



MOORHEAD PUBLIC SERVICE COMMISSION

MEETING AGENDA

Tuesday, November 18, 2025 - 4:30 PM

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

Commissioners:

Joel Paulsen, Chairperson
Paul Baker, Vice Chairperson
Lisa Borgen, Secretary
Matt Leiseth
Jason Ness
Ward 2 (Vacant)

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 October 21, 2025**

***5. Approve Bills for Payment**

6. Customers to Be Heard/Recognitions

7. Old Business

8. **Reports**
 - a. **City Council**
 - b. **Public Service Commission**
 - c. **General Manager's Report**
 - d. **Accept Report on Contract Extension for Hauling and Beneficial Use Services for Lime Residuals from Water Treatment Plant**
- *9. **Approve Amendment No. 3 to Joint Powers Agreement with State of Minnesota to Lease Dark Fiber**
- *10. **Approve Exhibit A, Revision 2, to the Transmission Operator Procedure with Western Area Power Administration**
- *11. **Approve Amendment No. 1 to Task Order No. 12 for Northeast Substation and Amendment No. 1 to Task Order No. 13 for Southeast Substation with DGR Engineering**
- *12. **Approve Task Order No. 14 for FOCUS Upgrade Project and Task Order No. 16 for Northeast Generating Station with DGR Engineering**
- *13. **Approve Professional Services for Public Outreach and Educational Materials**
14. **Award Bids for 2026 Water Treatment and Wastewater Treatment Chemicals**
15. **Approve the Addition of Section 10.22 on Minnesota Paid Leave to MPS' Personnel Policy Manual**
16. **Approve Memorandum of Understanding with IBEW**
- *17. **Approve Annual Agreement with The Salvation Army for 2025/2026 HeatShare Program**
- *18. **Approve Amendment to Software Licence and Implementation Agreement with Advanced Utility Systems**
19. **Approve Sponsorship Request from Moorhead Parks and Recreation for Family Swim Night at the Moorhead Municipal Pool**
- *20. **Approve 2026 Commission Meeting Schedule**
21. **Close Meeting for Executive Session (if needed)**
22. **Upcoming Meetings**
 - a. **Public Service Commission Meetings**
December 2, 2025 (if needed)
December 16, 2025
 - b. **Meeting Opportunities for Commissioners^(A)**
 - **Midwest Energy Summit**
November 19, 2025, West Fargo, ND
 - **APPA's 2025 Legislative Rally**
February 23-25, 2026, Washington, DC

23. 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 MPS' Business Office located at 2901 S. Frontage Road, Suite 2, Moorhead, MN 56560. 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.**

Some members of the Moorhead Public Service Commission may be attending today's meeting via interactive technology.

^(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, October 21, 2025 – 4:30 PM

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

MEMBERS ABSENT: Paul Baker

OTHERS PRESENT: General Manager Travis Schmidt; Staff Members Adam Benhardt, Cheryl Glasoe, Taylor Holte, Jake Long, Kurt McClain, Mark Moilanen, Marc Pritchard, Alison Skansgaard, and James Sumba; MPS Attorney John Boulger; Missouri River Energy Services Director of Rates Tim Miller; Assistant City Manager Mike Rietz; Representative from *The Forum*; MPS Customer Jim Gale

1. CALL TO ORDER.

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

2. APPROVE AGENDA.

Commissioner Ness made a motion to approve the agenda. Commissioner Leiseth seconded the motion. The motion passed with a 4-0 vote. Voting Yes: Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

3. APPROVE CONSENT AGENDA.

Commissioner Leiseth made a motion to approve the consent agenda. Commissioner Paulsen seconded the motion. The motion passed with a 4-0 vote. Voting Yes: 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 SEPTEMBER 23, 2025.**

Commissioner Leiseth made a motion to approve the minutes of September 23, 2025. Commissioner Paulsen seconded the motion. The motion passed with a 4-0 vote. Voting Yes: 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 Paulsen seconded the motion. The motion passed with a 4-0 vote. Voting Yes: Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

- *6. APPROVE SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR MPS' 115 KV TRANSMISSION LINE UPGRADE PROJECT FROM THE FARGO SUBSTATION TO THE SHEYENNE DIVERSION.**

Commissioner Leiseth made a motion to approve the specifications and authorize the advertisement for bids for Moorhead Public Service's 115 kV Transmission Line Upgrade Project from the Fargo Substation to the Sheyenne Diversion, contingent upon final legal approval. Commissioner Paulsen seconded the motion. The motion passed with a 4-0 vote. Voting Yes: Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

- *7. APPROVE TASK ORDER NO. 3 WITH TERRACON CONSULTANTS FOR PHASE I ENVIRONMENTAL SITE ASSESSMENT AT MPS' FUTURE NORTHEAST SUBSTATION.**

Commissioner Leiseth made a motion to approve Task Order No. 3 with Terracon Consultants, Inc., for a Phase I Environmental Site Assessment at Moorhead Public Service's future Northeast Substation in an amount not to exceed \$2,800. Commissioner Paulsen seconded the motion. The motion passed with a 4-0 vote. Voting Yes: Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

- *8. APPROVE TASK ORDER NO. 12 WITH APEX ENGINEERING GROUP FOR ENGINEERING SERVICES FOR MPS' 2026 WATERMAIN IMPROVEMENT PROJECTS.**

Commissioner Leiseth made a motion to approve Task Order No. 12 with Apex Engineering Group, Inc., for engineering services related to Moorhead Public Service's 2026 Watermain Improvement Projects in an amount not to exceed \$198,154, contingent upon final legal approval. Commissioner Paulsen seconded the motion. The motion passed with a 4-0 vote. Voting Yes: Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

9. CUSTOMERS TO BE HEARD/RECOGNITIONS.

There were no customers to be heard.

General Manager Travis Schmidt recognized Moorhead Public Service's (MPS') Lead Lineman Ryan Nelson on reaching his 20-year employment milestone. Schmidt also recognized staff who recently completed Missouri River Energy Services' Supervisor Essentials and Leadership Excellence and Development courses.

10. OLD BUSINESS.

There was no old business to discuss.

11. REPORTS.

City Council.

Commissioner Lisa Borgen reported that the Moorhead City Council (City Council) held a workshop on October 21, 2025, where it reviewed the rates for wastewater, sanitation, stormwater, and forestry. The City Council also received a presentation from MPS on its electric and water rates.

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 annual generation verification test for MPS' Centennial Generating Station, staff's participation in the annual Red River Water Festival, and MPS received the WattSTAR Award for "Extraordinary Event," which was presented to staff at Missouri River Energy Services' (MRES') Technology Days that were held September 24-25, 2025, in Sioux Falls, South Dakota.

Accept 2025 Water Rate Study by MRES.

Administration and Finance Manager Mark Moilanen provided background information on MPS' 2025 Water Rate Study that was completed by MRES. Moilanen introduced Tim Miller, MRES' Director of Rates, who provided the Commission with a PowerPoint presentation on the 2025 Water Rate Study. Schmidt responded to questions of the Commission.

Commissioner Ness made a motion to accept the 2025 Water Rate Study that was completed by Missouri River Energy Services. Commissioner Leiseth seconded the motion. The motion passed with a 4-0 vote. Voting Yes: Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

Accept Report on Electric Service Extension Surcharges.

Construction Manager Adam Benhardt provided a brief overview of MPS' Electric Service Extension Surcharges.

Commissioner Paulsen made a motion to accept the report on the review of the Electric Service Extension Surcharges that are outlined in the Commission's Policy on Service Extensions. Commissioner Ness seconded the motion. The motion passed with a 4-0 vote. Voting Yes: Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

Accept Report #1 on the Proposed 2026 Budget.

