Manager

Division/Response Person: Kurt McClain, IT Division Manager.

Attachments: None.

**Approve Specifications and Authorize Advertisement for Bids
for the Roof Replacement at 415 Highway 75 North****RECOMMENDATION:**

The General Manager respectfully requests the Commission approve the specifications and authorize advertisement for bids for the roof replacement at Moorhead Public Service's storage building at 415 Highway 75 North, Moorhead, contingent upon final legal approval.

BACKGROUND:

On October 19, 2021, the Commission approved Task Order No. 2020-2 with Sandman Structural Engineers (SSE) for engineering services related to replacing and reinsulating the metal roof, and metal walls, as well as developing a conceptual design for a portion of the building to be used as a business office, if necessary. Since 2017, SSE has assisted with other task orders to help Moorhead Public Service (MPS) staff with facility planning, and facility maintenance and additional structural needs.

With the renovation of Moorhead City Hall and MPS' Business Office located in a temporary location, the potential use of this building as a business office is no longer a viable option. However, the existing metal roof is beyond its useful lifespan and needs to be replaced to protect and maintain this asset for the next 40 to 60 years. With the facilities planning and maintenance assessment from SSE, MPS staff has used a phased approach for the replacing roofs on several of MPS' buildings. MPS will continue to evaluate and complete necessary maintenance on an as-needed basis.

SSE has prepared specifications (available upon request) for the roof replacement at MPS' storage building. Construction will include installation of new metal roofing over the existing roofing panels, new fascia, soffits and gutters. The bid opening is tentatively scheduled for April 9, 2025. The engineer's estimated cost for the roof replacement is \$300,000 and is included in MPS' 2025 budget.

KEY ISSUES:

- On October 19, 2021, the Commission approved Task Order No. 2020-2 with SSE for engineering services related to replacing and reinsulating the metal roof, and metal walls, as well as developing a conceptual design for a portion of the building to be used as a business office, if necessary.
- With the facilities planning and maintenance assessment from SSE, MPS staff has used a phased approach for the replacing roofs on several of MPS' buildings.
- SSE has prepared specifications for the roof replacement of MPS' storage building.

FINANCIAL CONSIDERATIONS:

- The engineer's estimated cost for the roof replacement is \$300,000 and is included in MPS' 2025 budget.

Respectfully Submitted,



Travis L. Schmidt
General Manager

Division/Response Person: Adam Benhardt, Construction Manager.

Attachments: Available upon request.

Approve Change Order No. 3 with Border States Industries, Inc., for Circuit Breakers at Moorhead DOE Substation

RECOMMENDATION:

The General Manager respectfully requests the Commission approve Change Order No. 3 with Border States Industries, Inc., in the amount of \$31,110.00 for the circuit breakers at the Moorhead DOE Substation.

BACKGROUND:

On August 16, 2022, the Commission awarded the bid for the circuit breakers at the Moorhead DOE Substation (Moorhead Substation) to Border States Industries, Inc. (Border States), in the amount of \$1,259,425.00.

Border States bid included three optional items. The first option was externally mounted metal oxide varistors for the Independent Pole Operation (IPO) breakers at a cost of \$115,210.00. The second option was tank insulation blankets at a cost of \$55,650.00. The third option was spare parts for the breakers at a cost of \$1,005.00. After evaluation, Moorhead Public Service (MPS) and DGR Engineering (DGR) determined that the first option was not necessary for the additional cost, reducing the total contract price to \$1,144,215.00.

On February 7, 2023, the Commission approved Change Order No. 1 in the amount of \$54,492 for the 1200/5 Multi-Ratio Current Transformers (MRCTs) that were needed to avoid saturation issues. The 600/5 MRCTs were upgraded to 1200/5 MRCTs, to provide greater flexibility in case fault currents increased over the next 20 years.

After commissioning and initial testing were performed of the Moorhead Substation, DGR determined that additional wiring would be needed on the two IPO breakers that protect the two reactors in a controlled closing operation. On November 7, 2024, MPS staff approved Change Order No. 2 in the amount of \$7,232.97 for Border States to design the wiring changes as the new reactors could not be fully utilized until the additional wiring on the IPO breakers was completed.

Border States has provided Change Order No. 3 (available upon request) in the amount of \$31,110.00 for the labor to perform the wiring and commissioning services according to the design work in Change Order No. 2. Change Order No. 3 will increase the total contract price by 8.1 percent—bringing the final contract price to \$1,237,049.97.

