MOORHEAD PUBLIC SERVICE COMMISSION

MEETING AGENDA

Tuesday, June 17, 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 June 3, 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 2024 Annual Reliability Performance Report**
   e. **Accept 2024 Annual Management Report for MPS**

*9. **Approve License Agreement for Pole Attachments with Ubiquity Management, LLC**

10. **Award Bid for Construction of MPS' Redundant Network Operations Center**

*11. **Approve Professional Services for Land Acquisition Activities**

12. **Award Bid for 2025 Lead Service Line Replacement Project**

13. **Approve Sponsorship Request from Moorhead American Legion for Veterans Honor Flight of ND/MN Summer Blast Fundraiser**

14. **Close Meeting for Executive Session (if needed)**

15. **Upcoming Meetings**

   a. **Public Service Commission Meetings**
      July 1, 2025 (if needed)
      July 15, 2025

   b. **Meeting Opportunities for Commissioners**[(A)]
      - **Tours of MPS Water Treatment Plant, Aquifer, Power Supply Grid, MPS Worksites, Employee Gatherings**
        (Available Upon Request)
      - **MMUA Summer Conference**
        August 18-20, 2025, Rochester, MN
      - **MN AWWA Annual Conference**
        September 16-19, 2025, Duluth, MN
      - **MRES' Municipal Power Leadership Academy**
        September 17-18, 2025, Sioux Falls, SD

16. **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 Heidi Durand will be participating in this meeting via interactive television from the address at 1625 Broadway Avenue S, Rochester, MN 55904, which location is open and accessible to the public during the meeting

Commissioner Paul Baker will be participating in this meeting via interactive television from the address at 3319 14th Street North, Bismarck, ND, 58503, 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.aww.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, June 3, 2025 – 4:30 PM

MEMBERS PRESENT: Paul Baker, Lisa Borgen, Matthew Leiseth, Jason Ness (Interactive Technology—Business), and Joel Paulsen

MEMBERS ABSENT: Heidi Durand

OTHERS PRESENT: General Manager Travis Schmidt; Staff Members Cheryl Glasoe, Taylor Holte, Jake Long, Mark Moilanen, Andrew Nord, and Marc Pritchard; MPS Attorney John Boulger; Assistant City Manager Mike Rietz; JLG Architects' Representatives Rob Remark, Shawn Senescall, and Ty Pritchard

1. CALL TO ORDER.

Chairperson Paulsen called the meeting to order at 4:30 PM. A quorum of the following members was present: Baker, Borgen, Leiseth, Ness, and Paulsen.

2. APPROVE AGENDA.

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

3. APPROVE CONSENT AGENDA.

Commissioner Leiseth made a motion to approve the consent agenda. Commissioner Baker 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.]

*4. APPROVE MINUTES OF MAY 20, 2025.

Commissioner Leiseth made a motion to approve the minutes of May 20, 2025. Commissioner Baker seconded the motion. The motion passed with a 5-0 vote. Voting Yes: Baker, Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

*5. APPROVE BILLS FOR PAYMENT.

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

***6. APPROVE SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR FURNISHING 115KV BREAKERS AT MPS' NORTHEAST SUBSTATION.**

Commissioner Leiseth made a motion to approve the specifications and authorize advertisement for bids for furnishing 115 kV breakers at Moorhead Public Service's Northeast Substation, contingent upon final legal approval. Commissioner Baker 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 FURNISHING ELECTRIC POWER TRANSFORMERS AT MPS' NORTHEAST SUBSTATION.**

Commissioner Leiseth made a motion to approve the specifications and authorize advertisement for bids for furnishing electric power transformers at Moorhead Public Service's Northeast Substation, contingent upon final legal approval. Commissioner Baker seconded the motion. The motion passed with a 5-0 vote. Voting Yes: Baker, Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

8. CUSTOMERS TO BE HEARD/RECOGNITIONS.

There were no customers to be heard.

General Manager Travis Schmidt recognized Moorhead Public Service (MPS) Locator Scott Zajac for reaching his 10-year employment milestone.

9. OLD BUSINESS.

Commissioner Ness mentioned that Moorhead City Council Member Nicole Mattson asked if he would follow up on the customer issues regarding the installation of new water meters for MPS' Advanced Metering Infrastructure (AMI) Project. General Manager Travis Schmidt stated that MPS staff will be meeting with the meter installation contractor to work toward a resolution, as well as schedule a meeting with the Commission's Budget Working Group, if needed.

10. REPORTS.

City Council.
Commissioner Borgen mentioned the City Hall Renovation Project.

Public Service Commission.
No report was made.

General Manager's Report.
General Manager Travis Schmidt provided an introduction to the General Manager's Report, which included the recent legislative newsletter from Missouri River Energy Services. Water Plant Manager Marc Pritchard provided an update on the Clay County Board of Commissioners' meeting that was held on June 3, 2025, regarding updates to the Clay County Land Development Code, as well as MPS' Wellhead Protection Plan. Pritchard responded to questions of the Commission.

11. DISCUSS THE MOORHEAD CITY HALL RENOVATION PROJECT.

General Manager Travis Schmidt provided an introduction to the discussion of the Moorhead City Hall Renovation Project. JLG Architects' representatives Rob Remark and Shawn Senescall provided a PowerPoint presentation on the background and future plans for Moorhead City Hall. Assistant City Manager Mike Reitz added that the number of meeting spaces in the design plan is intended for additional growth, if needed. Remark, Senescall, and Reitz responded to questions of the Commission. Discussion was held.

Chairperson Paulsen recommended that the Commission's Budget Working Group meet to discuss the future impacts that this renovation project will have on MPS' ratepayers, as well as on MPS' capital projects.

12. UPCOMING MEETINGS.

Upcoming meetings of the Moorhead Public Service Commission are scheduled for June 17, 2025, and July 1, 2025 (if needed).

13. ADJOURN.

The meeting adjourned at 5:44 PM.

The minutes herein are approved on this 17th day of June, 2025.

APPROVED BY: ***ATTEST:***

Joel Paulsen ***Lisa Borgen***
Chairperson [i] ***Secretary*** [i]

[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

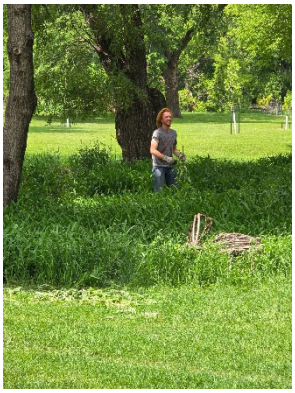
1. **Governmental Accounting Standards Board (GASB) 75 Actuarial Report.**
In October 2024, the Commission approved an agreement with USI Consulting Group, Inc., to utilize Hildi Incorporated, a Division of USI Consulting Group, for services to complete Moorhead Public Service's (MPS') actuarial valuation to comply with the requirement of GASB Statement 75 - Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions (also referred to as Other Post-Employment Benefits, or OPEB).

GASB is a private, non-partisan, non-profit organization that sets accounting and financial standards for state and local government entities in the United States. GASB Statement 75 requires government entities to account for and report the annual cost of OPEB and the outstanding obligations and commitments related to OPEB in the same manner as they do for pensions.

MPS became subject to OPEB reporting in 2008 and engaged Hildi, Inc., to complete the actuarial valuation every three years as required at that time. Beginning in 2018, accounting standards were updated, requiring the OPEB actuarial valuation to be completed biannually. The report has been completed, and the Actuarial Certification and Executive Summary are attached. MPS will use information from this report to update accruals for OPEB on financial statements for 2025 and 2026.

2. **Distribution of 2024 Consumer Confidence Report (aka Drinking Water Report).**
Each year, MPS' Water Division coordinates with the Minnesota Department of Health (MDH) to disseminate drinking water information to customers in the form of a Consumer Confidence Report (CCR). In an effort to conserve resources, the MDH-mandated CCR is now distributed via electronic notification and bill inserts. MPS staff has elected to distribute its report electronically for the past several years. The electronic distribution program is offered by MDH and allows notification that the report is available to be distributed via e-bill or bill insert (attached), as well as posting it on-line instead of the traditional paper distribution of the CCR. The 2024 CCR (attached) is available at https://www.mpsutility.com/index.php/en/drinking-water-reports. The CCR has been emailed to dorm residents and employees of local colleges, as well as nursing homes and other long-term care facilities. Leveraging the Web, instead of traditional paper distribution, saves MPS approximately $6,000 in printing costs each year.

3. **MPS Participated in Public Power Day of Giving on June 6, 2025.**
MPS employees participated in the American Public Power Association's Public Power Day of Giving during the afternoon on June 6, 2025. Employees walked over 31,000 steps for Moorhead Parks and Recreation by picking up litter along the walking trails at Viking Ship Park.



4. **State Legislative Newsletter.**
   As a member of Missouri River Energy Services (MRES) and the Minnesota Municipal Utilities Association, MPS benefits from lobbying efforts that are in MPS' best interest. Attached is the most recent newsletter from MRES.

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

USI CONSULTING GROUP

Moorhead Public Service

GASB 75 Valuation Report

ACTUARIAL VALUATION REPORT

Valuation Date: January 1, 2025
Measurement Date: January 1, 2025 / January 1, 2026
Fiscal Year Beginning: January 1, 2025 / January 1, 2026
Fiscal Year Ending: December 31, 2025 / December 31, 2026

Moorhead Public Service

Actuarial Valuation Report

Other Post-Employment Benefits

Under GASB Statement 75

Valuation Date:	January 1, 2025
Measurement Date:	January 1, 2025 / January 1, 2026
Fiscal Year Beginning:	January 1, 2025 / January 1, 2026
Fiscal Year Ending:	December 31, 2025 / December 31, 2026

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Actuarial Certification

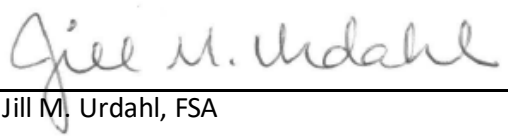
We have prepared an actuarial valuation of the other post employment benefit plans for Moorhead Public Service as of January 1, 2025 to enable the plan sponsor to satisfy the accounting requirements under Statements of Governmental Accounting Standards No. 75. The results of the valuation set forth in this report reflect the provisions of the plan communicated to us through January 1, 2025. This report should not be used for other purposes or relied upon by any other person without prior written consent from Hildi Inc., A Division of USI Consulting Group.

This valuation is based on participant and financial data provided by Moorhead Public Service and is summarized in this report. An audit of the financial and participant data provided was not performed, but we have checked the data for reasonableness as appropriate based on the purpose of the valuation. We have relied on all the information provided, including plan provisions and asset information, as complete and accurate.

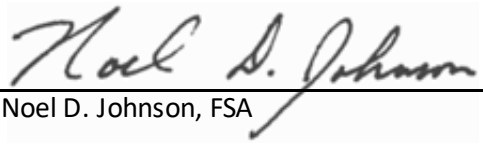
All costs, liabilities and other factors under the plan were determined in accordance with generally accepted actuarial principles and procedures using assumptions that we believe reasonably estimate the anticipated experience of the plan. The calculations reported herein are consistent with our understanding of the provisions of GASB Statement 75.

Actuarial computations under Statements of Governmental Accounting Standards are for the purposes of fulfilling employer accounting requirements and trust accounting requirements. Computations for other purposes may differ significantly from the results shown in this report.

We are available to answer any questions on this material, or to provide explanations or further details, as may be appropriate. The undersigned credentialed actuaries meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained in this report.



Jill M. Urdahl, FSA



Noel D. Johnson, FSA

Hildi Inc., A Division of USI Consulting Group
8000 Norman Center Drive, Suite 400
Bloomington, MN 55437
P 952.934.5554

Report finished in February 2025

Executive Summary

This report has been prepared for Moorhead Public Service, for the fiscal years ending December 31, 2025 and December 31, 2026, to assist in complying with the reporting and disclosure requirements under GASB Statement 75.

Summary of Results

The results below reflect an initial implementation date under GASB 75 for the fiscal year ending December 31, 2018. The discount rate is based on the estimated yield of 20-Year AA-rated municipal bonds. The overall single discount rate is 4.20%.

OPEB benefits have historically been funded on a pay-as-you-go basis (PAYGO). Under GASB 75, plan sponsors may set up a trust and pre-fund the benefits. There is no requirement to pre-fund benefits under GASB 75. However, continuing on a PAYGO basis will create a Total OPEB Liability (TOL) on the balance sheet. Results throughout the report assume continued funding under PAYGO.

GASB Accounting Summary		
1. Liabilities as of 01/01/2025		
a. Total OPEB Liability (TOL)	$	192,581
b. Valuation Salary		5,764,762
c. TOL as % of Payroll, a. / b.		3%
2. Annual Costs for the Year Beginning 01/01/2025		
a. Estimated Pay-as-you-go Cost (PAYGO)	$	2,580
b. OPEB Expense Under GASB 75		(14,289)
3. Discount Rate		4.20%

Valuation Model

The actuarial liabilities shown in this report are determined using software purchased from an outside vendor which was developed for this purpose. Certain information is entered into this model in order to generate the liabilities specific to your benefit plan. These inputs include economic and non-economic assumptions, plan provisions and census information. We rely on the coding within the software to value the liabilities using the actuarial methods and assumptions selected. Both the input to and the output from the model is checked for accuracy and reviewed for reasonableness.

A range of results, different from those presented in this report, could be considered reasonable. The numbers are not rounded, but this is for convenience and should not imply precision. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements; and changes in plan provisions or applicable law. Due to the limited scope of this assignment, we did not perform an analysis of the potential range of such future measurements.

Key Dates

The results presented in this report are based on a January 1, 2025 valuation date. GASB 75 allows the use of a valuation date that is up to 30 months and one day prior to the most recent fiscal year end.

Valuation Date	January 1, 2025	January 1, 2025
Measurement Date	January 1, 2026	January 1, 2025
Reporting Date	December 31, 2026	December 31, 2025

Events & Decisions

Plan Experience:

- There was a liability gain of $15,782 due to updated census data.
- There was a liability gain of $2,749 due to claims and premiums lower than expected.

Plan Changes: None.

Assumption Changes:

- The health care trend rates were changed to better anticipate short term and long term medical increases.
- The retirement, withdrawal, and salary increase rates were updated to reflect the latest experience study.
- The discount rate was changed from 4.00% to 4.20%.
- These changes decreased the liability $37,235.

Method Changes: None.

Other: The employer's December 31, 2024 financial statement was not available when we completed this report. We assumed the financial statement will reflect all amounts shown in our January 1, 2023 Valuation Report, completed during February 2023, for the fiscal years ending December 31, 2023 and December 31, 2024.

Note: The eligibility requirements for the implicit rate subsidy post-employment benefit were updated due to changes in vesting in the Minnesota Public Pension Plans.