Administration and Finance Manager Mark Moilanen provided an update on MPS' proposed 2026 budget. Moilanen stated that MPS is proposing overall increases of 2 percent for electric rates and 5.5 percent for water rates. Commissioner Borgen thanked staff for their assistance during the budget process and for taking the time to share the process with all of the Commissioners. Moilanen and General Manager Travis Schmidt thanked staff for their time and efforts.

Commissioner Leiseth made a motion to accept Report #1 on the Proposed 2026 Budget and Strategic Plan. Commissioner Ness seconded the motion. The motion passed with a 4-0 vote. Voting Yes: Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

Accept Report on MRES' Smart Energy Squad School Program.

Project Engineer Taylor Holte provided information on MRES' Smart Energy Squad School Program (fka Bright Energy Solutions® Power Team EnergyWise® Program).

Commissioner Ness made a motion to accept the report on Missouri River Energy Services' Smart Energy Squad School Program(fka Bright Energy Solutions® Power Team EnergyWise® Program) and the Smart Energy Squad Annual Summary Report for 2024-2025. Commissioner Paulsen seconded the motion. The motion passed with a 4-0 vote. Voting Yes: Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

12. APPROVE MOORHEAD'S CONTINUATION OF 100 PERCENT NET-ZERO CARBON POWER SUPPLY THROUGH MRES' BRIGHT ENERGY CHOICES PROGRAM FOR 2026.

Project Engineer Taylor Holte provided information on MRES' Bright Energy Choices Program for 2026.

Commissioner Leiseth made a motion to approve the continuation of Moorhead having a 100 percent net-zero carbon power supply through participation in Missouri River Energy Services' Bright Energy Choices Program for 2026. Commissioner Paulsen seconded the motion. The motion passed with a 4-0 vote. Voting Yes: Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

13. AWARD BID FOR 2025/2026 TREE TRIMMING.

Construction Manager Adam Benhardt provided an overview of the tree trimming planned for Moorhead's north side in 2025 and 2026.

Commissioner Ness made a motion to award the bid for 2025/2026 Tree Trimming to Carr's Tree Service, Inc., in the amount of \$269,300. Commissioner Leiseth seconded the motion. The motion passed with a 4-0 vote. Voting Yes: Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

14. AWARD BIDS FOR 2026 ELECTRICAL MATERIALS.

Construction Manager Adam Benhardt provided an overview of the 2026 electrical materials bids, noting that some materials continue to experience supply chain issues due to long lead times. Benhardt stated that some material was not needed, as lead times decreased and the earlier-than-expected delivery of MPS' previous orders had occurred.

Commissioner Leiseth made a motion to award the bids for 2026 electrical materials to the lowest, qualified bidders meeting the specifications, as shown on the Bid Tabulation Sheet attached hereto and made a part of these minutes. Commissioner Ness seconded the motion. The motion passed with a 4-0 vote. Voting Yes: Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

15. PUBLIC HEARING.

15a. Reading of Rules of Conduct.

Commissioner Borgen read the "Rules Governing the Conduct of Rate Hearings" from Article 5, Section 7, of the Commission's Bylaws.

15b. Conduct Electric Rate Hearing.

Commissioner Ness made a motion to open the electric rate hearing. Commissioner Paulsen seconded the motion. The motion passed with a 4-0 vote. Voting Yes: Borgen, Leiseth, Ness, and Paulsen.

General Manager Travis Schmidt presented on the proposed 2 percent electric rate increase for 2026.

No customer comments were made on the proposed electric rate increase.

Commissioner Ness made a motion to close the electric rate hearing. Commissioner Leiseth seconded the motion. The motion passed with a 4-0 vote. Voting Yes: Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

15c. Conduct Water Rate Hearing.

Commissioner Leiseth made a motion to open the water rate hearing. Commissioner Ness seconded the motion. The motion passed with a 4-0 vote. Voting Yes: Borgen, Leiseth, Ness, and Paulsen.

General Manager Travis Schmidt presented on the proposed 5.5 percent water rate increase for 2026.

No customer comments were made on the proposed water rate increase.

Commissioner Paulsen made a motion to close the water rate hearing. Commissioner Ness seconded the motion. The motion passed with a 4-0 vote. Voting Yes: Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

15d. Schedule of Rate Adoption.

Commissioner Borgen read the Schedule of Rate Adoption, which states that written comments will be received for 30 days from the date of this hearing, and no action will be taken on the rates until 30 days from the date of this rate hearing. For comments to be considered by the Commission, written comments should be emailed to mps@mpsutility.com or be postmarked no later than Thursday, November 20, 2025, and mailed to the Moorhead Public Service Commission, P.O. Box 779, Moorhead, MN 56561-0779. The person providing the comments must provide his/her name and address along with the comments. A formal decision regarding MPS' 2026 rate structure will be determined by the Commission's meeting on or about December 16, 2025. Additional information on our proposed budget and rates is available at www.mpsutility.com.

16. APPROVE STATEMENT OF WORK WITH ADVANCED UTILITY SYSTEMS FOR MPS' CUSTOMER INFORMATION SYSTEM UPGRADE.

IT Division Manager Kurt McClain provided an overview of MPS' current customer information system and explained that an upgrade is needed because the current version can no longer receive updates. McClain responded to questions of the Commission.

Commissioner Ness made a motion to approve the Statement of Work with Advanced Utility Systems for Moorhead Public Service's Customer Information System upgrade, contingent upon final legal approval, and authorize the General Manager to execute the Statement of Work. Commissioner Leiseth seconded the motion. The motion passed with a 4-0 vote. Voting Yes: Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

17. APPROVE GENERAL MANAGER'S PERFORMANCE EVALUATION/COMPENSATION.

17a. Approve Summary of Conclusions of Performance Evaluation of the General Manager.

Commissioner Borgen read the Summary of Conclusions of Performance Evaluation of the General Manager.

Commissioner Paulsen made a motion to approve the summary of conclusions of the performance evaluation of the General Manager. Commissioner Ness seconded the motion. The motion passed with a 4-0 vote. Voting Yes: Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

17b. Approve Compensation for the General Manager.

Commissioner Leiseth made a motion to approve a one-step compensation adjustment for the General Manager based upon the General Manager's recent performance evaluation. Commissioner Paulsen seconded the motion. The motion passed with a 4-0 vote. Voting Yes: Borgen, Leiseth, Ness, and Paulsen. Voting No: None.

18. CLOSE MEETING FOR EXECUTIVE SESSION.

The meeting was not closed for executive session.

19. UPCOMING MEETINGS.

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

20. ADJOURN.

The meeting adjourned at 6:06 PM.

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

APPROVED BY:

ATTEST:

Joel Paulsen
Chairpersonⁱ

Lisa Borgen
Secretaryⁱ

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



**Bid Tabulation Sheet
for
Tree Trimming
2025/2026**

October 8, 2025, at 2:00 PM

BIDDER NAME	BID BOND OR CC	<u>BID ITEM #1:</u> TREE TRIMMING TOTAL PRICE	<u>ALTERNATE ITEM #1:</u> REMOVE 9 TREES TOTAL PRICE	TOTAL BID PRICE
Carr's Tree Service, Inc.	10%	\$264,900	\$4,400	\$269,300
New Age Tree Service of MN	CC	\$521,490	\$6,200	\$527,690