KEY ISSUES:

- On August 16, 2022, the Commission awarded the bid for the circuit breakers at the Moorhead Substation to Border States in the amount of \$1,259,425.00.
- After commissioning and initial testing were performed of the Moorhead Substation, DGR determined that additional wiring would be needed on the two IPO breakers that protect the two reactors in a controlled closing operation.

FINANCIAL CONSIDERATIONS:

- Border States has provided Change Order No. 3 in the amount of \$31,110.00 for the labor to perform the wiring and commissioning services according to the design work in Change Order No. 2.
- Change Order No. 3 will increase the total contract price by 8.1 percent—bringing the final contract price to \$1,237,049.97.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Travis L. Schmidt".

Travis L. Schmidt
General Manager

Division/Response Person: Taylor Holte, Project Engineer, and Adam Benhardt, Construction Manager.

Attachments: Available upon request.

**Approve Task Order Agreement for Professional Services
with Short Elliott Hendrickson, Inc.****RECOMMENDATION:**

The General Manager respectfully requests the Commission approve the Task Order Agreement for Professional Services with Short Elliott Hendrickson, Inc., contingent upon final legal approval.

BACKGROUND:

Moorhead Public Service (MPS) has entered into Task Order Agreements for Professional Services with various engineering firms and contractors to complete projects on an annual basis. Currently, MPS and Short Elliott Hendrickson, Inc. (SEH), are working on the replacement of ozone generators at MPS' Water Treatment Plant. This project is currently in the design phase, and is expected to be advertised for construction-phase services and installation in 2025. To facilitate SEH's continued work on this project, a Task Order Agreement for Professional Services (Agreement) (available upon request) is required, as the existing Agreement expires in August 2025. The Agreement with SEH will be a 10-year Agreement. MPS has successfully collaborated with SEH on several recent Water Treatment Plant projects and is confident in SEH's ability to effectively complete projects for MPS.

KEY ISSUES:

- Currently, MPS and SEH are working on the replacement of ozone generators at MPS' Water Treatment Plant. This project is currently in the design phase, and is expected to be advertised for construction-phase services and installation in 2025.
- To facilitate SEH's continued work on this project an Agreement is required, as the existing Agreement expires in August 2025.

FINANCIAL CONSIDERATIONS: None at this time.

Respectfully Submitted,



Travis L. Schmidt
General Manager

Division/Response Person: Marc Pritchard, Water Plant Manager.

Attachments: Available upon request.

Approve 2025 Cooperative and Self-Performed Watermain Improvement Projects

RECOMMENDATION:

The General Manager respectfully requests the Commission approve 2025 Cooperative Projects for Watermain Improvements with the City of Moorhead's Street and Underground Utility Improvement Projects and Moorhead Public Service's Self-Performed Watermain Improvement Projects.

BACKGROUND:

Moorhead Public Service (MPS) staff continues to work with City of Moorhead (City) staff to coordinate activities related to watermain improvement projects. MPS staff determined that participating in joint projects with the City may provide cost savings for watermain replacement. In 2023, MPS began the process of including watermain replacement projects within the City's bidding documents for Street and Utility Improvement Projects. Coordinating watermain replacement will alleviate the limited construction timeframes for the City and MPS when the projects are separated. By doing so will allow the contractor to coordinate the activities, which will limit the prolonged impact on residents located within the project areas. The City will retain the contracts for the projects, and MPS will be responsible for materials that are removed, furnished, or installed solely for watermain purposes, thus reducing costs associated with separating the projects. MPS will provide an MPS Water Field Technician to manage the construction progress and keep track of quantities during construction. Following completion of construction, the City will submit an invoice to MPS with an itemized breakdown of costs for the project.

In conjunction with the competitive bidding projects, MPS will self-perform additional watermain improvement projects, which includes coordinated City projects and other failure-prone infrastructure and maintenance projects. The current MPS-planned watermain replacement areas are identified in Table 1 below:

Table 1: 2025 Watermain Improvement Projects

Proposed Project Location	Bid Self-Perform	Existing Size of Watermain	Proposed Size of New Watermain	Approximate Footage	Project Number
17th Street S (2nd Ave to 5th Ave S)	Self-Perform	6-inch CI	6-inch PVC	1,600	WT-25-01
4th Avenue S (16th St to 19th St S)	Self-Perform	6-inch CI	8-inch PVC	1,100	WT-25-01
19th Street S (5th Ave to 6th Ave S)	Self-Perform	6-inch CI	6-inch PVC	600	WT-25-01
16th Street S (9th Ave to 12th Ave S)	Self-Perform	6-inch CI	6-inch PVC	1,700	WT-25-02
River Drive S Improvements Area	Bid	6-inch CI	6-inch PVC	1,300	WT-25-03
18th Street S (12th Ave to 18th Ave S)	Bid	6-inch CI	8-inch PVC	2,100	WT-25-04

MPS' Self-Performed Watermain Improvement Projects:

Project WT-25-01 - 17th Street South (2nd Avenue to 5th Avenue South)

- Staff recommends replacing approximately 1,600 feet of 6-inch cast iron (CI) pipe with 6-inch polyvinyl chloride (PVC) pipe. MPS crews will complete the project utilizing the open-cut trench and pipe-bursting method. This project is intended to complete the replacement of failure-prone infrastructure that has caused several watermain breaks year after year.

Project WT-25-01 - 4th Avenue South (16th Street to 19th Street South)

- Staff recommends replacing approximately 1,100 feet of 6-inch CI pipe with 8-inch PVC pipe. MPS crews will complete the project utilizing the open-cut trench and pipe-bursting method. This project is intended to complete the replacement of failure-prone infrastructure that has caused several watermain breaks and is within this same project area.

Project WT-25-01 - 19th Street South (5th Avenue to 6th Avenue South)

- Staff recommends replacing approximately 600 feet of 6-inch CI pipe with 6-inch PVC pipe. MPS crews will complete the project utilizing the pipe-bursting method. This small project is intended to complete the replacement of failure-prone infrastructure prior to a future City Street Improvement Project.

Project WT-25-02 - 16th Street South (9th Avenue to 12th Avenue South)

- Staff recommends replacing approximately 1,700 feet of 6-inch CI pipe with 6-inch PVC pipe. MPS crews will complete the project utilizing the pipe-bursting method. This project will be completed by MPS staff prior to the City's Street Improvement Project.

MPS' Cooperative Watermain Improvement Projects with City Street Improvement Projects:

Project WT-25-03 – River Drive South Improvements (14th Avenue to 16th Avenue South)

- Staff recommends replacing approximately 1,300 feet of 6-inch CI watermain with 6-inch PVC. This project will also include the replacement of any identified lead service lines from the watermain to the property line. This project will be competitively bid with the City's Street and Underground Utility Improvement Projects.

Project WT-25-04 – 18th Street South (12th Avenue to 18th Avenue South)

- Staff recommends replacing approximately 1,800 feet of 6-inch CI pipe with 8-inch PVC pipe. This project will also include the replacement of any identified lead service lines from the watermain to the property line. This project will be competitively bid with the City's Street and Underground Utility Improvement Projects.

MPS' current strategic goal is to replace approximately 1.25 miles of CI watermain annually. Coordination between MPS and the City can contribute to significant savings when watermain replacement coincides with a street improvement project area. Overall, MPS is proposing to complete approximately 8,400 feet (1.6 miles) of watermain replacement. MPS crews are currently scheduled to replace approximately 5,000 feet of watermain, while approximately 3,400 feet of watermain replacement is scheduled to be bid and contracted through the City's Street and Underground Utility Improvement Projects. MPS' Water Division has budgeted \$1.6 million to complete the design and construction of MPS' 2025 Watermain Improvement Projects.

KEY ISSUES:

- MPS staff continues to work with City staff to identify areas where watermain replacement could be constructed concurrently with City street improvement projects.
- In 2023, MPS began the process of including watermain replacement projects within the City's bidding documents for Street and Utility Improvement Projects.
- MPS is proposing to complete approximately 8,400 feet (1.6 miles) of watermain replacement for MPS' 2025 Watermain Improvement Projects.

FINANCIAL CONSIDERATIONS:

- MPS' Water Division has budgeted \$1.6 million to complete the design and construction of MPS' 2025 Watermain Improvement Projects.

Respectfully Submitted,



Travis L. Schmidt
General Manager

Division/Response Person: Jake Long, Water Distribution Manager.

Attachments: None.



Moorhead Public Service Commission Agenda Item #13 – March 18, 2025

Award Bid for 2025 Water Distribution Pipe and Fittings

RECOMMENDATION:

The General Manager respectfully requests the Commission award the bid for 2025 Water Distribution Pipe and Fittings to Ferguson Waterworks in the amount of \$284,520.17.