Implicit Rate Subsidy

GASB 74 and 75 require that trust and employers recognize the Implicit Rate Subsidy (labeled as Access to Group Insurance in the Plan Provisions section) that exists in most postretirement medical plans provided by governmental employers. The Implicit Rate Subsidy refers to the concept that retirees under the age of 65 (those not Medicare eligible) generate higher claims on average than active participants.

When a medical plan is self-insured through a third party administrator or fully insured, a premium is usually determined by analyzing the claims of the entire population in that plan and adjusting for administrative costs. The resulting premium is called a blended premium because it blends the claims of active and retired participants. Since individuals generally have more and higher claims as they get older, the blended premium paid for retirees is lower than their expected claims. Another way of considering this is that if the retirees were removed from the plan, the premium for the active group would be lower; therefore the retirees' premiums are being subsidized by the active group. The difference between the expected claims for the retiree group and the blended premium is called the Implicit Rate Subsidy.

2024 DRINKING WATER REPORT

For Non-English-Speaking Customers:

This report contains important information about your drinking water. Have someone translate it for you, or speak with someone who understands it.

Información importante. Si no la entiende, haga que alguien se la traduzca ahora.

Daim ntawv teev num no muaj cov ntaub ntawv tseem ceeb hais txog koj cov dej haus. Nrhiav ib tug neeg pab txhais cov ntaub ntawv no rau koj, lossis tham nrog ib tug neeg uas paub cov lus no.

Source Water

Your drinking water comes from both groundwater and surface water sources. Surface water is sourced from the Red River of the North, while groundwater is extracted from seven wells ranging in depth from 114 to 269 feet. These wells draw water from the Buffalo and Moorhead Aquifers.

Moorhead Public Service (MPS) works diligently to provide you with safe and reliable drinking water that meets federal and state water quality requirements. The results of monitoring performed on MPS' drinking water for the period from January 1, 2024, to December 31, 2024, are included in this Consumer Confidence Report (CCR). The purpose of this report is to provide you with information on your drinking water and how to protect our precious water resources.

If you have any questions about Moorhead's drinking water, please contact MPS' Water Plant Manager, Marc Pritchard at mpritchard@mpsutility.com or 218.477.8072. You can also request information on how you can take part in decisions that may affect water quality.

The U.S. Environmental Protection Agency (EPA) sets safe drinking water standards. These standards limit the amounts of specific contaminants allowed in drinking water. This ensures that tap water is safe to drink for the majority of the people. The U.S. Food and Drug Administration also regulates the number of certain contaminants found in bottled water. Bottled water must provide the same public health protection as public tap water.

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. Additional information about contaminants and potential health effects can be obtained by calling EPA's Safe Drinking Water Hotline at 1.800.426.4791.

MPS' Monitoring Results

This report contains MPS' monitoring results from January 1, 2024, to December 31, 2024.

MPS works with the Minnesota Department of Health (MDH) to test drinking water for more than 100 contaminants. It is not unusual to detect contaminants in small amounts. No water supply is ever completely free of contaminants. Drinking water standards protect Minnesotans from substances that may be harmful to their health.

Learn more by visiting the MDH's webpage Basics of Monitoring and testing of Drinking Water in Minnesota (https://www.health.state.mn.us/communities/environment/water/factsheet/sampling.html).

How to Read the Water Quality Data Tables

The tables in this report show the contaminants that MPS found in 2024, or the most recent date samples were collected for that contaminant. The tables also show the levels of those contaminants and the EPA's limits. Substances that MPS tested for, but did not find, are not included in the tables.

MPS collects samples less than once a year for certain contaminants because their levels in water are not expected to change from year to year. If MPS found any of these contaminants the last time samples were collected, the results are included in the tables on the following pages along with the detection date.

MPS and/or MDH may have performed additional monitoring for contaminants that are not included in the Safe Drinking Water Act. To request a copy of these results, please call MDH at 651.201.4700 or 1.800.818.9318 between 8:00 a.m. and 4:30 p.m., Monday through Friday.

Explaining Special Situations for the Highest Result and Average

Some contaminants are monitored regularly throughout the year, and rolling (or moving) annual averages are used to manage compliance. Because of this average, there are times where the Range of Detected Test Results for the calendar year is lower than the Highest Average or Highest Single Test Result, because it occurred in the previous calendar year.

Definitions

AL (Action Level): The concentration of a contaminant that, if exceeded, triggers treatment or other requirements that a water system must follow.

- **EPA:** U.S. Environmental Protection Agency
- **MCL (Maximum contaminant Level)**: The highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs, as feasible, using the best available treatment technology.
- **MCLG (Maximum Contaminant Level Goal)**: The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.
- **MRDL (Maximum Residual Disinfectant Level):** The highest level of a disinfectant allowed in drinking water. There is convincing evidence that the addition of a disinfectant is necessary for the control of microbial contaminants.

- **MRDLG (Maximum Residual Disinfectant Level Goal)**: The level of a drinking water disinfectant below which there is no known, or expected, risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.
- **N/A (Not Applicable):** Does not apply.
- **NTU (Nephelometric Turbidity Units)**: A measure of the cloudiness of the water (turbidity).
- **ppb (Parts per Billion)**: One part per billion in water is like one drop in one billion drops of water, or approximately one drop in a swimming pool. Ppb is the same as micrograms per liter (µg/l).
- **ppm (Parts per Million)**: One part per million is like one drop in one million drops of water, or approximately one cup of water in a swimming pool. Ppm is the same as milligrams per liter (mg/l).
- **PWSID**: Public water system identification.
- **TT (Treatment Technique):** A required process intended to reduce the level of a contaminant in drinking water.

Monitoring Results - Regulated Substances

LEAD AND COPPER – Tested at customer taps.

Contaminant ***(Date, if sampled in previous year)***	**EPA's Ideal Goal** (MCLG)	**EPA's Action Level**	**90% of Results Were Less Than**	**Range of Detected Test Results**	**Number of Homes with High Levels**	**Violation**	**Typical Sources**
Lead (10/14/2022)	0 ppb	90% of homes less than 15 ppb	4.64 ppb	0.0-8.5 ppb	0 out of 30	NO	Corrosion of household plumbing.
Copper (10/14/2022)	0 ppm	90% of homes less than 1.3 ppm	0.06 ppm	0.0-0.07 ppm	0 out of 30	NO	Corrosion of household plumbing.

INORGANIC & ORGANIC CONTAMINANTS – Tested in drinking water.

Contaminant ***(Date, if sampled in previous year)***	**EPA's Ideal Goal** (MCLG)	**EPA's Limit** (MCL)	**Highest Average or Highest Single Test Result**	**Range of Detected Test Results**	**Violation**	**Typical Sources**
Nitrate	10 ppm	10.4 ppm	0.63 ppm	N/A	NO	Runoff from fertilizer use; Leaching from septic tanks, sewage; Erosion of natural deposits.
Arsenic	0 ppb	10.4 ppb	1.6 ppb	N/A	NO	Erosion of natural deposits; Runoff from orchards; Runoff from glass and electronics production wastes.

CONTAMINANTS RELATED TO DISINFECTION – Tested in drinking water.

Substance *(Date, if sampled in previous year)*	**EPA's Ideal Goal** (MCLG or MRDLG)	**EPA's Limit** (MCL or MRDL)	**Highest Average or Highest Single Test Result**	**Range of Detected Test Results**	**Violation**	**Typical Sources**
Total Trihalomethanes (TTHMs)	N/A	80 ppb	1.8 ppb	0.50 – 1.10 ppb	NO	By-product of drinking water disinfection.
Total Haloacetic Acids (HAA)*	N/A	60 ppb	5.1 ppb	2.20 – 4.50 ppb	NO	By-product of drinking water disinfection.
Total Chlorine	4.0 ppm	4.0 ppm	2.26 ppm	1.90 - 2.40 ppm	NO	Water additive used to control microbes.
Bromate	0 ppb	10 ppb	4.2 ppb	0.000 – 5.2 ppb	NO	By-product of drinking water disinfection.

**Total HAA refers to HAA5*

OTHER SUBSTANCES – Tested in drinking water.

Substance *(Date, if sampled in previous year)*	**EPA's Ideal Goal** (MCLG)	**EPA's Limit** (MCL)	**Highest Average or Highest Single Test Result**	**Range of Detected Test Results**	**Violation**	**Typical Sources**
Fluoride	4.0 ppm	4.0 ppm	0.66 ppm	0.63 - 0.69 ppm	NO	Erosion of natural deposits; Water additive to promote strong teeth.

Potential Health Effects and Corrective Actions (if applicable)

Fluoride: Fluoride is nature's cavity fighter, with small amounts present naturally in many drinking water sources. There is an overwhelming weight of credible, peer reviewed scientific evidence that fluoridation reduces tooth decay and cavities in both children and adults, even when other sources of fluoride, like toothpaste and mouth rinses are available. Since studies show that optimal fluoride levels in drinking water benefit public health, municipal community water systems adjust the level of fluoride in the water to an optimal concentration between 0.5 and 0.9 parts per million (ppm) to protect your teeth. Fluoride levels below 2.0 ppm are not expected to increase the risk of a cosmetic condition known as enamel fluorosis.

TREATMENT INDICATOR – Tested during treatment.

Substance	Removal Required	Lowest Monthly Percent of Results in Compliance	Highest Test Result	Violation	Typical Sources
Turbidity	Treatment Technique	100%	0.170 NTU	NO	Soil runoff.

DISINFECTION BYPRODUCT INDICATOR – Tested in source water and in drinking water.

Substance	Removal Required	Range of Percent Removal Achieved	Average of Percent Removal Achieved	Violation	Typical Sources
Total Organic Carbon	Variable	46 - 62	54	NO	N/A

The percentage of Total Organic Carbon (TOC) removal was measured each month. The system met all TOC removal requirements, unless there is a "YES" in the Violation column.

Monitoring Results – Unregulated Substances/Emerging Contaminants

In addition to testing drinking water for contaminants regulated under the Safe Drinking Water Act, we sometimes also monitor for unregulated contaminants—those that currently have no legal limits in drinking water. However, health agencies such as MDH, EPA, and others may have developed comparison values for some of these compounds. These comparison values are based solely on potential health impacts and do not consider our ability to measure contaminants at very low concentrations or the cost and technology required for prevention or treatment. These values may be set at levels that are costly, challenging, or impractical for a water system to meet (for e.g., large-scale treatment technology may not exist for a given contaminant). Sample data and comparison values are shown in the table on page 7; It is important to note that these comparison values are not enforceable.

Detection alone of a regulated or unregulated contaminant should not be cause for concern. The meaning of a detection should be determined by considering current health effects information. We are often still learning about the health effects, so this information can evolve over time as scientific understanding improves.

A person drinking water with a contaminant at, or below, the comparison value would be at little to no risk for harmful health effects. If the level of a contaminant is above the comparison value, people of a certain age or with special health conditions, e.g., a fetus, infants, children, elderly, and people with impaired immunity—may need to take extra precautions. We are notifying you of the unregulated contaminants we have detected as a public education opportunity.

Unregulated contaminant monitoring helps EPA to determine where certain contaminants occur and whether the EPA should consider regulating those contaminants in the future.

- More information is available on MDH's A-Z List of Contaminants in Water https://www.health.state.mn.us/communities/environment/water/contaminants/index.html
- Fourth Unregulated Contaminant Monitoring Rule (UCMR 4) (https://www.health.state.mn.us/communities/environment/water/com/ucmr4.html).
- Fifth Unregulated Contaminant Monitoring Rule (https://www.epa.gov/dwucmr/fifth-unregulated-contaminant-monitoring-rule).
- EPA has developed a UCMR5 Program Overview Factsheet (https://www.epa.gov/system/files/documents/2022-02/ucmr5-factsheet.pdf) describing UCMR 5 contaminants and standards.

In the past year, your drinking water may have tested for additional unregulated contaminants as part of the Fifth Unregulated Contaminant Monitoring Rule (https://www.epa.gov/dwucmr/fifth-unregulated-contaminant-monitoring-rule) and the results are still being processed. The Unregulated Contaminant Monitoring Rule 5 (UCMR 5) data finder allows people to easily search for, summarize, and download the available UCMR 5 analytical results (https://www.epa.gov/dwucmr/fifth-unregulated-contaminant-monitoring-rule-data-finder). EPA has developed a UCMR5 Program Overview Factsheet (https://www.epa.gov/system/files/documents/2022-02/ucmr5-factsheet.pdf) describing UCMR 5 contaminants and standards.

UNREGULATED CONTAMINANTS – Tested in drinking water.

Contaminant	Comparison Value	Highest Average Result or Highest Single Test Result	Range of Detected Test Results
Sodium* (2023)	20 ppm	95 ppm	N/A
Sulfate (2023)	500 ppm	231 ppm	N/A
lithium	10 ppb	86 ppb	63.20 – 99.60 ppb
Perfluorobutanoic acid (PFBA)	7000 ppt	4.83 ppt	0.00 – 7.59 ppt
Perfluoroheptanoic acid (PFHpA) (2022)	N/A	0.55 ppt	0.53 – 0.56 ppt
Perfluorohexanoic acid (PFHxA) (2022)	200 ppt	1.03 ppt	0.95 – 1.10 ppt
Perfluoropentanoic acid (PFPeA) (2022)	N/A	0.8 ppt	0.78 – 0.81 ppt
Perfluorooctanoic acid (PFOA) (2022)	0.0079 ppt	0.39 ppt	0.3800 – 0.3900 ppt

**Note that home water softening can increase the level of sodium in your water.*

In early 2024, MDH released new comparison values for two PFAS compounds, PFOA, and PFOS. MDH is still evaluating how to apply these comparison values to drinking water systems. Additionally, EPA released final MCLs for PFOA at 4.0 ppt, PFOS at 4.0 ppt, PFHxS at 10 ppt, HFPO-DA (Gen X) at 10 ppt, PFNA at 10 ppt, and a calculated Hazard Index at 1 (unitless) that will become enforceable on April 26, 2029. Additional information on PFAS system results is available at: https://www.health.state.mn.us/communities/environment/water/pfasmap.html.

Some People are more Vulnerable to Contaminants in Drinking Water

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons, such as people with cancer undergoing chemotherapy, people who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk for infections. The developing fetus and, therefore, pregnant women may also be more vulnerable to contaminants in drinking water. These people, or their caregivers, should seek advice about drinking water from their healthcare providers. EPA/Centers for Disease Control (CDC) guidelines on appropriate means to lessen the risk of infection by *Cryptosporidium* and other microbial contaminants can be obtained by calling the Safe Drinking Water Hotline at 1.800.426.4791.