**Bid Tabulation Sheet
for
2026 Electrical Materials**

October 8, 2025, at 3:00 pm

		54,000'	15,000	15,000	25	1	1
BIDDER	BID BOND OR CASHIER'S CHECK	BID ITEM #1: 1/0 AWG, 15 kv Dist. Cable, 220 mil Insulation (20 reels) Price/Foot	BID ITEM #2: 250-3/0-250AWG, 600 Volt Underground Service Cable (Pratt) Price/Foot	BID ITEM #3: 4/0-2/0-4/0AWG, 600 Volt Underground Service Cable (Sweetbriar) Price/Foot	BID ITEM #4:* 50 kVA, Single- Phase Padmount Transformer, 12.47/7.2 Volt Primary, 240/120- Volt Secondary Price Each	BID ITEM #5: 750 kVA, Three- Phase Padmount Transformer, 12.47/7.2 Volt Primary, 480Y/277 Volt Secondary Price Each	BID ITEM #6: 1000 kVA, Three- Phase Padmount Transformer, 12.47/7.2 Volt Primary, 480Y/277 Volt Secondary Price Each
Border States Industries, Inc.	B.B.	\$ 175,675.50	\$ 39,547.80	\$ 30,043.80	\$ 86,040.50	\$ 36,585.99	\$ 41,263.80
Border States Industries, Inc. (Alternate)		\$ -	\$ -	\$ 28,526.40	\$ -	\$ -	\$ -
Graybar Electric Company, Inc.	B.B.	\$ 210,060.00	\$ 39,473.70	\$ 31,421.10	\$ 150,194.50	\$ 36,733.07	\$ 42,597.95
JT Services of Minnesota	Check	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RESCO	B.B.	\$ 188,437.32	\$ 41,220.90	\$ 27,024.90	\$ 119,375.00	\$ 35,470.00	\$ 38,500.00
Stuart C. Irby Company	B.B.	\$ 173,880.00	\$ 37,200.00	\$ 27,900.00	\$ -	\$ -	\$ -

*Bid Item #4 was not awarded, as staff sought clarification on market volatility and lead times for future needs.



Bid Tabulation Sheet
for
2026 Electrical Materials
October 8, 2025, at 3:00 pm

	2	5	2
<u>BIDDER</u>	BID ITEM #7: 1500 kVA, Three-Phase Padmount Transformer, 12.47/7.2 Volt Primary, 480Y/277 Volt Secondary Price Each	BID ITEM #8: Two-Way 600 Amp Padmount Switches with Two Fusible Load Taps (include fuse-end fittings) Price Each	BID ITEM #9: Three-Way 600 Amp Padmount Switches with One Fusible Load Tap (include fuse-end fittings) Price Each
Border States Industries, Inc.	\$ 114,854.22	\$ 124,467.30	\$ 50,750.26
Border States Industries, Inc. (Alternate)	\$ -	\$ -	\$ -
Graybar Electric Company, Inc.	\$ 160,780.88	\$ -	\$ -
JT Services of Minnesota	\$ -	\$ 128,425.00	\$ 49,040.00
RESCO	\$ 87,690.00	\$ 128,625.00	\$ 49,560.00
Stuart C. Irby Company	\$ -	\$ 103,350.00	\$ 41,100.00

General Manager's Report

1. 2025 Third Quarter Strategic Plan Update.

On December 3, 2024, the Commission approved a new three-year Strategic Plan to begin in 2025 and conclude in 2027. The plan was based on the Commission's and staff's recommendations to include six Strategic Directions, which were simplified from the previous plan for 2022-2024. This structure aligns more closely with Moorhead Public Service's (MPS') current and future needs. The 2025-2027 Strategic Plan also features 1st Year Accomplishments for 2025 and Key Performance Indicators to measure MPS' operational performance. MPS staff provided quarterly updates on their action plans, which align with the Strategic Plan. Below are the six Strategic Directions of MPS and key highlights of MPS' activities for the third quarter of 2025.

Strategic Directions:

- Community
- Our Team
- Water
- Electric
- Finance
- Technology

Community:

- Staff from MPS and Missouri River Energy Services (MRES) continued to connect with key account customers to update contact information and provide updates on rebates available through MRES' Bright Energy Solutions® (BES) Program. MPS staff has been attending design meetings for the redevelopment of the Moorhead Center Mall, the Moorhead City Hall renovation project, and the 11th Street Grade Separation Project. Staff also worked on other customer projects, including the Moorhead Area Public Schools regarding Horizon Middle School and electric school buses. Additionally, staff collaborated with Minnesota State University Moorhead, American Crystal Sugar, Churches United, the City of Moorhead, and other customers on projects for 2025 and/or 2026, as well as other ongoing needs.
- MPS staff continues to modify MPS' website, which includes drought conditions, the status of the electric grid, and any pertinent information, as needed. Additional water and electric content continue to be added to MPS' social media platforms.
- Staff continues to work on other solar installation projects, including residential solar initiatives.
- On October 14, 2024, the Commission approved net-zero carbon for the remaining portion of MPS' power supply by purchasing Renewable Energy Certificates (RECs) through MRES' Bright Energy Choices Program for 2025. Staff will continue to monitor costs in 2025 to evaluate MPS' approach to RECs for 2026.

Our Team:

- MPS staff continues to update and add new job descriptions for positions within MPS' Organizational Structure. One position was filled during the third quarter of 2025, with another open position expected to be filled during the fourth quarter of 2025.
- During the third quarter of 2025, MPS experienced no reportable incidents or accidents and one non-reportable incident. None of the incidents resulted in additional employee time off.
- MPS staff held four events for MPS employees during the third quarter of 2025.

- MPS staff continues to work on a training plan for new and current employees related to job functions, software and operational technology, continued education, and leadership. Several employees across all divisions continued leadership training for 2025, which began during the second quarter of 2025 and is scheduled to be completed in the early part of the fourth quarter.
- MPS employees continue to attend training provided by American Water Works Association (AWWA), American Public Power Association (APPA), and Minnesota Municipal Utilities Association (MMUA), as well as other specific training that benefits MPS' operations.
 - Two employees completed MMUA's Overhead School.
 - One employee attended APPA's Business and Financial Conference.
 - Two employees attended MRES' Technology Days
 - Four employees attended the MN AWWA Annual Conference.
 - One employee attended Minnesota Rural Water Association's Water and Wastewater Certification Refresher and Exam course to renew their certification.
 - Several employees completed continued education for advanced degrees or professional development.

Water:

- MPS staff and contractors completed the replacement of 1.5 miles of cast-iron watermain in 2025, which is more than the 1.25 miles of annual replacement within MPS' Strategic Plan.
- MPS staff received the finalized technical memo from consultants for the South Buffalo Wells Groundwater Supply Pipeline Replacement Project to help evaluate and complete a preliminary review of replacement options for the approximately 3.2-mile pipeline between the South Buffalo Wells and MPS' Water Treatment Plant. Costs associated with this project were updated in the 10-year budget plan for the Water Division.
- Water Division staff continues to work with regulators and other public entities regarding water supply and water quality that impact MPS. Staff continues to work on the sustainability and long-term viability of the Moorhead and Buffalo Aquifers with State of Minnesota entities. Staff also continued the process of updating the 10-year update plan to the Wellhead Protection Plan for MPS' groundwater sources, which includes the Buffalo and Moorhead Aquifers.
- Water Division staff finalized a draft of the Request for Proposals (RFP) for the Water Treatment Plant during the third quarter of 2025 and expects to solicit proposals from engineering firms during the fourth quarter of 2025.
- Staff continues to replace aging equipment installed in MPS' Water Treatment Plant approximately 30 years ago, including the ozone generators used for the water disinfection process. MPS is working internally, as well as with consultants, to replace the failing equipment.

Electric:

- The Electric Division completed most of its planned 2025 construction season projects during the third quarter of 2025, which are based on the asset management matrix criteria and other outside factors, such as coordinating work with the City of Moorhead.
- MPS staff continues working on the Northeast Substation design layouts and has finalized the specifications for long lead times on equipment needed for relocating the Northeast Substation. Staff also continued working on planning for system capacity improvements for both distribution and transmission needs.