BACKGROUND:

Moorhead Public Service (MPS) is projected to replace approximately 9,000 feet (1.50 miles) of cast iron (CI) watermain in 2025. MPS' water distribution crew will be completing three projects (60 percent of the footage), and the two remaining projects (40 percent of the footage) will be contracted out. A significant amount of water distribution pipe and fittings will be required in order to complete maintenance and repair projects on watermain, services, hydrants, and valves throughout the 2025 construction season.

Bids were opened on March 5, 2025, and MPS received three qualified bids. Staff recommends awarding the bid to Ferguson Waterworks in the amount of \$284,520.17, as shown on the attached Bid Tabulation Sheet. Staff estimated the cost to be \$305,000.00 for 2025 Water Distribution Pipe and Fittings.

KEY ISSUES:

- Bids were opened on March 5, 2025, and MPS received three qualified bids.
- Staff recommends awarding the bid to Ferguson Waterworks in the amount of \$284,520.17.

FINANCIAL CONSIDERATIONS:

- Staff estimated the cost to be \$305,000.00 for 2025 Water Distribution Pipe and Fittings.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Travis L. Schmidt".

Travis L. Schmidt
General Manager

Division/Response Person: Jake Long, Water Distribution Manager.

Attachments:

Bid Tabulation Sheet



***Preliminary* Bid Tabulation Sheet
for
2025 Water Distribution Pipe and Fittings**

March 5, 2025, at 2:00 PM
MPS Dispatch Operations Center, 2nd Floor Conference Room

BIDDER'S NAME	CHECK OR BID BOND	BID ITEM #1: Water Distribution Pipe and Fittings TOTAL PRICE
Core and Main Supply	Bid Bond	\$297,938.15
Dakota Supply Group	Bid Bond	\$305,309.97
Ferguson Waterworks	Bid Bond	\$284,520.17

Approve Sponsorship Request from Moorhead Legacy Education Foundation for Moorhead Public Service Scholarship

RECOMMENDATION:

The General Manager respectfully requests the Commission approve a sponsorship request from Moorhead Legacy Education Foundation for a Moorhead Public Service Scholarship in an amount to be determined by the Commission.

BACKGROUND:

On November 21, 2023, the Commission approved the Policy on Sponsorship and Marketing (Policy) (fka Policy on Sponsorships). As stated in the Policy, “Moorhead Public Service’s General Manager has the authority to review and provide a recommendation to the Moorhead Public Service Commission for approval of a sponsorship request, or unilaterally approve a marketing request.”

Moorhead Legacy Education Foundation (MLEF) is an independent, non-profit organization dedicated to the continued excellence of the educational experience for all students and graduates of Moorhead Area Public Schools ISD 152. Since 1991, MLEF has awarded over \$2 million to 2,000 Moorhead High School (MHS) graduates, helping to make their college goals possible.

Moorhead Public Service (MPS) would be invited and recognized at MHS’ annual awards this spring to celebrate the student selected for MPS’ Scholarship. The event would provide community exposure, as well as an opportunity to meet the recipient of the scholarship.

MPS also received a marketing request from MLEF for a major sponsor request in the amount of \$5,000 for the district calendars that are distributed to all Moorhead Area Public Schools’ student households. MPS staff has confirmed that Missouri River Energy Services will co-sponsor the request at a 50 percent cost-share of \$2,500 through its Member Sponsorship Program for Bright Energy Solutions® (BES), as BES provides up to \$4,000 annually for event sponsorships.

It is anticipated that MPS and BES would be recognized as the sole sponsor for the cover page of the calendar, and would be advertised on the back and on every monthly page. In 2025, MPS confirmed with legal counsel, Flaherty & Hood, PA, that MPS could sponsor this marketing request based upon approval by the General Manager.

Each year, MPS budgets \$50,000 toward marketing and/or sponsorship requests. In 2024, MPS disbursed \$16,844.46 and, at the present time, MPS has disbursed \$2,100 toward marketing and sponsorship requests.

MPS staff recommends approving the Moorhead Public Service Scholarship in an amount to be determined by the Commission.