Learn More about Your Drinking Water

Drinking Water Sources

Minnesota's primary drinking water sources are groundwater and surface water. Groundwater is the water found in aquifers beneath the surface of the land. Groundwater supplies 75 percent of Minnesota's drinking water. Surface water is the water in lakes, rivers, and streams above the surface of the land. Surface water supplies 25 percent of Minnesota's drinking water.

Contaminants can infiltrate drinking water sources from the natural environment and from people's daily activities. Listed below are five main types of contaminants in drinking water sources:

- **Microbial contaminants,** such as viruses, bacteria, and parasites. Sources include sewage treatment plants, septic systems, agricultural livestock operations, pets, and wildlife.
- **Inorganic contaminants** include salts and metals from natural sources (e.g., rock and soil), oil and gas production, mining and farming operations, urban stormwater runoff, and wastewater discharges.
- **Pesticides and herbicides** are chemicals used to reduce or kill unwanted plants and pests. Sources include agriculture, urban stormwater runoff, and commercial and residential properties.
- **Organic chemical contaminants** include synthetic and volatile organic compounds. Sources include industrial processes and petroleum production, gas stations, urban stormwater runoff, and septic systems.
- **Radioactive contaminants**, such as radium, thorium, and uranium isotopes, come from natural sources (e.g., radon gas from soils and rock), mining operations, and oil and gas production.

The MDH provides information about your drinking water source(s) in a source water assessment, including:

- How MPS is protecting your drinking water source(s);
- Nearby threats to your drinking water sources;
- How easily water and pollution can move from the surface of the land into drinking water sources based on natural geology and the way wells are constructed.

Find your source water assessment at Source Water Assessments (https://www.health.state.mn.us/communities/environment/water/swp/swa) or call 651.201.4700 or 1.800.818.9318 between 8:00 a.m. and 4:30 p.m., Monday through Friday.

Lead in Drinking Water

Lead can cause serious health problems, babies, children under six years, and pregnant women are at the highest risk. You may be in contact with lead through paint, water, dust, soil, food, hobbies, or your job. There is no safe level of lead.

Lead in drinking water is primarily from materials and components associated with service lines and home plumbing. MPS' water system is responsible for providing high-quality drinking water and removing lead pipes from service lines, but cannot control the variety of materials used in plumbing components in your home. You can take responsibility by identifying and removing lead materials within your home plumbing and taking steps to reduce your family's risk.

Below is information on how you can protect yourself from lead in drinking water.

1. **Let your water run** for several minutes before drinking or cooking with tap water to flush your pipes. If you have a lead service line, you may need to run the water longer. A service line is the underground pipe that brings water from the main water pipe below the street to your home.
   - Activities, such as taking a shower, doing laundry, or washing dishes help keep water moving in your home system, but are not a replacement for running the tap before you drink, especially if it has not been used for a long period of time.
   - The only way to know if lead has been reduced from your water is to let it run and check it with a test. If letting the water run does not reduce lead, consider other options to reduce your exposure.
2. **Know your service line materials by** contacting your public water system, or you can search for your address online at Minnesota Lead Inventory Tracking Tool (https://maps.umn.edu/LSL/).

   You can find out if you have a lead service line by contacting your public water system, or you can check by following the steps at: https://www.mprnews.org/story/2016/06/24/npr-find-lead-pipes-in-your-home.

   Protect Your Tap: A quick check for lead https://www.epa.gov/ground-water-and-drinking-water/protect-your-tap-quick-check-lead-0(is EPA's step-by-step guide to learn how to find lead pipes in your home.

3. **Use cold water** for drinking, making food, and making baby formula. Hot water releases more lead from pipes than cold water does.
4. **Test your Water.** In most cases, letting the water run and using cold water for drinking and cooking should keep lead levels low in your drinking water. If you are still concerned about lead, make arrangements with a laboratory to test your tap water. Testing your water is important if young children or pregnant women drink your tap water.
   - Contact an MDH accredited laboratory to purchase a sample container and instructions on how to submit a sample:
     Environmental Laboratory Accreditation Program
     (https://eldo.web.health.state.mn.us/public/accreditedlabs/labsearch.seam)
     The MDH can help you understand your test results.
5. **Treat your water** if a test shows your water has high levels of lead after you let the water run. You can use a filter certified with ANSI/NSF Standards 53 and 42 for lead reduction.
   - Read about water treatment units:
     Point-of-Use Water Treatment Units for Lead Reduction
     (https://www.health.state.mn.us/communities/environment/water/factsheet/poulead.html)

Information on lead in drinking water, testing methods, and other steps you can take to minimize exposure is available at:

- Visit EPA Basic Information about Lead in Drinking Water (http://www.epa.gov/safewater/lead)
- Visit the MDH Lead in Drinking Water (https://www.health.state.mn.us/communities/environment/water/contaminants/lead.html)
- To learn about how to reduce your contact with lead from sources other than your drinking water, visit Lead Poisoning Prevention: Common Sources (https://www.health.state.mn.us/communities/environment/lead/fs/common.html)

6. **Be Aware**. Head start programs, child care centers, public and charter schools all are subject to requirements to test for lead in drinking water. These organizations can learn more about requirements and resources for testing and remediation at MDH Drinking Water in Schools and Child Cares (https://www.health.state.mn.us/communities/environment/water/schools/index.html)

Learn more:

- Visit https://www.health.state.mn.us/communities/environment/water/contaminants/lead.html

  Call EPA's Safe Drinking Water Hotline at 1-800-426-4791.To learn about how to reduce your contact with lead from sources other than your drinking water, visit https://www.health.state.mn.us/communities/environment/lead/fs/common.html.

Lead Service Line Material Inventory

Moorhead Public Service (MPS) completed and submitted its lead service line materials inventory to the Minnesota Department of Health. The lead service line inventory is available to the public and you can check the materials for your service line by visiting the Lead Inventory Tracking Tool (LITT) (https://maps.umn.edu/LSL/). You may also contact MPS at LSLProject@mpsutility.com with any questions regarding the lead service line inventory. As of May 6, 2025, MPS' inventory contains 215 lead services, 2 galvanized services (requiring replacement), 1663 unknown material, and 14024 non-lead service lines.

Help Protect Our Most Precious Resource – Water

The Value of Water

Drinking water is a precious resource, yet we often take it for granted.

Throughout history, civilizations have risen and fallen based on access to a plentiful, safe water supply. That is still the case today. Water is key to healthy people and healthy communities.

Water is also vital to our economy. We need water for manufacturing, agriculture, energy production, and more. One-fifth of the U.S. economy would come to a stop without a reliable and clean source of water.

Systems are in place to provide you with safe drinking water. The State of Minnesota and local water systems work to protect drinking water sources. For example, MPS might seal an unused well to prevent contamination to the groundwater. MPS treats water to remove harmful contaminants and performs extensive testing to ensure the safety of its drinking water.

If MPS detects a problem, we take corrective action and notify the public. Water from a public water system, like MPS, is tested more thoroughly and regulated more closely than water from any other source, including bottled water.

Conservation

Conservation is essential, even in the Land of 10,000 Lakes. For example, our area is vulnerable to both floods and drought.

We must use our water wisely. Below are some tips to help you and your family conserve—and save money in the process

- Follow MPS' recommended voluntary watering restrictions during the summer months.
- Fix running toilets—they can waste hundreds of gallons of water.
- Turn off the tap while shaving or brushing your teeth.
- Shower instead of bathing. On average, bathing uses more water than showering.
- Only run full loads of laundry, and set the washing machine to the correct water level.
- Only run the dishwasher when it is full.
- Use water-efficient appliances (look for the WaterSense label).
- Use water-friendly landscaping, such as native plants.

Learn more:

- Minnesota Pollution Control Agency's Conserving Water webpage https://www.pca.state.mn.us/air-water-land-climate/water-quality
- U.S. Environmental Protection Agency's WaterSense webpage (https://www.epa.gov/watersense)

Moorhead Public Service
P.O. Box 779
Moorhead, MN 56561-0779
Tel. (218) 477-8000, Option 4
www.mpsutility.com

MRES Legislative Line

Iowa

Visit the Iowa page on the Missouri River Energy Services (MRES) website to track bills in Iowa that are of interest to MRES members and access the 2025-26 Iowa Legislative Guide.

Iowa Fast Facts:

- The Iowa Legislature adjourned *sine die* on May 15.
- Eminent domain legislation (HF 639) passed the legislature and is waiting for the governor to sign or veto.

Minnesota

Visit the Minnesota page to track bills of interest to MRES members in Minnesota. The MRES Minnesota Legislative Guide for 2025-2026 is now available for printing.

Please note: The MRES website has bill tracking for the Special Session set up. As soon as they go into Special Session and bills start to appear, they will go on the Special Session portions of the Minnesota page.

Minnesota Fast Facts:

Special Session is set for Monday, June 9.

Session Update

On Friday, June 6, it was announced that the legislature would go into a one-day (hopefully) special session on Monday, June 9. This comes after three weeks of mostly behind-closed-doors meetings and leadership taking over some bills or portions of bills from working groups.

Please note that once the special session begins, all bills are subject to amendment attempts, even if there is a working group and leadership agreement.

Tax and Data Centers

The Tax Working Group was the only legislative working group meeting publicly. Things were progressing, although somewhat slowly, until May 28. Senate Tax Chair Ann Rest (DFL-New Hope) and House Tax DFL Co-Chair Aisha Gomez (Minneapolis) clashed over language at that public meeting. At the time, Sen. Rest held the gavel and gaveled out for a recess. They have not met publicly since.

Over the June 1 weekend, language from a "skinny" tax bill put together by leadership was posted. It was quickly reported in the media that Sen. Rest was opposed to the proposed language. For energy purposes, the bill contained language terminating the tax exemption for electricity consumed by data centers.

As of June 6, word is that there was an agreement, but no one was sure how data centers would be treated. However, it was broadly agreed that the language to gut the off-ramps of the Renewable Energy/Clean Energy Standards was off the table.

Omnibus Energy

The Energy Working Group's bill was posted late on June 2. It did not include much policy. Articles 1 and 2 of the bill contained funding for state agencies and state projects such as weatherization.

Article 3 contained the energy policy. There is not a lot there: some IOU cost recovery language, updating the definition of "low income" for eligibility in IOU programs, including the tribes as eligible for specific grant programs, and continued funding for state grants, as well as extending state grants up to five years. Article 4 of the bill contains securitization language for IOU natural gas utilities.

This "deal" may not be entirely final, and energy items could still shift upon further negotiations or trades.

Omnibus Environment and Natural Resources
The Environment and Natural Resources Working Group made their agreed-upon language available on May 28. While it contains some permit reform language, it does not include the air dispersion modeling language pushed repeatedly by the Minnesota Pollution Control Agency.

The permit reform language appears in Article 6 of the bill. It includes: mandatory reports to the legislature by state agencies on how long it is taking for permits to be processed, allowing applicants to request expedited permitting provided they pay for the needed agency staff time and other costs/fees, and indicating that a scoping environmental assessment worksheet is not required if the project requires a mandatory environmental impact statement.

Omnibus Commerce
The Commerce Working Group language was made available on May 27. It included MMUA's language to allow electric vehicle (EV) charging stations to sell power, so long as all of the power is purchased from the incumbent utility. It also requires a $100 per-unit inspection fee for EV charging station meters.

North Dakota

Visit the North Dakota page on the Missouri River Energy Services (MRES) website to access the 2025-26 North Dakota Legislative Guide.

North Dakota Fast Facts:
The N.D. Legislature adjourned *sine die* May 3.

South Dakota

Visit the South Dakota page on the Missouri River Energy Services (MRES) website to see bills of interest to MRES members in South Dakota and access the 2025-26 South Dakota Legislative Guide.

South Dakota Fast Facts:
The S.D. legislature adjourned *sine die* on March 31.

Accept 2024 Annual Reliability Performance Report

RECOMMENDATION:

The General Manager respectfully requests the Commission accept Moorhead Public Service's 2024 Annual Reliability Performance Report.

BACKGROUND:

This annual report began in 2004 and is a requirement of the Minnesota Legislature, which mandates that municipal electric utilities track and prepare reports for their local governing boards. In Moorhead Public Service's (MPS') case, the Commission receives the attached Annual Reliability Performance Report. The investor-owned utilities (IOUs) and the few regulated rural cooperatives are required to submit their reports to the Minnesota Department of Commerce for review and acceptance by the Minnesota Public Utilities Commission (MPUC).

The MPUC sets the numerical values of three reliability indices for the IOUs. The Commission has set our values locally. The indices are Customer Average Interruption Duration Index (CAIDI), System Average Interruption Frequency Index (SAIFI), and System Average Interruption Duration Index (SAIDI), which are explained further in the attached report. The indices set by the MPUC vary widely between utilities because of the various methods used to calculate the indices.

As shown in the table below, MPS met all three of the reliability indices set by the Commission for 2024. The MPS Commission has established a system reliability standard of between 4 and 5 "9s" of reliability (meaning between 99.99 percent and 99.999 percent "power on" in a year). For 2024, MPS' overall system reliability was 99.9983 percent.

INDICES	2024 PERFORMANCE	2024 PERFORMANCE (NO MAJOR EVENTS)	MPS STANDARDS
SAIDI	9 minutes	9 minutes	60 minutes or less
CAIDI	27 minutes	27 minutes	60 minutes or less
SAIFI	0.34 outages per year	0.34 outages per year	1.0 outages a year or less

KEY ISSUES:

- MPS' electric system met all of the reliability indices standards for 2024.

FINANCIAL CONSIDERATIONS: None.

Respectfully submitted,

Travis L. Schmidt
General Manager

Division/Response Person: Taylor Holte, Project Engineer.

Attachments:
2024 Annual Reliability Performance Report

2024

ANNUAL RELIABILITY PERFORMANCE REPORT

Prepared by Taylor Holte, Project Engineer

Approved by Travis L. Schmidt, General Manager

I hereby certify that this plan, specification, or report was prepared by me or under my direct supervision and that I am a duly Registered Professional Engineer under the laws of the State of Minnesota.

Date June 17, 2024 Registration No. 51705

Executive Summary

Moorhead Public Service's (MPS') electric system met all three of the reliability standard indices for 2024 under all operating conditions. Our reliability indices are compared to our standards in Table 1 below. Based on the outages in 2024, a typical customer was without power for an average of 27 minutes during the year—an improvement from 54 minutes in 2024. These indices can also be adjusted to eliminate Major Events. This adjustment involves removing outages that are typically sustained outages that were caused by abnormal and extreme weather events. The resulting adjusted indices can provide a better representation of a typical outage. Since MPS didn't have an outage that qualified as a major outage in 2024, MPS' CAIDI adjusted for major events was also 27 minutes for 2024.