- MPS awarded bids for the transformers and breakers for the Northeast Substation during the third quarter of 2025 due to long lead times for these items. MPS staff continues to work on other aspects of this project, including updating project costs for the 10-year capital budget.
- MPS staff has also been working on plans for the Southeast Substation project.

Finance:

- The Electric Division finished the third quarter of 2025 with a net position that exceeded budget. Most of these revenues came from market value changes in investment carrying values, including revenues that were slightly less than the budget and operating expenses that were slightly higher than the budget.
- The Water Division ended the second quarter of 2025 with a net position that exceeded budget. Most of these revenues stemmed from market value changes in investment carrying values, including revenues that were slightly lower than the budget, as well as operating expenses that were also below the budget.
- Staff continues to monitor the Commission's Policy on Financial Strength on an ongoing basis. At the end of the third quarter of 2025, MPS' water and electric days of cash on hand met the Commission's Policy on Financial Strength.

Technology:

- MPS has ongoing best practice assessments for cybersecurity that are reviewed by staff, which then implements any recommendations. MPS did not experience any cyber data breaches, nor was there a loss of data during the third quarter of 2025. The IT Division provides valuable Key Performance Indicators that are incorporated into a dashboard, providing valuable insight into what the IT staff accomplishes on a quarterly basis.
- Construction on MPS' redundant Network Operations Center began during the third quarter of 2025. The building is expected to be substantially completed by the end of the fourth quarter of 2025 and operational in 2026.
- The AMI Project completed the System Acceptance Test (SAT) in the third quarter, with only a few outstanding items remaining as full deployment began in the third quarter of 2025. At the end of the third quarter of 2025, over 7,000 devices were deployed and operational.
- Other technology projects were also completed during the third quarter.

2. Quarterly Dashboard Reports.

Attached are the 2025 Dashboard Reports for the third quarter. The dashboards include information for Electric, Energy Services, Finance, Human Resources, Information Technology, Safety Committee, Social Media, Water, and other information that the Commission should be informed about.

3. Minnesota Municipal Utilities Association's Safety Management Program.

In 2024-2025, the Commission approved an amendment to the 2023 Safety Management Services Agreement with the Minnesota Municipal Utilities Association (MMUA). That agreement will remain in effect and automatically renew on January 1 of each year, unless either party chooses to terminate it.

The general safety annual cost is \$38,535, which is an increase of \$1,303, or 3.5 percent, from the previous year's renewal. The Services Agreement (available upon request) covers a 12-month period from January to December.

The fees are based on a tier level, the number of on-site days per month, and the population of the service territory. MMUA's Safety Management Services provides MPS with specialized safety

training, on-site consultations, and support during Occupational Safety and Health Administration and mock inspections. MMUA and MPS staff have completed the update to MPS' Safety Manual.

4. **Western Area Power Administration Final Drought Adder Rate Notification.**

On an annual basis, Western Area Power Administration (WAPA) reviews the drought adder component of the firm power service provided to MPS and other WAPA members. Annually, MPS receives two notifications from WAPA, which include a two-phase drought adder rate review (preliminary and final) for the upcoming year (2026).

The reviews help guide utilities to adjust their rates accordingly, based on the proposed changes, during their budget review. The final analysis by WAPA (attached) has been completed. At this time, it is estimated that the drought adder component for 2026, which was proposed during the rate hearing process that occurred during the third quarter, will decrease as projected. The drought adder component is still planned to decrease by 3.5 percent for WAPA's portion of purchased power for MPS.

5. **Light Up Navajo Project.**

The Light Up Navajo Project, launched in 2019 through a partnership between the Navajo Tribal Utility Authority (NTUA) and American Public Power Association, is a public power initiative aimed at providing electricity to more than 10,000 families in the Navajo Nation who have never had power in their homes.

In 2025, MRES began supporting this initiative by coordinating with member utilities and deploying maintenance crews from MRES, which sent 8 lineworkers to NTUA to assist with the Light Up Navajo Project. In 2026, MRES is doubling its commitment and has committed to sending 16 lineworkers to support the project from MRES' membership and distribution maintenance crews.

MPS offered this opportunity to its lineworkers to assist another public power organization, and 8 employees expressed interest in supporting NTUA. The project is scheduled for early April 2026. MPS will cover wages and travel expenses for participating lineworkers, while NTUA will provide trucks, housing, and meals during their stay.

MPS is coordinating with MRES to determine the number of MPS lineworkers who will participate in 2026, while also ensuring that MPS has adequate staffing during the project period. MPS will provide additional information and seek Commission approval once further details are finalized.

6. **Thank You Note from Moorhead Sausage Fest.**

Attached is a note from Moorhead Sausage Fest thanking MPS for sponsoring the event held on September 27, 2025, at First Presbyterian Church of Moorhead.

7. **Thank You Note from Moorhead Business Association.**

Attached is a thank you note from Moorhead Business Association (MBA) thanking MPS for being a premier sponsor of the MBA's Annual Member Celebration held on October 2, 2025.

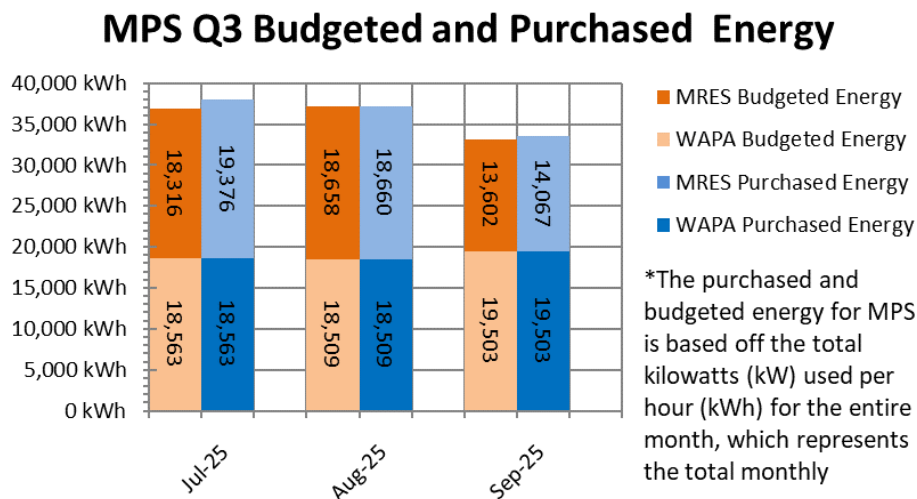
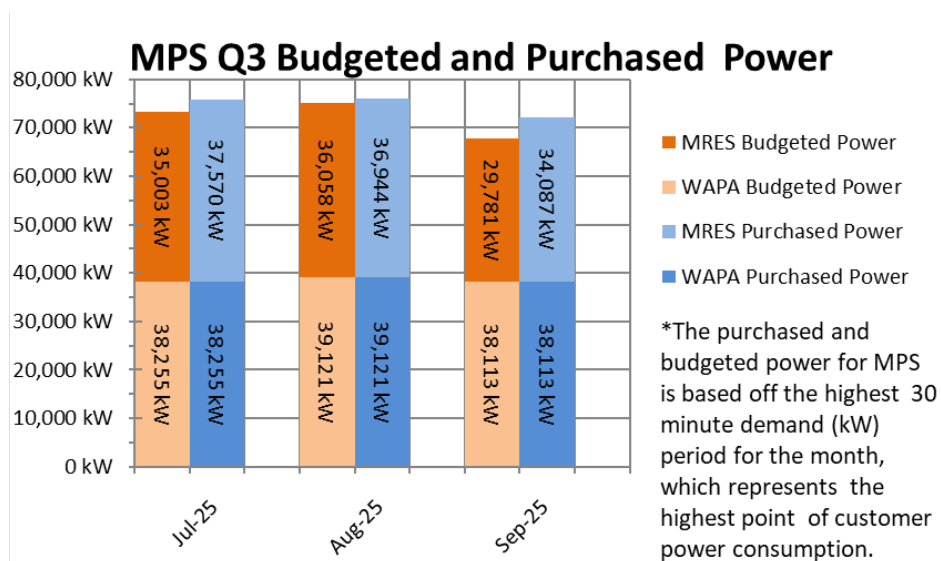
8. **MPS Participated in Trunk or Treat.**

MPS staff participated in Trunk or Treat on October 31, 2025, in the parking lot at Minnesota State University Moorhead. MPS' "Ripple" mascot was popular and enjoyed receiving "high fives" and participating in photos. Staff handed out approximately 114 pounds of candy and 30 MPS orange drawstring bags to trick-or-treaters attending this event.