KEY ISSUES:

- On November 21, 2023, the Commission approved the Policy (fka Policy on Sponsorships). As stated in the Policy, “Moorhead Public Service’s General Manager has the authority to review and provide a recommendation to the Moorhead Public Service Commission for approval of a sponsorship request, or unilaterally approve a marketing request.”
- MLEF is an independent, non-profit organization dedicated to the continued excellence of the educational experience for all students in Moorhead Area Public Schools.
- MPS would be invited and recognized at MHS’ annual awards this spring to celebrate the student selected for MPS’ Scholarship.

FINANCIAL CONSIDERATIONS:

- MPS staff recommends approving the Moorhead Public Service Scholarship in an amount to be determined by the Commission.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Travis L. Schmidt", written in a cursive style.

Travis L. Schmidt
General Manager

Division/Response Person: Travis L. Schmidt, General Manager.

Attachments:

Moorhead Legacy Education Foundation Sponsorship Submission Form
Moorhead Legacy Education Foundation Letter and Pledge Form

Sponsorship Submission Form

Requester Information

Date: 2/18/2025

Name: Moorhead Legacy Education Foundation

Title: Executive Director

Phone: 218-790-5266

E-mail: moorheadlegacyfoundation@gmail.com

Name of Sponsorship: SpudScholars - MLEF's Scholarship Program

Primary Contact Person: Janelle Leiseth, MLEF Exec. Director

Primary Contact Person Phone Number: 218-790-5266

Primary Contact Person E-mail: moorheadlegacyfoundation@gmail.com

Please answer the following questions related to the above-named sponsorship request:

1. How will the sponsorship benefit the Moorhead community as a whole?

MLEF's SpudScholars program has been in existence for 40 years, providing scholarships to Moorhead students. Education is a key factor in society's empowerment to make informed decisions, and develop prosperous and cohesive communities.

2. How will the sponsorship directly relate to the functions of Moorhead Public Service?

A number of students return to Moorhead after completing post-secondary education, while others attend local institutions and settle in Moorhead to work and raise families. As Moorhead's census grows, this can increase MPS's customer base and recognition for supporting lifelong learning.

3. Does the sponsorship have, as the primary objective, the benefit of a private interest?

No. MLEF is a 501(c)3 with a mission to support our Moorhead School District 152 and its students. This is made possible by support of donors and businesses who sponsor MLEF's programs. Sponsors may select awarding criteria based on scholastic achievement, financial need, sport/activity participation, or area of post-secondary interest. (see letter)

APPROVE SPONSORSHIP REQUEST:

General Manager

Date: _____



6/24/2024

MOORHEAD LEGACY

EDUCATION FOUNDATION

Moorhead Public Service
Susan Orth
2901 S Frontage Rd
Moorhead, MN 56560

Dear Friends,

We are fast approaching Spuds Scholars season! For 30+ years, more than \$2 million in scholarships have been awarded to thousands of MHS graduates, helping to make their college goals possible. **Thank you for your past support of our graduating high school seniors through your generous scholarship contributions. Your partnership has made a lasting impact on the lives of these young leaders in our community.**

We are reaching out to invite you to support this year's graduating class of 2025. With 150+ scholarship applications anticipated this spring, your gift will provide vital financial assistance for Spuds and reinforces the values and investments that make Moorhead/Fargo a vibrant and thriving place to learn, work and live.

We hope you will join us with a gift to award a scholarship to a deserving student. Your contribution of \$500 or more will create the Moorhead Public Service Scholarship (or a different name of your choice). This spring, your organization will be invited to MHS's annual awards ceremony to celebrate these students and honor your generosity. This well-attended event provides great community exposure and the chance to meet your scholarship recipient in person.

Please see the enclosed pledge form and return by March 15 so your scholarship can be awarded this spring. Do not hesitate to contact me with questions or for more information regarding a scholarship or other sponsorship or advertising opportunities that will support the students, faculty and staff of Moorhead Area Public Schools.

Thank you for believing in the power of education and helping us inspire and empower the next generation of Moorhead leaders who will help build a bright future for our community. We are grateful for the role you play in our community and beyond!

In partnership,

Janelle Leiseth
Executive Director
Moorhead Legacy Education Foundation
moorheadlegacyfoundation@gmail.com
218.790.5266

Enclosure: Scholarship Pledge Form

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MOORHEAD LEGACY

EDUCATION FOUNDATION

Charitable Pledge Form

(Donor Name(s))

of

(Full Address)

hereby pledge and agree to pay Moorhead Legacy Education Foundation the sum of \$_____.