Table 1 - 2024 Electric System Reliability Indices

INDICES	2024 PERFORMANCE	2024 PERFORMANCE (NO MAJOR EVENTS)	MPS STANDARDS
SAIDI	9 minutes	9 minutes	60 minutes or less
CAIDI	27 minutes	27 minutes	60 minutes or less
SAIFI	0.34 outages per year	0.34 outages per year	1.0 outages a year or less

The most significant event occurred on July 1, when a wire clamp burned up and a piece of protective equipment failed to operate causing a feeder breaker to operate. This caused 1,558 customers to lose power for 14 minutes, while another 110 customers lost power for 85 minutes. This outage caused 31,162 customer-minutes without power.

The reliability indices of the last five years are shown in Table 2. When comparing the average indices over that past five years, 2023 was an exceptionally good year for reliability performance. That means that MPS has had two extraordinarily good years in a row. This can be attributed to good fortunes in addition to strategies that MPS has taken over several years to build out the electric distribution system so that it is robust and reliable. MPS continues to work towards making this the new normal.

*Table **2** - 2024 Electric System Reliability Average Over the Past Five Years*

System Totals	Total Outages	SAIFI	SAIDI	CAIDI	ASAI
2020	102	0.96	37	38	99.9938
2021	90	3.28	200	61	99.9620
2022	63	0.39	18	48	99.9964
2023	64	0.47	25	54	99.9956
2024	48	0.34	9	27	99.9983
5 Year Average	73	1.09	57.8	27	99.9892

Wildlife continues to be the number one cause of outages, as shown in Chart 1. There was a total of 24 outages caused by wildlife in 2024. MPS continues to take actions to try to reduce the number of wildlife caused outages by protecting overhead lines and transformers from birds and squirrels. MPS also is completing annual tree trimming, and overhead to underground conversion projects to minimize wildlife outages.

Chart 1 - 2024 Total Outages by Cause

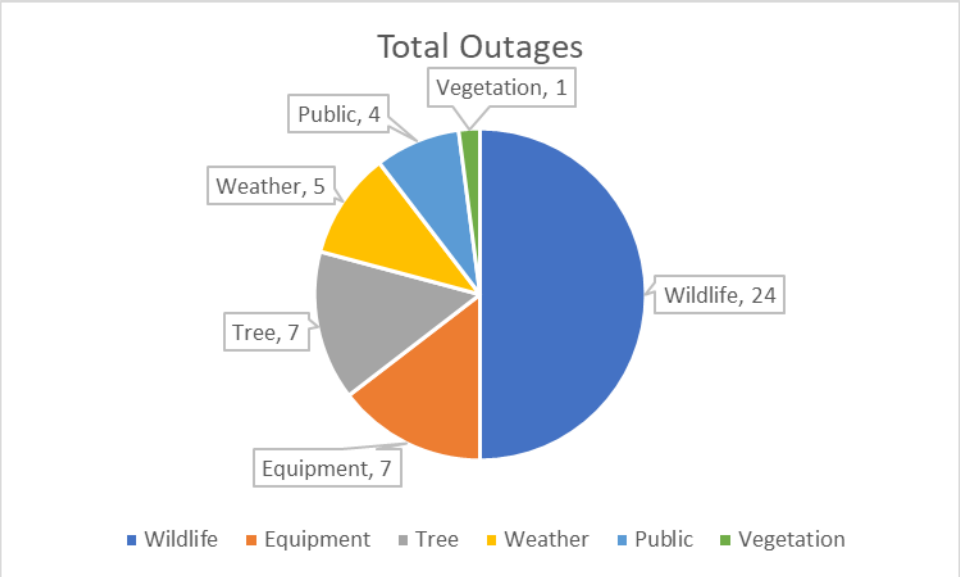


Table 3 shows the top 5 circuits ranked by outage count. Feeder 36 out of the Centennial Substation recorded the most outages with 11, followed by Feeder 18, out of the Southeast Substation with a total of 8 outages. Feeder 36 has consistently had the greatest number of outages for several years due to most of the area being overhead.

Table 3 - 2024 Electric System – Feeders with the Most Interruptions

CIRCUIT NUMBER	SUBSTATION	NUMBER OF INTERRUPTIONS
Feeder 36	Centennial Substation	11
Feeder 18	Southeast Substation	8
Feeder 27	Northeast Substation	4
Feeder 38	Centennial Substation	4
Feeder 1	Brookdale Substation	4

While much of the focus may be on reducing the number of outages in overhead areas, cable replacements should not be overlooked. Cable replacement projects remain a high priority maintenance strategy. This strategy is designed to ensure that the cable replacement work and its

associated capital costs are spread out over the long term rather than being forced to perform and pay for many cable replacement projects over a short period of time.

Overall, 2024 was an extremely reliable year. MPS' reliability was well better than average. The weather cooperated, there were below average wildlife outages, and the electric systems was able to avoid major outages for the entire year. MPS staff will continue to work diligently to build out and maintain the electric system in a manner that is reliable, robust, and financially responsible.

Moorhead Public Service

2024 ANNUAL BENCHMARKING REPORT

eRELIABILITY TRACKER

American Public Power Association

DEED RESEARCH & DEVELOPMENT

AMERICAN PUBLIC POWER ASSOCIATION

Powering Strong Communities

I. About This Report

This report focuses on distribution system reliability across the country and is customized to each utility that participates in the American Public Power Association's eReliability Tracker service. APPA created the eReliability Tracker Annual Report to assist utilities in their efforts to understand and analyze their electric system. In 2012, APPA developed the eReliability Tracker thanks to a grant from the Demonstration of Energy & Efficiency Developments (DEED) program.

This report reflects data in the eReliability Tracker from January 1, 2024 to December 31, 2024. This analysis might not properly reflect your utility's statistics if you do not have a full year of data in the system. The report includes data recorded as of February 25, 2025.

Reliability reflects both historic and ongoing engineering investment decisions within a utility. Proper use of reliability metrics ensures that a utility is performing its intended function and is providing service in a consistent and effective manner.

While the primary use of reliability statistics is for self-evaluation, you can use these statistics to compare your utility with similar utilities. However, differences such as electrical network configuration, ambient environment, weather conditions, and number of customers served typically limit most utility-to-utility comparisons. Due to the diverse range of utilities that use the eReliability Tracker, this report endeavors to improve comparative analyses by grouping utilities by size and region.

Since this report contains data for all utilities that use the eReliability Tracker, it is important to consider how a particularly large or small utility can affect comparative benchmarks. To ease the issues associated with comparability, each utility's reliability statistics are weighted based on customer count when aggregated. This means that all utilities are equally weighted, and all individual statistics are developed on a per customer basis.

The aggregate statistics in this report are calculated from the 350 utilities with verified 2024 outage data. Utilities that experienced no outages in 2024, or did not upload any data, will have NULL, None, or "0" values in their report for utility-specific data and were not included in the aggregate analysis. Also note that log-normal data with a z-score[1] greater than 3.25 may be excluded if it significantly distorts the aggregate statistics.

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[1]: A z-score indicates how much a data point differs from the mean. For instance, a z-score of 3.25 indicates that the data point is three and one-quarter standard deviations from the mean. A z-score of 0 indicates that the data point is identical to the mean.

Utility Classifications

This report separates utilities into groups according to geographic region and the number of customers served. Table 1 shows the range of customer counts for utilities that use the eReliability Tracker by five distinct groups of approximately 107 utilities per group.

Your utility is in size class 5 and region 3.

Table 1. Customer count range per size class

	Customer Count Range
Class 1	>0
Class 2	>1,527
Class 3	>3,582
Class 4	>7,526
Class 5	>14,528

Each utility is also grouped with all other participating utilities within their region. Figure 1 shows the number of utilities using the eReliability Tracker in each region and Figure 2 shows the states and territories included in each region.

Figure 1. Number of utilities subscribed to the eReliability Tracker by region

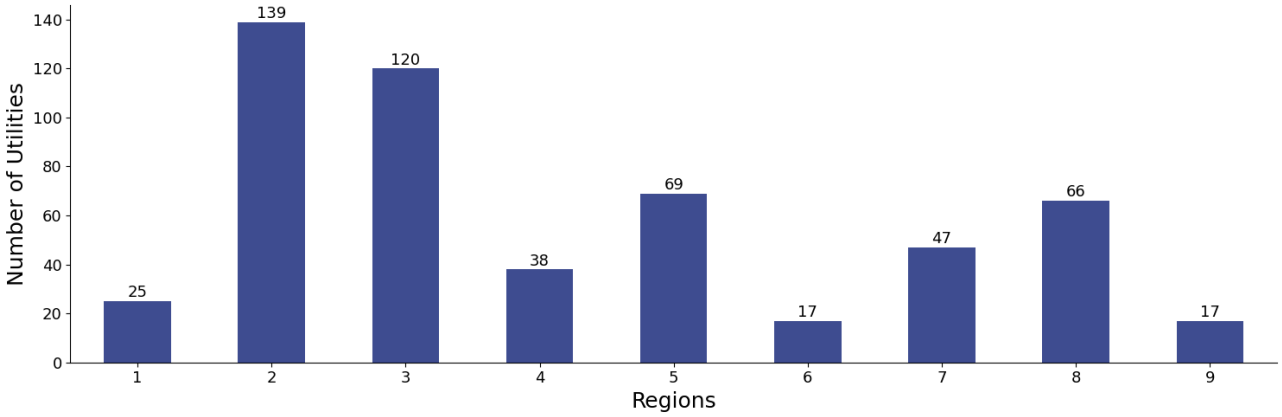
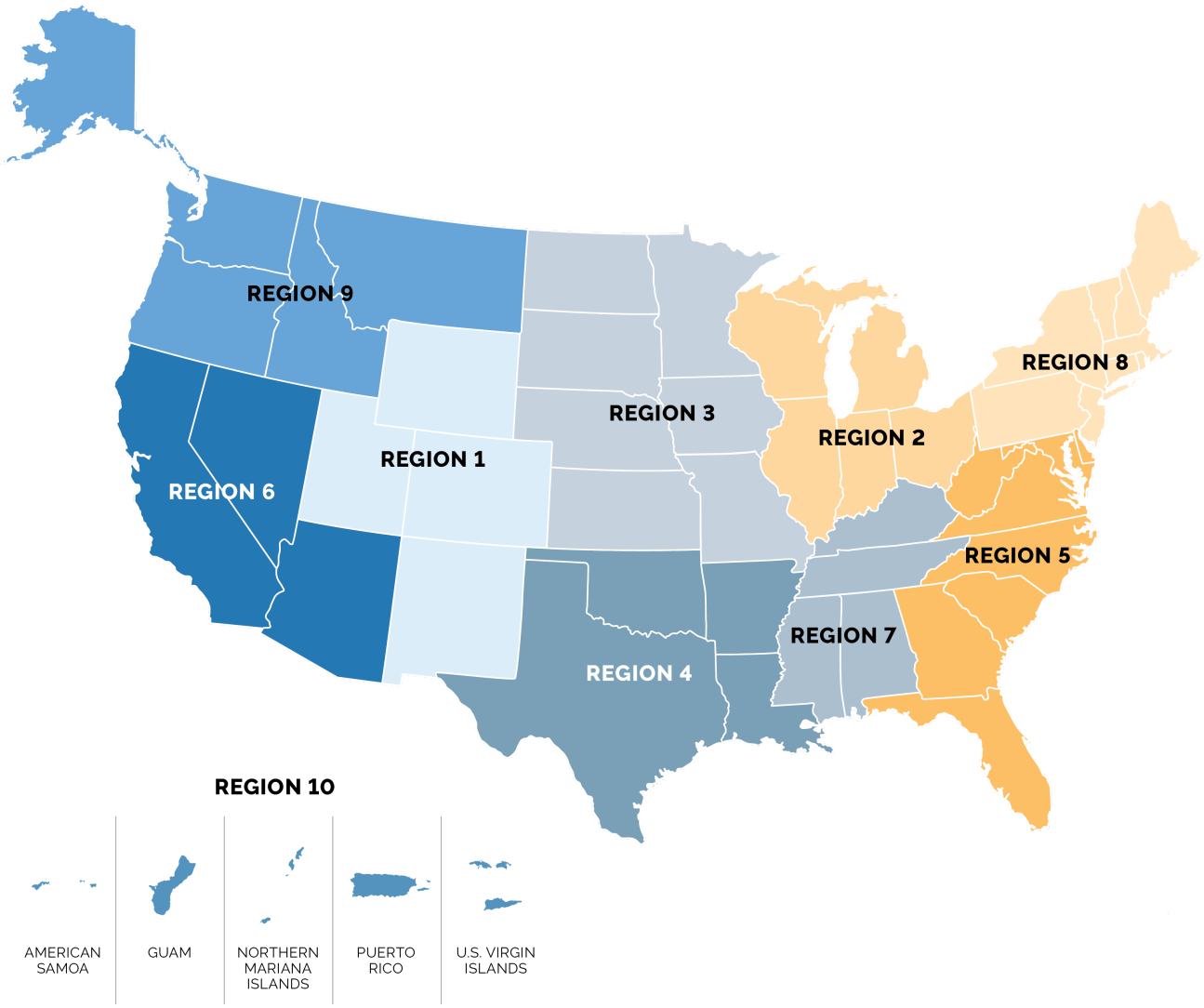


Figure 2. Regions



II. IEEE Statistics

When it comes to reliability, the industry standard metrics are defined in the Institute for Electrical and Electronics Engineers' Guide for Electric Power Distribution Reliability Indices, or IEEE 1366 guidelines. For each utility, the eReliability Tracker performs IEEE 1366 calculations for System Average Interruption Duration Index (SAIDI), System Average Interruption Frequency Index (SAIFI), Customer Average Interruption Duration Index (CAIDI), Momentary Average Interruption Frequency Index (MAIFI), and Average Service Availability Index (ASAI).

It is important to note how major events (MEs) are calculated and used in this report. An example of an ME includes severe weather, such as a tornado or hurricane, that leads to unusually long outages in comparison to your distribution system's typical outage. This report uses the **APPA ME threshold**, which is based directly on the SAIDI for specific outage events, rather than a daily SAIDI. The APPA ME threshold allows a utility to remove outages that exceed the IEEE 2.5 beta threshold for outage events, which considers up to 10 years of the utility's outage history. In the eReliability Tracker, if a utility does not have at least 36 outage events prior to the year being analyzed, then no threshold is calculated. If this is the case for your utility, then you will have a NULL value in the following field and the calculations without MEs in the SAIDI, SAIFI, CAIDI, and ASAI sections of this report will be the same as the calculations with MEs for your utility. More outage history will provide a better threshold for your utility.

Your utility's APPA major event threshold is 8.1 minutes.

For each of the reliability indices, this report displays your utility's metrics alongside the mean values for all utilities using the eReliability Tracker and within the same class and region as your utility. The first table within each of the following subsections allows you to better understand the performance of your electric system relative to other utilities nationwide and to those within your same region or size class. The second table breaks down the national data into quartile ranges, a minimum value, and a maximum value.