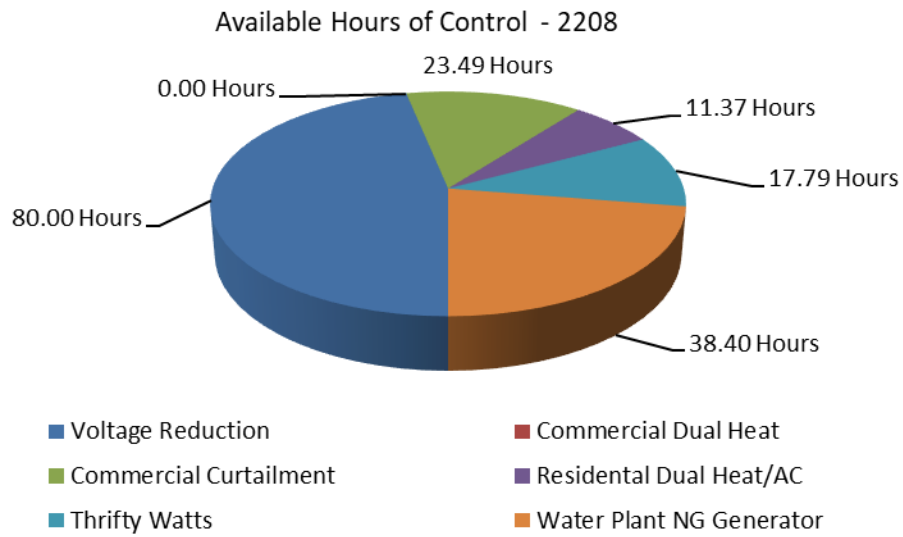
Electric Division Third Quarter – 2025 Dashboard



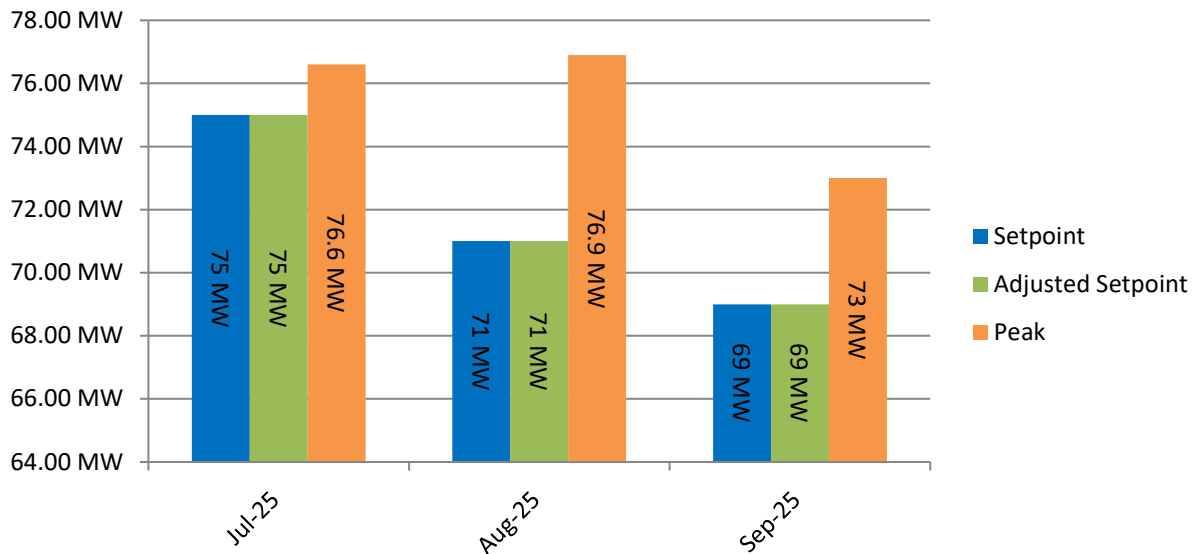
Moorhead Public Service – Electric Division is to provide safe, efficient, reliable, and environmentally – responsible electric power that is innovative and maximizes rate payer’s satisfaction. Below are several graphs that are dashboard to show how the electric division is completing these requirements on a quarterly basis.