I/We designate my/our pledge for:

- ☐ Unrestricted/where needed most
- ☐ Spud Scholars Program – general scholarships for postsecondary education
- ☐ Spud Impact Grants – staff grants for classroom initiatives and programs (Academics, Arts, Athletics and Activities) in ISD#152
- ☐ Food For Thought – milk and snacks for elementary school children in ISD#152
- ☐ Named Scholarship (*minimum \$500.00*): \$_____.00
Scholarship Name:_____
- ☐ Named Endowment Annual Scholarship (*minimum \$10,000.00*): \$_____.00
Find more info about our endowment on our website, or speak to a board representative for questions.
Scholarship Name:_____

(Check one)

- ☐ I/We agree to make a future contribution in one lump sum for the purpose of satisfying this pledge and further agree that this pledge will be satisfied in full by_____ (date).
- ☐ I/We agree to make future contributions in even installments of \$_____ per calendar
(*Circle: month/quarter/year*) beginning on_____ (start date) with the full pledge
contribution to be fully paid on or before_____ (payment date).

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There is no handwriting or other markings on the paper.

This pledge made on _____ (date).

Phone: _____

Phone: _____

Organization: Moorhead Legacy Education Foundation

Moorhead Legacy Education Foundation
P.O. Box 1006
Moorhead, MN 56561-1006
Email: moorheadlegacyfoundation@gmail.com
www.MoorheadLegacy.org

Approve Revised Organizational Structure and Number of Personnel for 2025 and Amended Section 5.5 in MPS' Personnel Policy Manual

RECOMMENDATION:

The General Manager respectfully requests the Commission approve Moorhead Public Service's revised Organizational Structure and Organizational Structure - Number of Personnel for 2025, and amended Section 5.5 in Moorhead Public Service's Personnel Policy Manual.

BACKGROUND:

The Moorhead Public Service Commission Bylaws, Article 2, Section 5, states:

“The Commission, upon recommendation of the General Manager, shall approve the organizational structure and the number of personnel to be employed by Moorhead Public Service. The General Manager shall be responsible for receiving applications and appointing employees required to operate Moorhead Public Service. The General Manager may make operational changes to the organizational structure of Moorhead Public Service as long as the changes are not substantial. Substantial changes require approval of the Commission.”

General Manager Travis Schmidt recently reviewed Moorhead Public Service's (MPS') Organizational Structure (attached) due to changes that were made to the recently approved Labor Agreement with the International Brotherhood of Electrical Workers (IBEW). The recommended changes that are needed to MPS' Organizational Structure are based upon the changes that were made to the IBEW Labor Agreement, as well as modifications to a couple job titles. The recommended changes are being requested to update any related documents for consistency, and will help with future operations to support long-term employee growth and retention across the organization.

As part of the Commission's Bylaws, the Commission approves the number of employees that MPS employs. MPS currently employs 63 full-time employees and, for 2025, has budgeted for 68 full-time employees. However, General Manager Schmidt requests that 77 positions be available in order to be more fluid with the hiring process and fill vacant or new positions. See the attached Organizational Structure – Number of Personnel. Staff has budgeted for positions in the 2025 budget based upon anticipated needs for 2025, as shown in the Organizational Structure.

General Manager Schmidt is also requesting modifications to Section 5.5 of MPS' Personnel Policy Manual to also update on-call positions based upon the approved IBEW Labor Agreement. Positions were added or removed from the IBEW job classifications as part of the negotiations that occurred in 2024 for the 2025–2027 IBEW Labor Agreement.

KEY ISSUES:

- The Commission's Bylaws direct the Commission to approve MPS' organizational structure and number of personnel.
- General Manager Travis Schmidt recently reviewed the MPS' Organizational Structure due to changes based on the recently approved IBEW Labor Agreement.
- MPS currently employs 63 full-time employees and, for 2025, has budgeted for 68 full-time employees.

FINANCIAL CONSIDERATIONS:

- Staff has budgeted for positions in the 2025 budget based upon anticipated needs for 2025, as shown in the Organizational Structure.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Travis L. Schmidt".

Travis L. Schmidt
General Manager

Division/Response Person: Travis L. Schmidt, General Manager.

Attachments:

Organizational Structure (strike-and-underline and clean versions) (PSC Only)

Organizational Structure – Number of Personnel (strike-and-underline and clean versions) (PSC Only)

MPS' Personnel Policy Manual – Section 5.5 (strike-and-underline and clean versions) (PSC Only)