All indices, except MAIFI, are calculated for outages with and without MEs. Furthermore, the tables show indices for scheduled and unscheduled outages. Note that scheduled and unscheduled calculations include MEs. Also note that wherever MEs are excluded, the exclusion is based on the APPA ME threshold for your system.

II.1. System Average Interruption Duration Index

SAIDI is the average duration (in minutes) of an interruption per customer served by the utility during a specific time frame.

Since SAIDI is a sustained interruption index, only outages lasting longer than five minutes are included in the calculations. SAIDI is calculated by dividing the sum of all customer minutes of interruption[2] within the specified time frame by the average number of customers served during that period. For example, a utility with 100 customer minutes of interruption and 100 customers would have a SAIDI of 1.

Note that in the tables below, scheduled and unscheduled calculations include MEs. Also note that wherever MEs are excluded, the exclusion is based on the APPA ME threshold for your system.

Table 2. Average SAIDI with and without MEs
In minutes

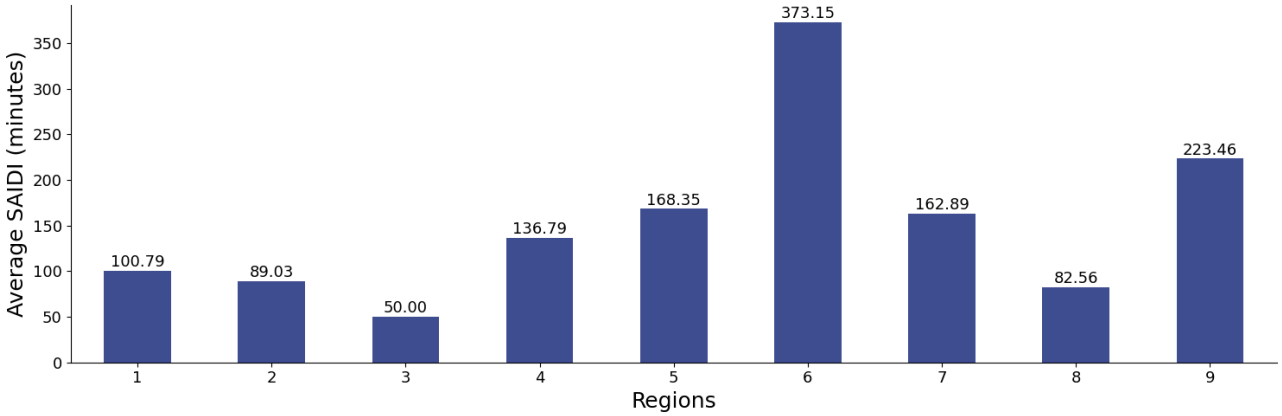
	All	No MEs	Unscheduled	Scheduled
Your utility	9.18	9.18	9.18	NULL
Utilities that use the eReliability Tracker	120.3	54.49	113.49	13.19
Utilities in your region	50.0	32.24	48.83	3.0
Utilities in your size class	152.04	63.29	147.32	7.73

Table 3. Summary SAIDI data from the eReliability Tracker
In minutes

	All	No MEs	Unscheduled	Scheduled
Minimum	0.08	0.08	0.08	<0.01
First Quartile	19.39	11.07	18.77	0.19
Median	44.37	26.79	40.95	1.24
Third Quartile	131.4	55.66	127.24	5.03
Maximum	1,639.92	776.98	1,634.25	629.54

[2]: Customer minutes of interruption is calculated by multiplying total customers interrupted and total minutes of interruption.

Figure 3. Average SAIDI by region



II.2. System Average Interruption Frequency Index

SAIFI is the average instances a customer on the utility system will experience a sustained interruption during a specific time frame.

Since SAIFI is a sustained interruption index, only outages lasting longer than five minutes are included in the calculations. SAIFI is calculated by dividing the total number of customers that experienced sustained interruptions by the average number of customers served during that period. For example, a utility with 150 customer interruptions and 200 customers would have a SAIFI of 0.75.

Note that in the tables below, scheduled and unscheduled calculations include MEs. Also note that wherever MEs are excluded, the exclusion is based on the APPA ME threshold for your system.

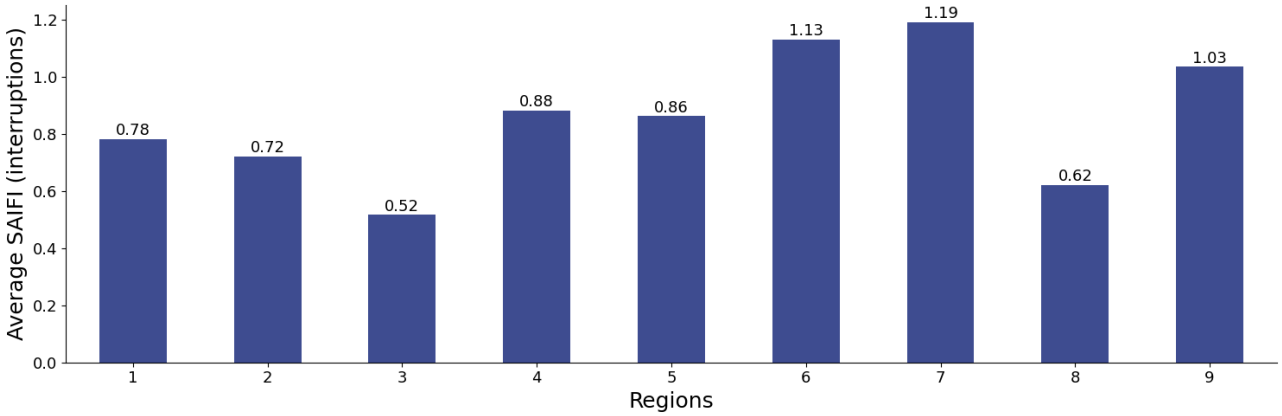
Table 4. Average SAIFI with and without MEs
In interruptions

	All	No MEs	Unscheduled	Scheduled
Your utility	0.34	0.34	0.34	NULL
Utilities that use the eReliability Tracker	0.78	0.54	0.75	0.06
Utilities in your region	0.52	0.4	0.51	0.03
Utilities in your size class	1.02	0.66	0.99	0.05

Table 5. Summary SAIFI data from the eReliability Tracker
In interruptions

	All	No MEs	Unscheduled	Scheduled
Minimum	<0.01	<0.01	<0.01	<0.01
First Quartile	0.21	0.14	0.19	<0.01
Median	0.54	0.36	0.53	0.01
Third Quartile	1.16	0.77	1.1	0.04
Maximum	3.63	2.43	3.63	2.32

Figure 4. Average SAIFI by region



II.3. Customer Average Interruption Duration Index

CAIDI is the average duration (in minutes) of an interruption experienced by customers during a specific time frame.

Since CAIDI is a sustained interruption index, only outages lasting longer than five minutes are included in the calculations. CAIDI is calculated by dividing the sum of all customer minutes of interruption by the number of customers that experienced one or more interruptions during that period. This metric reflects the average customer experience (minutes of duration) during an outage.

Note that in the tables below, scheduled and unscheduled calculations include MEs. Also note that wherever MEs are excluded, the exclusion is based on the APPA ME threshold for your system.

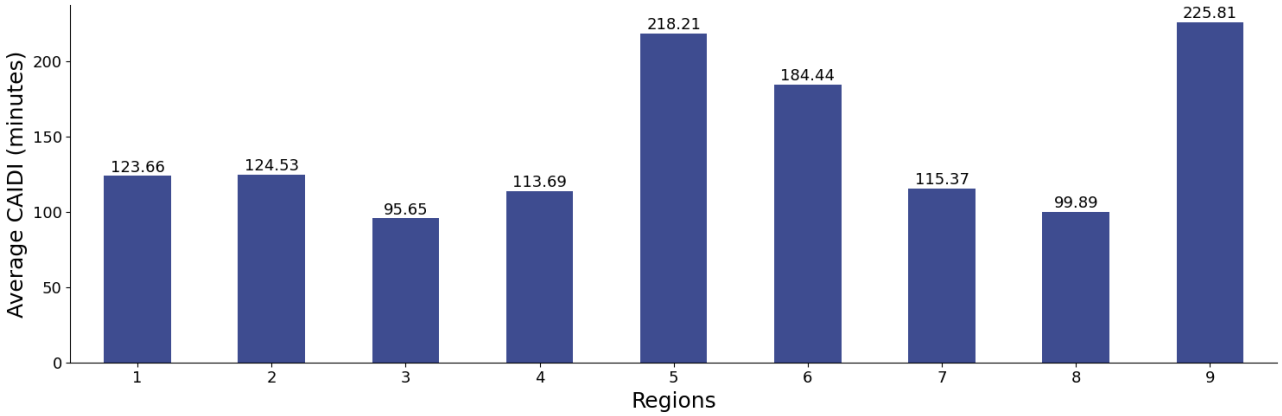
Table 6. Average CAIDI with and without MEs
In minutes

	All	No MEs	Unscheduled	Scheduled
Your utility	26.82	26.82	26.82	NULL
Utilities that use the eReliability Tracker	135.22	92.4	138.62	153.96
Utilities in your region	95.65	83.74	95.41	105.79
Utilities in your size class	134.46	92.55	134.69	168.52

Table 7. Summary CAIDI data from the eReliability Tracker
In minutes

	All	No MEs	Unscheduled	Scheduled
Minimum	11.21	11.21	10.52	7.82
First Quartile	62.85	51.38	62.41	61.8
Median	93.56	81.55	93.94	95.16
Third Quartile	143.73	110.8	144.19	162.66
Maximum	1,923.68	402.94	2,012.24	1,899.69

Figure 5. Average CAIDI by region



II.4. Momentary Average Interruption Frequency Index

MAIFI is the average number of momentary interruptions a utility customer will experience during a specific time frame.

In this report, an outage with a duration of five minutes or less is classified as momentary. MAIFI is calculated by dividing the total number of customers that experienced momentary interruptions by the total number of customers served by the utility. For example, a utility with 20 momentary customer interruptions and 100 customers would have a MAIFI of 0.20.

Momentary interruptions can be more difficult to track and utilities without an automated outage management system might not log these interruptions; therefore, some utilities have a MAIFI of zero.

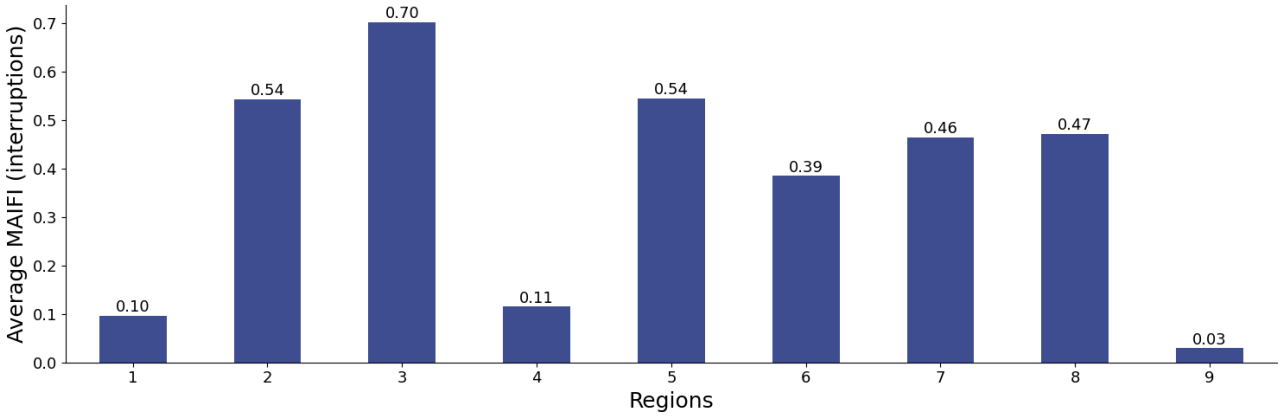
Table 8. Average MAIFI
In interruptions

	All
Your utility	0.14
Utilities that use the eReliability Tracker	0.45
Utilities in your region	0.7
Utilities in your size class	0.28

Table 9. Summary MAIFI data from the eReliability Tracker
In interruptions

	All
Minimum	<0.01
First Quartile	<0.01
Median	0.06
Third Quartile	0.53
Maximum	5.0

Figure 6. Average MAIFI by region



II.5. Average Service Availability Index

ASAI is the percentage of time the sub-transmission and distribution systems are available to serve customers during a specific time frame.

This load-based index represents the percentage availability of electric service to customers within the period analyzed. It is calculated by dividing the total hours in which service is available to customers by the total hours that service is demanded by the customers. For example, an ASAI of 99.99% means that electric service was available for 99.99% of the time during the given period. Note that the higher your ASAI value, the better the performance.

In the tables below, scheduled and unscheduled calculations include MEs. Also note that wherever MEs are excluded, the exclusion is based on the APPA ME threshold for your system.

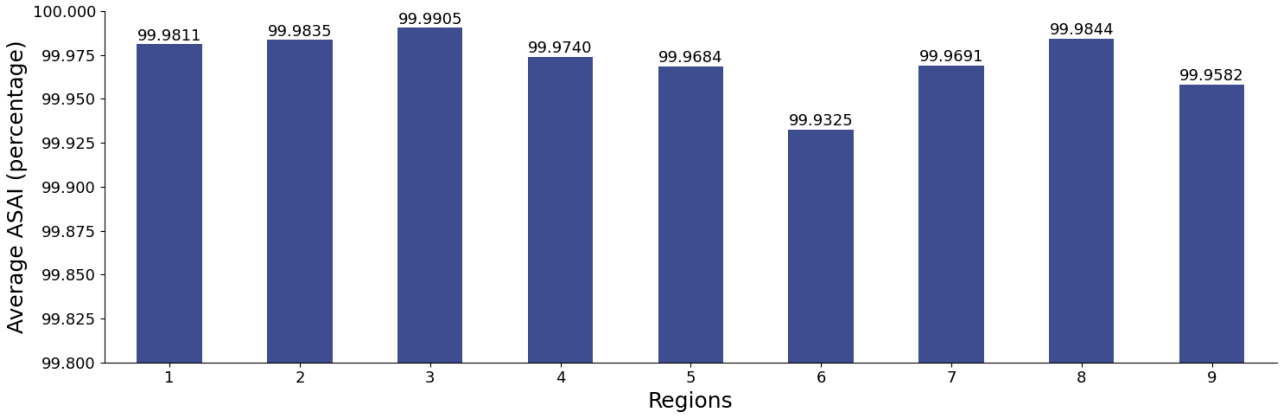
Table 10. Average ASAI with and without MEs
In percentage

	All	No MEs	Unscheduled	Scheduled
Your utility	99.9983	99.9983	99.9983	NULL
Utilities that use the eReliability Tracker	99.9775	99.9898	99.9787	99.9976
Utilities in your region	99.9905	99.9939	99.9907	99.9994
Utilities in your size class	99.972	99.9881	99.9729	99.9985

Table 11. Summary ASAI data from the eReliability Tracker
In percentage

	All	No MEs	Unscheduled	Scheduled
Maximum	99.9999	99.9999	99.9999	99.9999
First Quartile	99.9963	99.9978	99.9964	99.9999
Median	99.9916	99.9949	99.9922	99.9997
Third Quartile	99.9755	99.9894	99.9765	99.999
Minimum	99.6888	99.86	99.6899	99.8856

Figure 7. Average ASAI by region



II.6. Energy Information Administration Form 861 Data

Form EIA-861 collects annual information on electric power industry participants involved in the generation, transmission, distribution, and sale of electric energy in the United States and its territories.