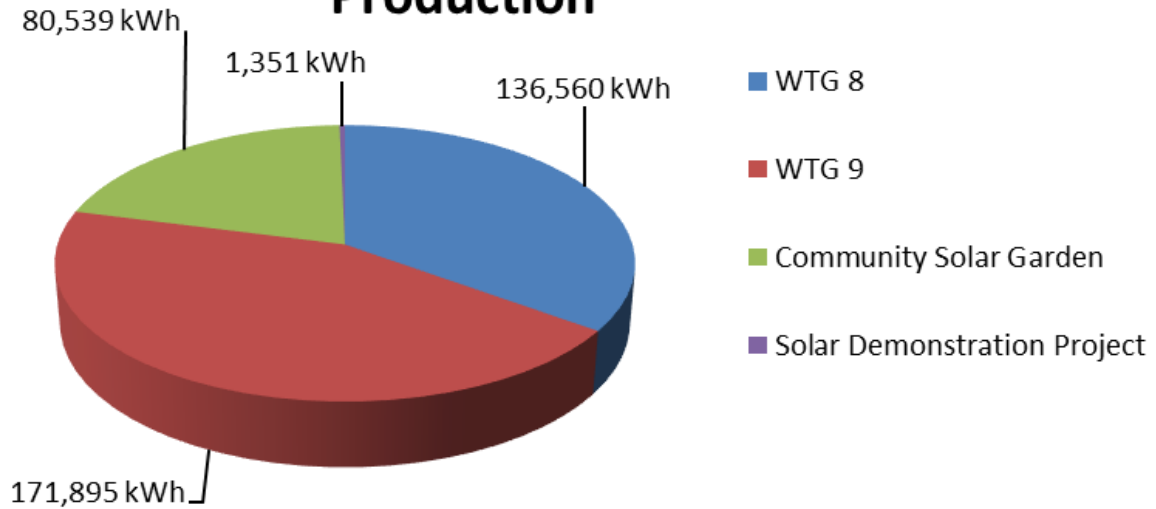
MPS Q3 Load Management Control Hours



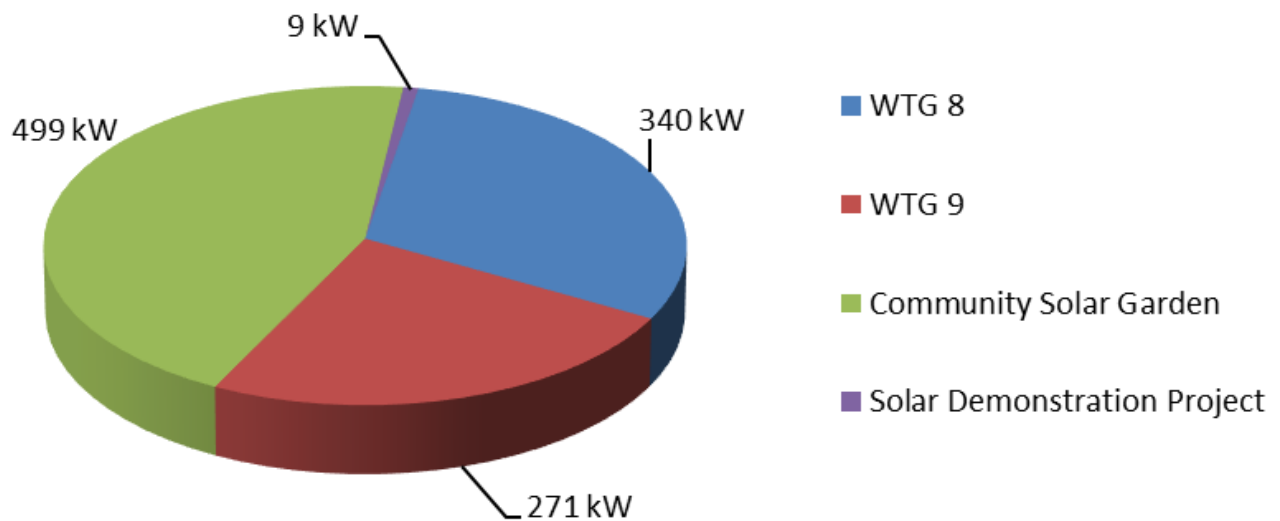
MPS Q3 Setpoint and Peak



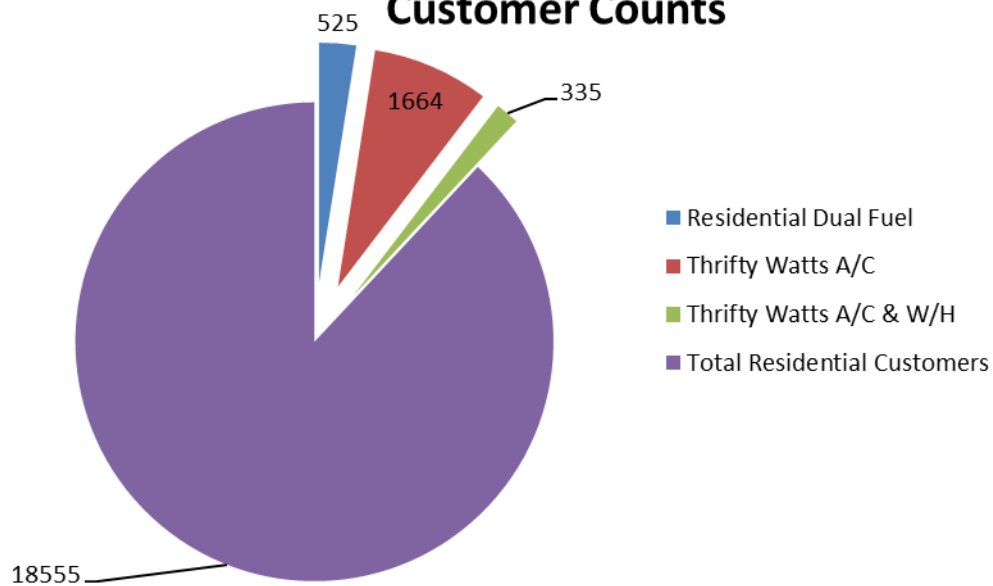
MPS Q3 Renewables Energy Production



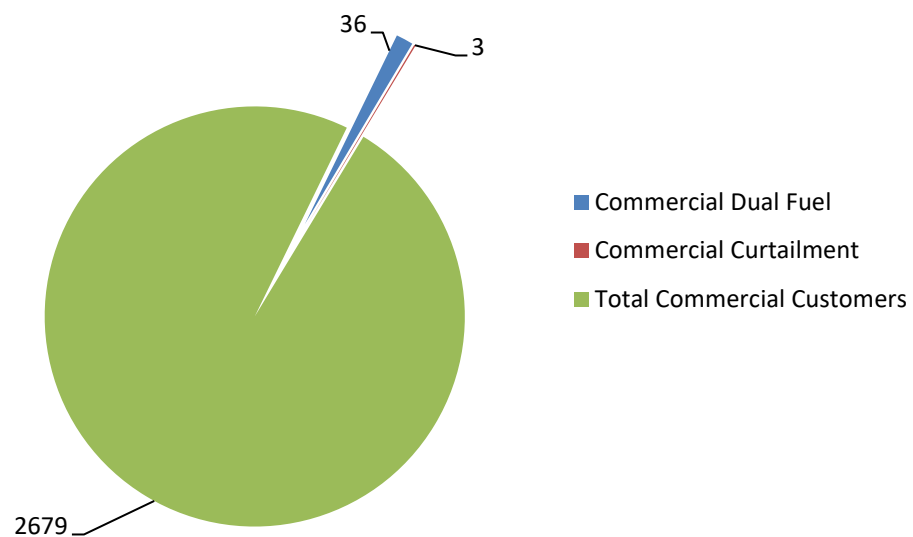
MPS Q3 Renewables Power Production



MPS Q3 Load Management Residential Customer Counts



MPS Q3 Load Management Commercial Customer Counts



MPS Q3 NERC Compliance Updates

Self-Certifications in Q3 2025

- During the 2nd quarter, MPS was notified by the Midwest Reliability Organization that they were selected to perform a self-certification during the 3rd quarter. MPS submitted the responses in the completed worksheet form along with evidence to support the responses. MRO will review the responses and evidence during the fourth quarter.

New NERC Standards in Q3 2025

- None

Updated NERC Standards in Q3 2025

- MPS revised two NERC Standards ahead of the date of implementation on July 1, 2025. These revised NERC Standards were already met by MPS and only required updated documentation.

Other Compliance Updates

- None.

Electric Operations Third Quarter – 2025 Dashboard

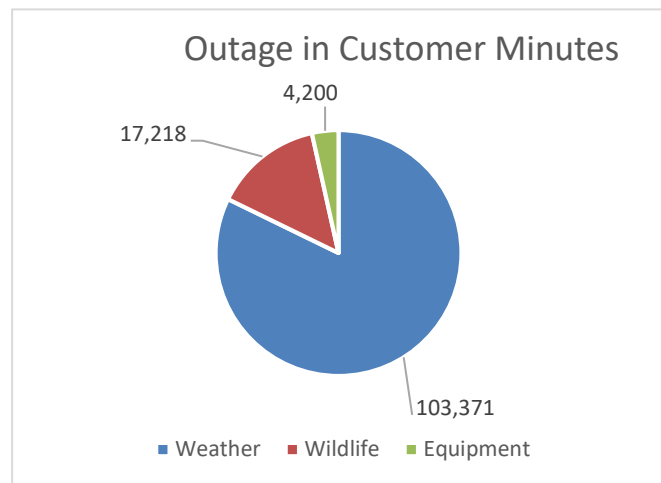


Street/Security Lighting

- 39 LED Street Light Conversions
- 6 New LED street light installs

Outages

- 14 outages – 124,789 customer minutes
 - Weather – 103,371
 - Wildlife – 17,218
 - Equipment – 4,200