In 2014, Energy Information Administration (EIA) began publishing reliability statistics in Form EIA-861; therefore, APPA included these statistics in this report for informational purposes. Please note that the following data includes 174 investor-owned, 467 rural cooperative, and 327 public power utilities that were large enough to be required to fill out the full EIA-861 form. The statistics do not include data from utilities that complete the EIA 861-S form, which smaller entities complete. Note that the 327 participating public power utilities include entities classified by EIA as municipal, political subdivision, and state. In addition, since the collection and release of EIA form data lags by a year, the data is based on 2023 data that was published October 10, 2024. Therefore, we suggest you only use the aggregate statistics contained herein as an informational tool for further comparison of reliability statistics.

In Form EIA-861, an entity provides SAIDI and SAIFI including and excluding ME days in accordance with the IEEE 1366-2003 or IEEE 1366-2012 standard.

Although EIA collected other reliability-related data, the tables below only include SAIDI and SAIFI data including and excluding ME days. You can download the full set of data at: www.eia.gov/electricity/data/eia861/.

Table 12. Your utility's SAIDI and SAIFI with and without IEEE ME days

SAIDI with IEEE ME days (minutes)	SAIDI without IEEE ME days (minutes)	SAIFI with IEEE ME days (interruptions)	SAIFI without IEEE ME days (interruptions)
9.18	9.18	0.34	0.34

Table 13. Summary SAIDI data from Form EIA-861, 2023
In minutes

	All	No MEs
Average	376.90	149.41
Minimum	0.20	0
First Quartile	80.88	51.59
Median	178.01	101.18
Third Quartile	392.12	175.32
Maximum	10,820.00	2,475.09

Table 14. Summary SAIFI data from Form EIA-861, 2023
In interruptions

	All	No MEs
Average	1.71	1.26
Minimum	0.01	0
First Quartile	0.82	0.60
Median	1.30	0.99
Third Quartile	2.14	1.54
Maximum	17.38	16.92

III. Outage Causes

Equipment failure, extreme weather events, wildlife, and vegetation are some of the most common causes of electric system outages. The following pie chart shows the percentages of the primary causes of outages for all utilities using the eReliability Tracker in 2024.

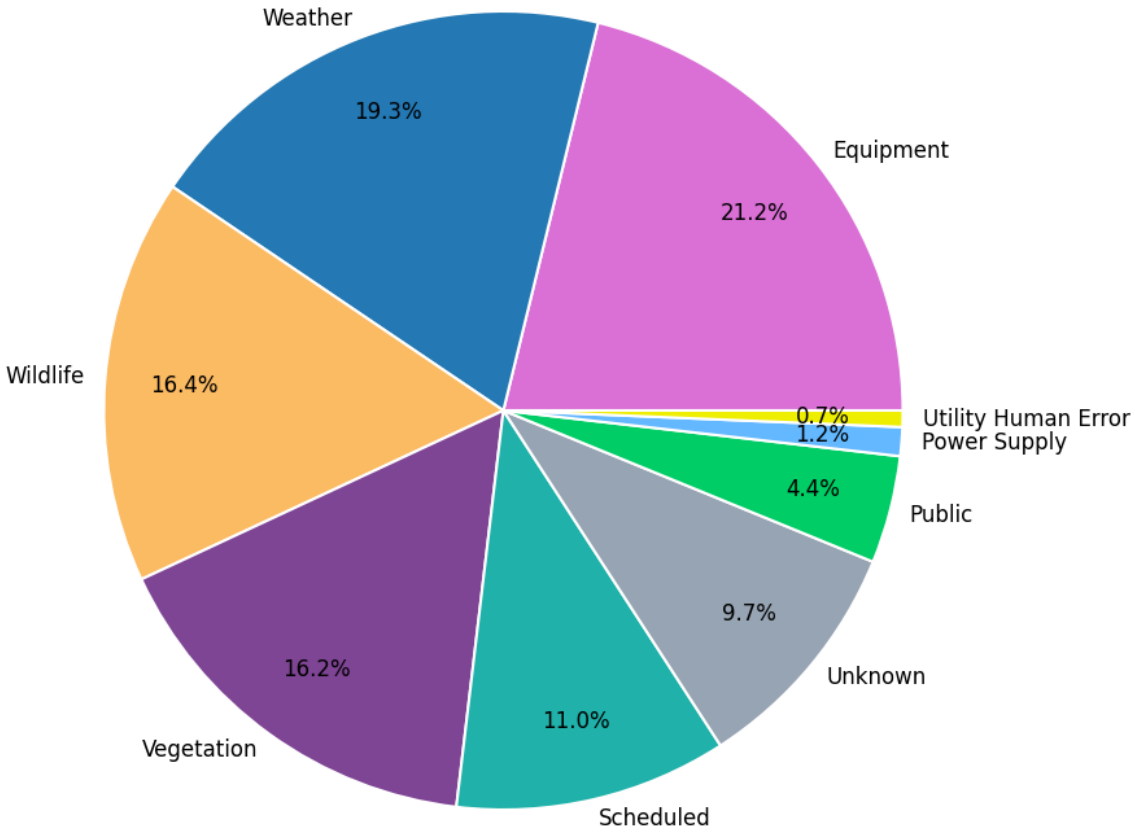


Figure 8. Primary causes of outages in 2024

Certain factors, such as regional weather and animal/vegetation patterns, can make some causes more prevalent for a specific group of utilities. The following section includes graphs depicting common causes of outages for your utility, all utilities in your region, and all utilities using the eReliability Tracker.

Charts containing aggregate information are customer-weighted to account for differences in utility size for a better analytical comparison. For example, a particularly large utility may have a large number of outages compared to a small utility. To avoid skewing the data toward large utilities, the number of cause occurrences is divided by customer size to account for the differences. In Figures 9 to 14, the data represent the number of occurrences for each group

of 1,000 customers. A customer-weighted occurrence rate of "1" means an average of one outage from that cause occurred per 1,000 customers in 2024.

Note that the sustained outage cause analysis is more comprehensive than the momentary outage cause analysis due to a larger and more robust sample size for sustained outages. Regardless, tracking both sustained and momentary outages helps utilities understand and reduce outages. To successfully use the outage information tracked by your utility, it is imperative to classify and record outages in detail. The more information provided per outage, the more conclusive and practical your analyses will be.

III.1. Sustained Outage Causes

In general, sustained outages are the most commonly tracked outage type. In analyses of sustained outages, utilities tend to exclude scheduled outages, partial power, customer-related problems, and qualifying major events from their reliability indices calculations. While this is a valid method for reporting, these outages should be included for internal review to make utility-level decisions. In this section, we evaluate common causes of sustained outages for your utility, corresponding region, and for all utilities that use the eReliability Tracker. It is important to note that sustained outages are classified in this report as outages that last longer than five minutes, as defined by IEEE 1366.

Figure 9. Top five causes of sustained outages for all utilities that use the eReliability Tracker

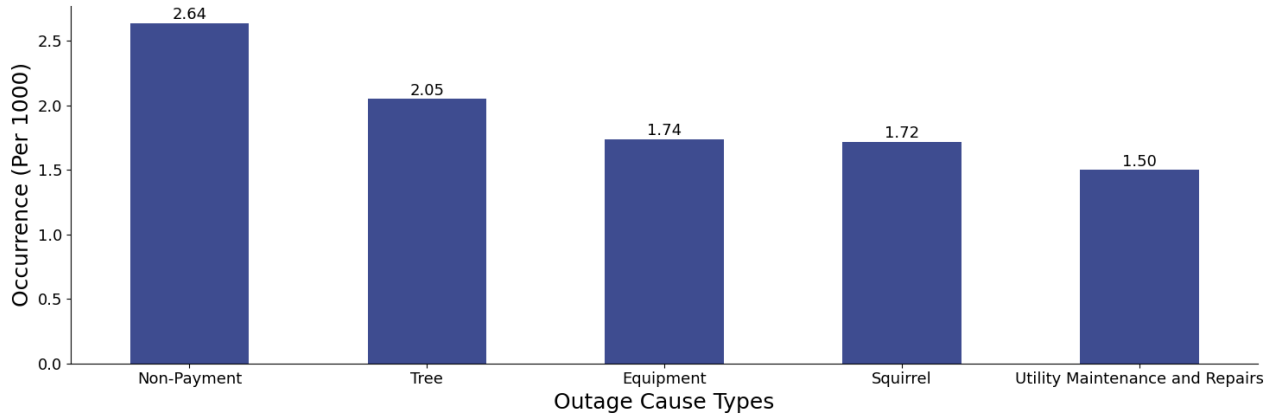
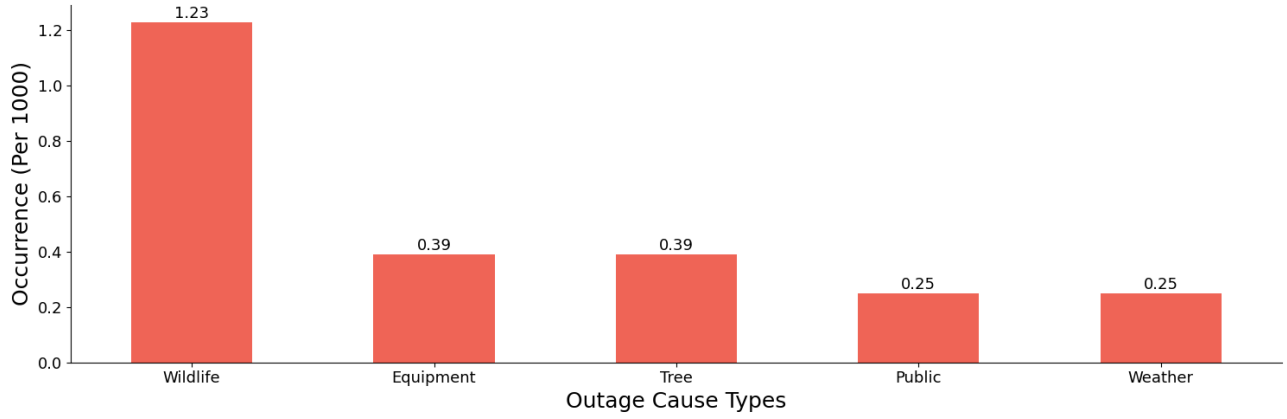
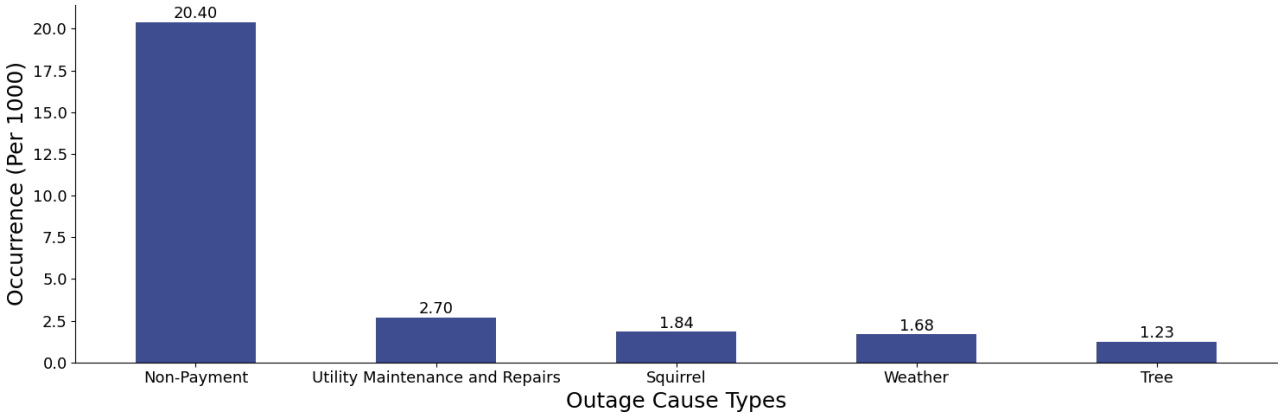


Figure 10. Top five causes of sustained outages for your utility[3]



[3]: The number of occurrences for each cause is divided by the utility's customer count (in thousands) to create an occurrence rate that can be compared across different utility sizes.

Figure 11. Top five causes of sustained outages in your region



III.2. Momentary Outage Causes

The ability to track momentary outages can be difficult or unavailable on some systems, but due to the hazard they pose for electronic equipment, it is important to track and analyze the causes of momentary outages. This section evaluates the common causes of momentary outages for your utility, region, and size class as well as common causes for all utilities that use the eReliability Tracker. Please note that only outages lasting less than five minutes are classified as momentary, as defined by IEEE 1366. In Figures 12–14, for each utility, the number of occurrences for each cause is divided by that utility's customer count (in thousands) to create an occurrence rate that can be compared across different utility sizes.

Figure 12. Top five causes of momentary outages for all utilities that use the eReliability Tracker

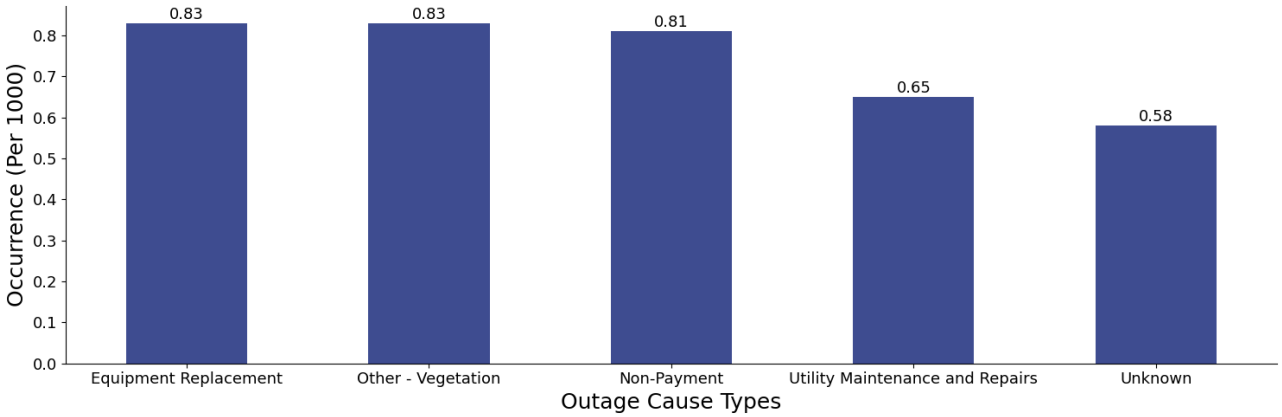


Figure 13. Top five causes of momentary outages for your utility

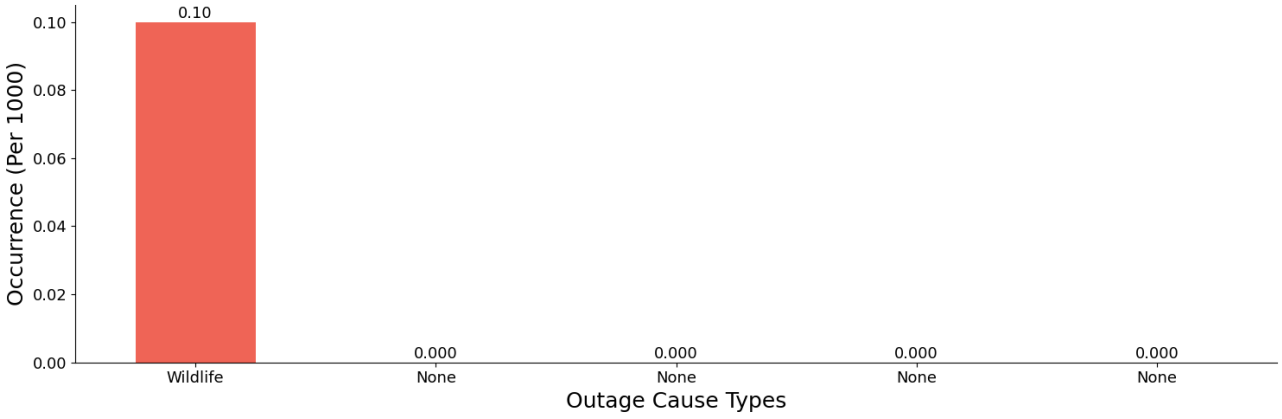
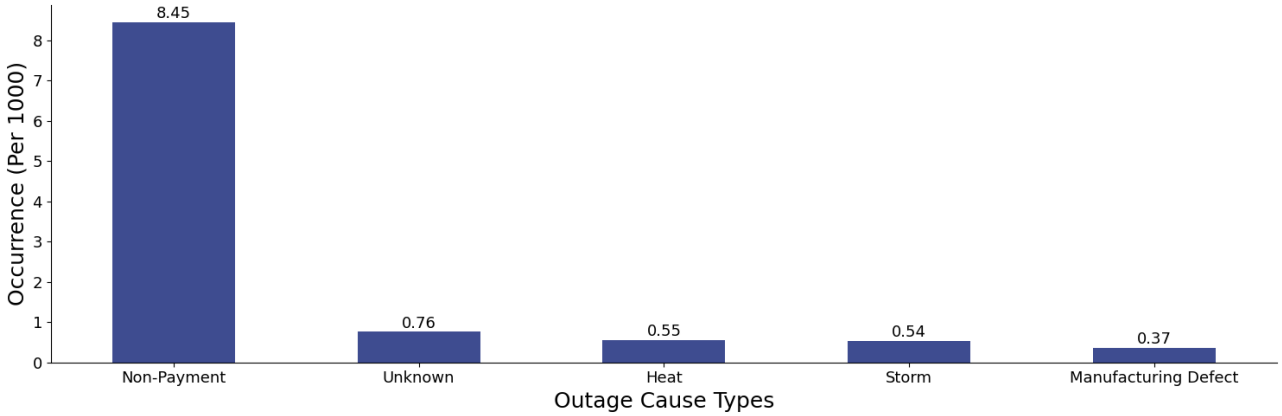


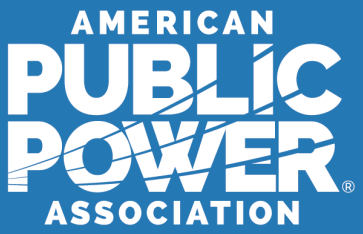
Figure 14. Top five causes of momentary outages in your region



Thank you for your active participation in the eReliability Tracker service. We hope this report is useful to your utility in analyzing your system. If you have any questions regarding the material provided in this report, please contact:

APPA's Reliability Team
Paul Zummo
Ji Yoon Lee
Matthew Atienza
Gregory Obenchain
Reliability@PublicPower.org

For more information on reliability, visit https://www.publicpower.org/reliability-tracking.



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Accept 2024 Annual Management Report for Moorhead Public Service

RECOMMENDATION:
The General Manager respectfully requests the Commission accept the 2024 Annual Management Report for Moorhead Public Service.

BACKGROUND:
The purpose of the 2024 Annual Management Report (Annual Report) to the Moorhead Public Service Commission for the year ended December 31, 2024, is to provide vital statistics and information to the Commission and Moorhead Public Service (MPS) staff regarding the operations of MPS' electric and water utilities. The Annual Report includes a letter from General Manager Travis Schmidt, photos taken throughout the year, operation reports for each division, as well as financial statements, graphs, charts, and maps.

KEY ISSUES:

- The 2024 Annual Management Report provides vital statistics and information to the Commission and MPS staff regarding the operations of MPS' electric and water utilities.

FINANCIAL CONSIDERATIONS: None.

Respectfully submitted,

Travis L. Schmidt
General Manager

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

Attachments:
2024 Annual Management Report (PSC Only)

Approve License Agreement for Pole Attachments with Ubiquity Management, LLC

RECOMMENDATION:

The General Manager respectfully requests the Commission approve the License Agreement with Ubiquity Management, LLC, for pole attachments, contingent upon final legal approval by Attorney John Boulger.

BACKGROUND:

In May 2024, Ubiquity Management, LLC (Ubiquity), requested to begin discussions with the City of Moorhead and Moorhead Public Service (MPS) regarding the installation of fiber optic cable throughout Moorhead, Fargo, and other cities in the area. Initially, the conversations focused on the approval process, as well as the ability to utilize overhead fiber optic cable connected to MPS' utility poles, and underground installation. Ubiquity requested to attach equipment to MPS' poles to provide service in feasible areas throughout Moorhead, rather than installing underground fiber optic cable in certain areas. Currently, Ubiquity is working with MPS and city governments on the design and, at this time, the locations and the quantities of the pole attachments are unknown. Once available, Ubiquity will provide MPS with the design for review, comment, and approval of the installation of the fiber optic cable on MPS' poles.

MPS' Attorney John Boulger reviewed and updated the attached draft License Agreement based upon requests made by MPS and Ubiquity.

Ubiquity will provide the application fees and insurance requirements to MPS once the License Agreement has been executed. MPS is still determining the cost for staff to review Ubiquity's design. The pole attachments will occur once the License Agreement has been approved and finalized by the Commission and Attorney John Boulger. All costs associated with the pole attachments are included in the License Agreement or provided to Ubiquity directly once determined by MPS.

KEY ISSUES:

- In May 2024, Ubiquity requested to begin discussions with the City of Moorhead and MPS regarding the installation of fiber optic cable throughout Moorhead, Fargo, and other cities in the area.
- MPS' Attorney John Boulger reviewed and updated the attached draft License Agreement based upon requests made by MPS and Ubiquity.
- Ubiquity will provide the application fees and insurance requirements to MPS once the License Agreement has been executed.

FINANCIAL CONSIDERATION:

- All costs associated with the pole attachments are included in the License Agreement or provided to Ubiquity directly once determined by MPS.

Respectfully Submitted,

Travis L. Schmidt
General Manager

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

Attachments: Draft License Agreement with Ubiquity Management, LLC (PSC Only)

Award Bid for Construction of MPS' Redundant Network Operations Center

RECOMMENDATION:

The General Manager respectfully requests the Commission award the bid for the construction of Moorhead Public Service's redundant Network Operations Center to Border Construction, LLC, for $448,000 for the base bid and $15,000 for Alternate No. 1, for a total bid price of $463,000.

BACKGROUND:

In May 2023, Moorhead Public Service (MPS) entered into a Task Order Agreement for Professional Services with Sandman Structural Engineers (SSE). On December 17, 2024, the Commission approved Task Order No. 2025-1 for engineering services related to the structural design of MPS' redundant Network Operations Center (NOC).

SSE prepared specifications for the construction of MPS' redundant NOC. The construction includes sitework, foundations, and steel, as well as the design, delivery, and placement of a precast building. The bid opening was held on April 30, 2025, and MPS received six qualified bids. The lowest, qualified bidder was Border Construction, LLC (Border Construction), with a base bid of $448,000 and $15,000 for Alternate No. 1, for a total bid price of $463,000. Alternate No. 1 is for a security fence around the Oakport Water Tower. Border Construction's bid is approximately 49 percent lower than the engineer's estimate of $900,000. Attached are SSE's recommendation letter and bid tabulation sheet. Construction of the NOC is expected to be substantially completed on or before November 21, 2025.

MPS staff recommends awarding the base bid of $448,000 and Alternate No. 1 for $15,000 to Border Construction, for a total bid price of $463,000.

KEY ISSUES:

- On December 17, 2024, the Commission approved Task Order No. 2025-1 with SSE for engineering services related to the structural design of MPS' redundant NOC.
- The bid opening was held on April 30, 2025, and MPS received six qualified bids.
- Construction of the NOC is expected to be substantially completed on or before November 21, 2025.

FINANCIAL CONSIDERATIONS:

- The lowest, qualified bidder was Border Construction, with a base bid of $448,000 and $15,000 for Alternate No. 1, for a total bid price of $463,000.
- Border Construction's bid is 49 percent lower than the engineer's estimate of $900,000.

Respectfully submitted,

Travis L. Schmidt
General Manager

Division/Response Person: Adam Benhardt, Construction Manager.

Attachments:
Recommendation Letter and Bid Tabulation Sheet from SSE

SANDMAN
Structural Engineers

Client: Moorhead Public Service
Client Name: Adam Bernhardt
Client Position: Project Manager
Company Name: Moorhead Public Service
Moorhead, MN

Date: 05/07/2025

Re: Proposal - Structural Engineering Services
Project Name – MPS NOC Bldg
Moorhead, MN

Dear Mr. Adam Bernhardt,

On April 30th, 2025, the Moorhead Public Service received and opened six (6) proposals for the 2025 MPS NOC building.

It is our recommendation that the Moorhead Public Service award the contract to Border Construction for the base bid – $448,000, Alternate No. 1 - $15,000, for a total amount of $463,000

Enclosed is one (1) copy of the bid tabulation of your use. If you have any questions, please contact me at 218-284-3047.

Sincerely,

Justin Schoenberg, PE
Principal Engineer

enclosure

MBN ENGINEERING

Sandman Structural Engineering
MPS Network Operations Center MBN Project 24-252
Bid Date: April 30, 2025 @ 3:00 pm

Company	Contractor's License	Bid Bond	Addendum	Bid Schedule No. 1	Alternate No. 1	Total Construction Cost
Blue Ridge Builders*				No Bid		
Sever Construction	MN	10%	1-4	$480,523	$14,468	$494,991
Great States Const.	MN	10%	1-4	$497,000	$15,000	$512,000
MBA Development*				No Bid		
Border Const.	MN	10%	1-4	$448,000	$15,000	$463,000
TF Powers*				No Bid		
Gast Construction	MN	10%	1-4	$459,800	$15,800	$475,600
Dietrich Const.	MN	10%	1-4	$452,400	$15,263	$467,663
Roers Const.	MN	10%	1-4	$541,200	$16,000	$557,200

* Bidder did not provide Minnesota Contractor's License

Approve Professional Services for Land Acquisition Activities

RECOMMENDATION:

The General Manager respectfully requests that the Commission approve professional services to complete an appraisal and associated geotechnical analysis related to the potential acquisition of land within Parcel No. 10.032.1000 in an amount not to exceed $25,000, and authorize the General Manager, or his designee, to execute any documents related to these land acquisition activities.

BACKGROUND:

In 2017, Moorhead Public Service's (MPS') Water Division staff completed the Buffalo Aquifer Management Plan (BAMP), which focuses on long-term water use planning, drought preparedness, and the sustainable management of the Buffalo Aquifer. As part of the BAMP, future groundwater use projections recommended the development of additional wellfields along various reaches of the Buffalo Aquifer.

To support this effort, MPS has budgeted for test pumping activities required by the Minnesota Department of Natural Resources (DNR) to obtain permits for new wellfields south of the currently active water supply wellfields. Although the BAMP has been in place since 2018, progress has been delayed due to challenges in securing suitable land to conduct the test pumping.

In April 2025, MPS was contacted by a landowner with property situated along the central axis of the Buffalo Aquifer—an area identified in the BAMP as ideal for future wellfield development. The landowner expressed interest in discussing the potential sale of the parcel to MPS. MPS staff visited the parcel on April 30, 2025, and found the site to be potentially suitable for test pumping and future development.

Following initial discussions with the landowner, MPS staff determined that a professional appraisal would be required to establish fair market value and assess the strategic fit for MPS' long-term planning needs. Additional supporting studies, including a soil erosion assessment and general geotechnical analysis, are also recommended to assist with the valuation and decision-making process.

MPS staff recommends engaging a qualified appraisal firm (attached) and a geotechnical consultant to complete this work. With the Commission's approval, staff will reallocate 2025 funds from MPS' reserves to cover the cost of the appraisal and geotechnical analysis activities. Costs associated with DNR test pumping activities are included in MPS' 2025 budget.

KEY ISSUES:

- In April 2025, MPS was contacted by a landowner with property situated along the central axis of the Buffalo Aquifer—an area identified in the BAMP as ideal for future wellfield development.
- Following initial discussions with the landowner, MPS staff determined that a professional appraisal would be required to establish fair market value and assess the strategic fit for MPS' long-term planning needs.

FINANCIAL CONSIDERATION:

- MPS staff recommends reallocating 2025 funds from MPS' reserves to cover the cost of appraisal and geotechnical analysis activities. Costs associated with DNR test pumping activities are included in MPS' 2025 budget.

Respectfully submitted,

Travis L. Schmidt
General Manager

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

Attachments:
Appraisal Engagement Agreement from Crown Appraisals, Inc.

Crown Appraisals, Inc.