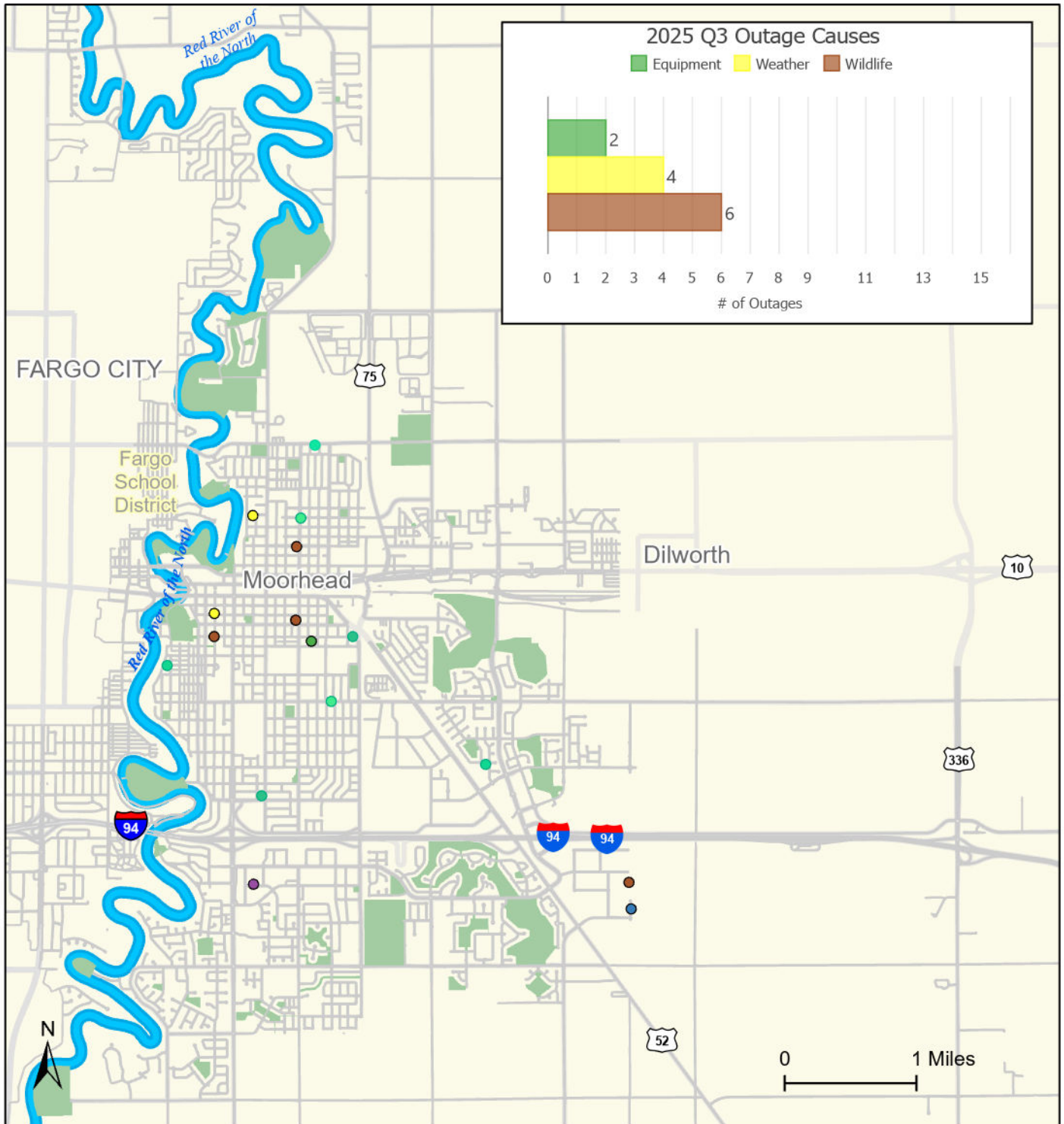


Upgrades & Repairs

- Installed Transformer and Switch Basement for the 1st Avenue Lift
- Completed Morningside Conversion
- Completed Our Saviors Lutheran Church Conversion
- Completed Hwy 10 South Frontage Road Conversion
- Installed 3 phase for 1325 Main Avenue Apartments
- Installed New Overhead Switch for Hillsboro
- Installed Temporary Switch for Hillboro's New Anchor Project
- Installed 44 New services
- Continued 2026 Prolec transformer replacements
- Began Setting Poles for Winter Maintenance Projects

Electric Outage Q3 2025

- Electrical Failure
- Public
- Weather
- Equipment
- Tree
- Wildlife



Outage Details:

Outages: 19

Outage Minutes: 1,154

Customer Minutes: 124,789

CAIDI: 24.05

Standard: 60 Minutes or less

SAIFI: 0.25

Standard: 1.00 outages a year or less
or 0.25 outages a quarter or less

SAIDI: 6.082

Standard: 60 minutes or less

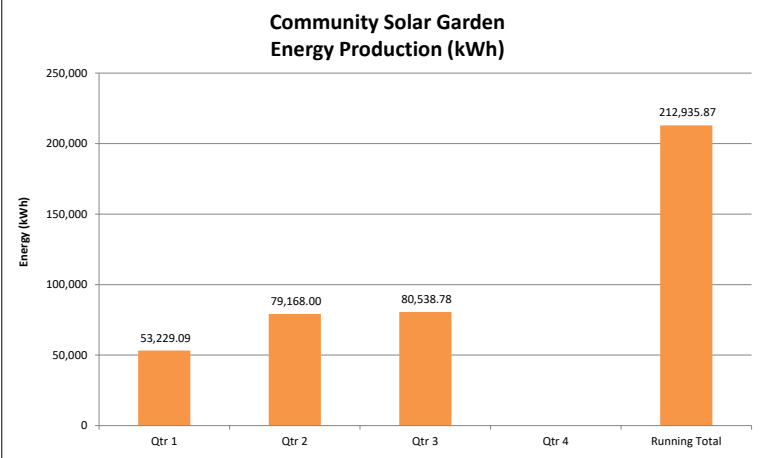
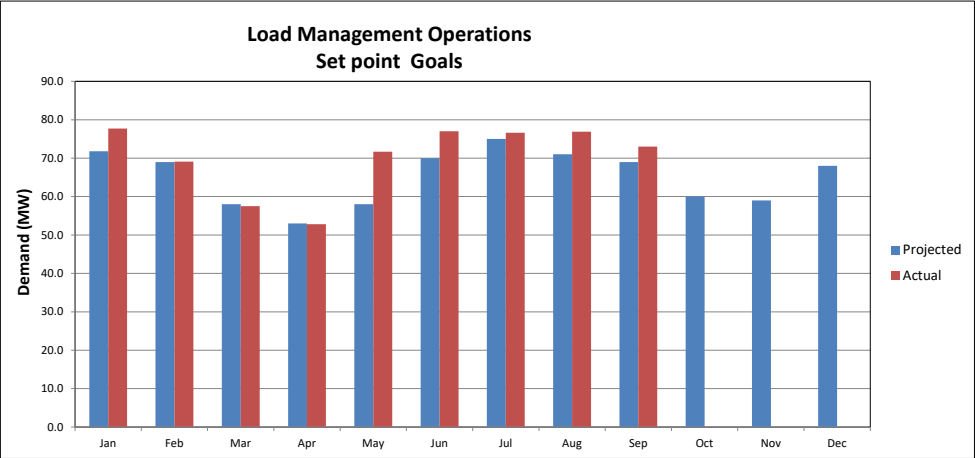
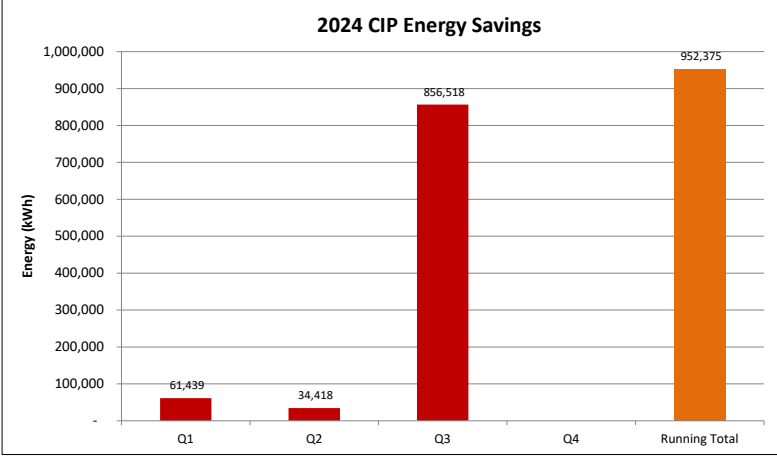
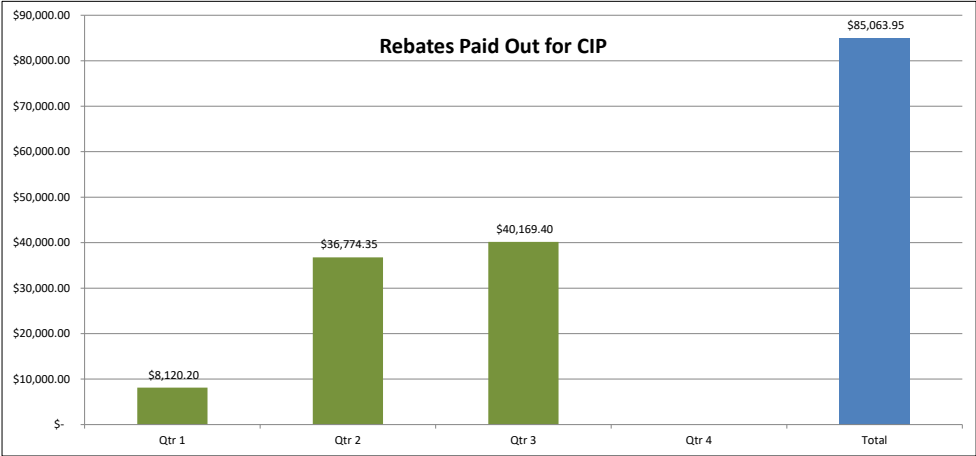
ASAI: 99.99536