APPRAISAL ENGAGEMENT AGREEMENT

June 10, 2025

Mr. Marc Pritchard
Water Plant Manager
Moorhead Public Service
P.O. Box 779
Moorhead, MN 56561-0779

Crown Appraisals, Inc. was requested to appraise a 66.31 acre parcel of land by Marc Pritchard on June 5, 2025. The property is located in the W½NE¼ of Section 32, Glyndon Township, Clay County, MN and has the county Parcel Number 10.032.1000. The property has been utilized as a gravel pit for many years and is currently subject to a mining lease with Northern Improvement Company. It is believed that the gravel is exhausted, or at least that the recoverable material has been removed, as no mining has taken place for a number of years.

The property is currently owned by John Suko and referred to as the "Connelly Pit." Moorhead Public Service is interested in purchasing the property to protect the aquifer below that provides much of the water utilized by the city. Roughly half of the parcel is currently open water as a result of mining activities.

The appraisal will be in a restricted report format but will include a detailed highest and best use analysis. As part of that analysis, it is important that Crown Appraisals is provided with a copy of the current lease agreement with Northern Improvement Company. If it is determined that a substantial amount of recoverable (feasible and legal) gravel material remains on the property, the terms of this agreement are subject to change, as a gravel valuation analysis may be required.

Market value as defined in the Federal Register is the market value definition utilized in the appraisal. Moorhead Public Service is the client and intended user of the report. Intended use of the appraisal is for internal decision-making purposes. The report will aid in sale negotiations between the owner and client. No additional intended users are identified at this time. A document request will be e-mailed to the client.

The appraisal will be a restricted report which will conform to the Uniform Standards of Professional Appraisal Practice (USPAP). This engagement letter is provided in a PDF format. Please retain one signed copy for your records and return a signed copy to the appraiser. Estimated completion date of the appraisal is approximately 6 weeks from the return of this signed engagement agreement.

Jeffrey Berg, ARA, ASA
Accredited Rural Appraiser, Accredited Senior Appraiser

2750 7th Avenue South • Fargo, ND 58103
(701) 478-3130 • FAX (701) 478-3156
Email: jeffberg@crownappraisalsinc.com
www.crownappraisalsinc.com

American Society of Farm Managers and Rural Appraisers
American Society of Appraisers

Terms and Conditions:

Targeted completion date of the appraisal is approximately 6 weeks from engagement. The fee for the appraisal is $10,000 all expenses included. A retainer fee is not requested at this time and the full balance will be due upon your receipt of the final report. Should our relationship terminate before the appraisal report is issued, you will be billed for services already completed. All invoices are payable upon receipt. A service charge of one (1) percent per month will be added to all accounts unpaid 30 days after billing date. If collection action is necessary, expenses and reasonable attorney fees will be added to the amount due.

The Appraiser(s) are not required to give testimony or appear in court as a result of completing the appraisal with reference to the property in question, unless arrangements have been previously made. If the Appraiser is required to be involved in litigation or other legal proceedings, it is assumed the Appraiser will be given reasonable advance notice and reasonable time to prepare. If the Appraiser is required to prepare for, attend, or testify in connection with litigation or other legal proceedings, including, without limitation, any deposition, court or administrative hearing, or in connection with any alternative dispute resolution, Client agrees to compensate Crown Appraisals, Inc. at the rate of $500 per hour of preparation and testimony plus travel expenses.

Brian Field, Crown Appraisals, Inc.	Marc Pritchard, Moorhead Public Service
June 10, 2025	
Date	Date

Award Bid for 2025 Lead Service Line Replacement Project

RECOMMENDATION:

The General Manager respectfully requests the Commission award the bid for the 2025 Lead Service Line Replacement Project to Randall's Excavating, Inc., in the amount of $371,475 and authorize the General Manager to execute the Water Service Replacement Agreements with the property owners.

BACKGROUND:

Moorhead Public Service's (MPS') Water Division proposes completing a project to replace 30 private portions of lead service lines. The 2025 Lead Service Line Replacement Project (Project) will continue to establish the foundation for lead service line replacement projects and will allow for budget planning for future, year-round projects. MPS completed a pilot project in 2024, which included the replacement of 10 private portions of lead service lines. Since the spring of 2022, MPS has submitted applications to be included on the Project Priority List for funding through Minnesota Public Facilities Authority (MPFA) Drinking Water Revolving Fund. Funding for lead service line replacements has become available through the Bipartisan Infrastructure Law and State of Minnesota matching funds.

During a 2024 watermain replacement project, MPS staff identified 30 private lead service lines, and MPS replaced its portion of those lines as part of the Project. Through the Project, the remaining private portions of the lead service lines will be replaced, eliminating the need for partial replacement of these lines.

MPFA requires a loan/grant agreement for the Project to be funded as MPS works to remove lead service lines as a part of the Lead and Copper Rule Revision requirements. The agreement with MPFA, due to all service lines being entirely private, will ultimately result in a reimbursable grant for 100 percent of the Project costs. These costs include construction, administrative, and engineering expenses required to complete the Project. The contracts, agreements, and award of the bid for this Project are contingent upon final approval by MPFA.

Bids were opened on June 9, 2025, for the Project, and MPS received two qualified bids. MPS staff and Apex Engineering Group staff reviewed the bids and recommend that the bid be awarded to the lowest, qualified bidder, Randall's Excavating, Inc., in the amount of $371,475 (see attached recommendation letter and Bid Tabulation). Randall's Excavating, Inc., has successfully completed work for MPS in the past and has demonstrated that they can complete this project as specified.

To begin this Project, MPS and the property owner will enter into the Water Service Replacement Agreement. Attorney John Boulger collaborated with staff to develop this agreement, which outlines the terms and conditions under which MPS and the City of Moorhead will provide a new private water service to the owner's property. This new private water service will replace the existing lead service line as part of the Lead Service Line Replacement Program (Minn. Stat. § 446A.077).

KEY ISSUES:

- MPS' Water Division proposes completing a project to replace 30 private portions of lead service lines.
- Bids were opened on June 9, 2025, for the Project, and MPS received two qualified bids.

FINANCIAL CONSIDERATIONS:

- MPS staff and Apex Engineering Group staff reviewed the bids and recommend that the bid be awarded to the lowest, qualified bidder, Randall's Excavating, Inc., in the amount of $371,475.
- The final agreement and cost of the Project will be 100 percent reimbursable through MFPA and are also contingent upon final approval by MFPA.

Respectfully Submitted,

Travis L. Schmidt
General Manager

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

Attachments:
Recommendation Letter and Bid Tabulation from Apex Engineering Group

Apex Engineering Group
Water | Transportation| Municipal | Facilities

701.373.7980
4733 Amber Valley Parkway
Fargo, ND 58104

June 9, 2025

Mr. Jake Long
Water Distribution Manager
500 Center Avenue; P.O. Box 779
Moorhead, MN 56561-0779

via email: jlong@mpsutility.com

RE: 2025 Service Line Replacement
Lead Service Line Replacement Project (WT-00-01)
Moorhead, Minnesota
Apex Project No. 25.109.0022

Dear Mr. Long:

Bids for the above referenced project were received and opened on Monday, June 9, 2025, at 10:00 AM. Two (2) bids were received for the proposed access improvements. The bids received were from the contractors listed below:

- Randall's Excavating Inc.
- Dirt Dynamics

The bids received have been outlined in the table below:

Bidder	Bid
Randall's Excavating, Inc.	$371,475.00
Dirt Dynamics	$638,570.00

Due to the unique nature of the project, the range of estimated bidding was expected with the variation of the work to be completed.

Randall's Excavating, Inc. has successfully completed work with Moorhead Public Service in the past and has demonstrated they have the ability to complete this project as specified. The Public Service Commission and City Council can consider award of this contract pending approval of the Public Facilities Authority funding, to Randall's Excavating, Inc. if they wish to proceed with the proposed work.

Please feel free to contact me with any questions.

Sincerely,

Apex Engineering Group, Inc.

Jade A. Berube, PE

Enc: Bid Tabulation

Apex Engineering Group

Water | Transportation| Municipal | Facilities

Bid Tabulation

2025 Service Line Replacement | Lead Service Line Replacement

Moorhead Public Service | WT-00-01

City of Moorhead, Minnesota

June 9, 2025 | 10:00 AM | Conference Room at MPS Dispatch Operations Center, Second Floor, located at 215 Highway 75 North Moorhead, MN 56560

Apex Project No. 25.109.0022

Planholder	Bid Bond	Acknowledged Addendum(s)	Total Bid
Dirt Dynamics	**10%**	**N/A**	**$638,570.00**
Randall's Excavating, Inc.	**10%**	**N/A**	**$371,475.00**

I certify that these bids were received on 6/9/2025, 10:00 AM, Conference Room at MPS Dispatch Operations Center, Second Floor

Jake Long

Approve Sponsorship Request from Moorhead American Legion for Veterans Honor Flight of ND/MN Summer Blast Fundraiser

RECOMMENDATION:

The General Manager respectfully requests the Commission approve the sponsorship request from the Moorhead American Legion for the Veterans Honor Flight of ND/MN Summer Blast Fundraiser in the amount of $2,500.

BACKGROUND:

On November 21, 2023, the Commission approved the amended Policy on Sponsorships and Marketing (fka Policy on Sponsorships). As stated in the Policy, the General Manager has the authority to review and provide a recommendation to the Commission for approval of a sponsorship request.

The Moorhead American Legion will be holding a fundraiser for the Veterans Honor Flight of ND/MN July 25-27, 2025. The Veterans Honor Flight of ND/MN is a non-profit organization that was created solely to honor America's veterans. The top priority is given to senior veterans of World War II and the Korean War, as well as other veterans who may be terminally ill.

MPS' sponsorship of $2,500 would include its logo on the jumbo video screen during the event, as well as 10 weekend pass tickets. Attached are Moorhead American Legion Sponsorship Submission Form and sponsorship opportunities.

In 2024, MPS consulted with legal counsel Flaherty & Hood, PA (F&H), regarding the sponsorship request for the Veterans Honor Flight of ND/MN to confirm that all of the requirements were met. F&H confirmed that MPS could sponsor this event based upon final approval by the Commission.

Each year, MPS budgets $50,000 toward marketing and/or sponsorship requests and, of that amount, $14,580 has been expensed to date.

KEY ISSUES:

- On November 21, 2023, the Commission approved the amended Policy on Sponsorships and Marketing, which gives the General Manager the authority to review and provide a recommendation to the Commission for approval of a sponsorship request.
- The Veterans Honor Flight of ND/MN is a non-profit organization that was created solely to honor America's veterans. The top priority is given to senior veterans of World War II and the Korean War, as well as other veterans who may be terminally ill.
- MPS' sponsorship of $2,500 would include its logo on the jumbo video screen during the event, as well as 10 weekend pass tickets.

FINANCIAL CONSIDERATIONS:

- The Moorhead American Legion is requesting a sponsorship from MPS in the amount of $2,500 for its fundraising efforts for the Veterans Honor Flight of ND/MN.
- Each year, MPS budgets $50,000 toward marketing and/or sponsorship requests and, of that amount, $14,580 has been expensed to date.

Respectfully submitted,

Travis L. Schmidt
General Manager

Division/Response Person: Travis Schmidt, General Manager.

Attachments:
Moorhead American Legion's Sponsorship Submission Form and Sponsorship Opportunities

Sponsorship Submission Form

Requester Information

Date: 5-8-25

Name: Scott B Moen **Title:** MHD Legion - MANAGER

Phone: 218-233-1297 **E-mail:** post21manager@gmail.com
Cell 701-367-5787

Name of Sponsorship: Summer Blast 2025 (Fundraiser for Honor Flight)

Primary Contact Person: Scott B. Moen

Primary Contact Person Phone Number: 701-367-5787

Primary Contact Person E-mail: post21manager@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?

   By sponsoring this event all ~~funds~~ funds raised help our local veterans go to Washington D.C. free of charge to see their memorials.

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

   By your sponsorship. MPS will and has been known to support our local veterans. And I believe that this is a huge way of showing support to the veterans to our community.

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

   NO, all proceeds raised during the event will go directly to the ND/MN Veterans Honor Flight.

APPROVE SPONSORSHIP REQUEST:

_____ Date: _____
General Manager

American Legion Post 21 & Veterans Honor Flight of ND/MN
303 30th St N
Moorhead, MN 56560

Dear Business Owner,

The Veterans Honor Flight of ND/MN is a non-profit organization that takes Veterans to Washington D.C. free of charge. As of this year, more than 2,700 heroes from ND & MN have been escorted to Washington D.C. since 2005.

Our Mission is to Celebrate America's Veterans by inviting them to share in a trip of a lifetime at our nation's memorials, and we cannot do this without the help of our wonderful people and businesses.

We are hosting our Veterans Summer Blast on July 25-27, 2025 at the American Legion Post 21 in Moorhead. Last year's event was such a huge success that we decided to host the event again!

In the past, this event has raised enough to send 20 heroes to see their memorials. One chartered flight of 110 Veterans and volunteers costs over $270,000.00, and we need your help.

This year we're hoping to raise even more! Our goal is to send 25 heroes, and we were hoping that you could help us reach that goal.

By becoming one of our corporate sponsors, you'll be able to help us work hard to achieve our goal. We will also recognize your donation on the jumbtron at the event. Regardless of the amount you choose to give, your company name will be included in our event, and you'll be included in the press release that we'll publish and on our social media accounts.

Feel free to make a contribution that you're comfortable with.

See the attached Sponsorship Levels Document to find the giving level that's right for your company.

PLATINUM:	$10,000.00	GOLD:	$7,500.00
SILVER:	$5,000.00	BRONZE:	$2,500.00

If you're ready to donate, please make the check to the Veterans Honor Flight of ND/MN and annotate in the memo "Veterans Summer Blast. Please send it to Post 21 Attn: Scott, PO Box 442 Moorhead, MN 56561-0442.

We want to thank you in advance for your generosity. Please don't hesitate to contact us directly, Lori Ishaug/Veterans Honor Flight of ND/MN @ 701-361-6972; vikes4me@hotmail.com or Scott Moen/American Legion Post 21 @ 701-367-5787; post21manager@gmail.com if you have any questions.

Sincerely,

Veterans Honor Flight Summer Blast Fundraiser Committee

Veterans Honor Flight of ND/MN
Summer Fest Fundraiser

$5,000.00 and above
Company video & logo scrolls on jumbo video screen in the concert bowl
plus 20 weekend pass tickets.

$2,500.00 - $4,999.99
Company logo scrolls on jumbo video screen in the concert bowl
plus 10 weekend pass tickets

$1,000.00 - $2,499.99
Company name on multiple banners hanging around concert bowl
plus 10 weekend pass tickets

$500.00 - $999.99
Company name on flyers placed around the concert bowl
plus 4 weekend pass tickets