Goal: 99.999%



Energy Services Dashboard

2025 Quarter 3



MOORHEAD PUBLIC SERVICE
SUMMARY STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION
ELECTRIC DIVISION
FOR THE PERIOD ENDING 9/30/2025

CURRENT QUARTER	QUARTER BUDGET	VAR FR BDGT	VAR %	PRIOR YR QUARTER	PR YR VAR	PR YR CHG		YTD ACTUAL	YTD BUDGET	VAR FR BDGT	VAR %	PRIOR YR	PR YR VAR	PR YR CHG
11,266,996	11,536,180	(269,184)	-2%	11,257,418	9,579	0%	OPERATING REVENUE	32,504,572	32,826,950	(322,378)	-1%	31,306,739	1,197,832	4%
923,496	724,000	199,496	28%	672,464	251,032	37%	Other Operating Revenue	2,281,939	2,208,910	73,029	3%	2,194,825	87,115	4%
12,190,492	12,260,180	(69,688)	-1%	11,929,882	260,611	2%	TOTAL OPERATING REVENUES	34,786,511	35,035,860	(249,349)	-1%	33,501,564	1,284,947	4%
							OPERATING EXPENSES							
69,780	90,130	(20,350)	-23%	92,371	(22,591)	-24%	Production	150,094	201,560	(51,466)	-26%	209,218	(59,124)	-28%
5,312,693	5,366,900	(54,207)	-1%	5,205,710	106,983	2%	Purchased Power	14,431,087	14,762,730	(331,643)	-2%	13,561,266	869,821	6%
614,292	698,020	(83,728)	-12%	580,359	33,933	6%	Transmission	1,769,764	2,121,110	(351,346)	-17%	1,756,140	13,623	1%
853,417	786,310	67,107	9%	703,826	149,590	21%	Distribution	2,449,056	2,632,900	(183,844)	-7%	2,120,725	328,331	15%
163,865	212,510	(48,645)	-23%	157,497	6,368	4%	Customer Accounts	532,211	583,270	(51,059)	-9%	447,720	84,491	19%
25,326	9,150	16,176	177%	(2,005)	27,331	-1363%	Customer Info, Educ., & Awareness	37,230	22,600	14,630	65%	4,341	32,888	758%
8,666	40,290	(31,624)	-78%	11,201	(2,534)	-23%	CIP Programs	55,246	156,230	(100,984)	-65%	42,364	12,882	30%
841,317	742,690	98,627	13%	807,540	33,777	4%	Admin & General	2,620,327	2,185,020	435,307	20%	2,421,327	199,001	8%
1,031,808	682,140	349,668	51%	717,912	313,896	44%	Depreciation	3,100,634	2,048,370	1,052,264	51%	2,263,372	837,262	37%
25,836	25,740	96	0%	25,836	0	0%	Buy-Out Amortization	77,508	77,220	288	0%	77,508	0	0%
8,947,000	8,653,880	293,120	3%	8,300,247	646,753	8%	TOTAL OPERATING EXPENSES	25,223,157	24,791,010	432,147	2%	22,903,982	2,319,175	10%
3,243,492	3,606,300	(362,808)	-10%	3,629,635	(386,143)	-11%	OPERATING INCOME (LOSS)	9,563,354	10,244,850	(681,496)	-7%	10,597,582	(1,034,228)	-10%
							NONOPERATING INCOME (EXPENSE)							
83,250	89,490	(6,240)	-7%	83,250	0	0%	Revenue from Nonutility Operations	249,750	268,470	(18,720)	-7%	249,750	0	0%
554,153	237,800	316,353	133%	1,393,365	(839,211)	-60%	Investment Interest & Market Adj	1,895,676	735,320	1,160,356	158%	2,398,399	(502,724)	-21%
54,409	86,000	(31,591)	-37%	241,888	(187,479)	-78%	Miscellaneous Items	135,186	64,240	70,946	110%	281,475	(146,289)	-52%
(307,890)	(357,700)	49,810	-14%	(10,456)	(297,434)	2845%	Interest Expense	(924,954)	(1,116,480)	191,527	-17%	(74,679)	(850,274)	1139%
383,923	55,590	328,333	591%	1,708,046	(1,324,124)	-78%	NONOPERATING INCOME (EXPENSE)	1,355,659	(48,450)	1,404,109	-2898%	2,854,945	(1,499,287)	-53%
3,627,415	3,661,890	(34,475)	-1%	5,337,681	(1,710,266)	-32%	INCOME BEFORE TRANSFERS	10,919,013	10,196,400	722,613	7%	13,452,528	(2,533,515)	-19%
							TRANSFERS TO CITY							
(1,899,990)	(1,899,990)	0	0%	(1,868,700)	(31,290)	2%	General Fund - Base	(5,699,970)	(5,699,970)	0	0%	(5,606,100)	(93,870)	2%
0	0	0	0%	0	0	0%	General Fund - One-Time	0	0	0	0%	0	0	0%
(12,300)	(12,300)	0	0%	(12,300)	0	0%	Economic Development	(36,900)	(36,900)	0	0%	(36,900)	0	0%
(504,000)	(504,000)	0	0%	(495,000)	(9,000)	2%	Capital Improvement	(1,512,000)	(1,512,000)	0	0%	(1,485,000)	(27,000)	2%
(2,416,290)	(2,416,290)	0	0%	(2,376,000)	(40,290)	2%	TOTAL TRANSFERS TO CITY	(7,248,870)	(7,248,870)	0	0%	(7,128,000)	(120,870)	2%
25,667	0	25,667	0%	487,634	(461,967)	-95%	CONTRIBUTIONS & OTHER ITEMS	82,093	0	82,093	0%	1,401,237	(1,319,144)	-94%
1,236,791	1,245,600	(8,809)	-1%	3,449,315	(2,212,523)	-64%	CHANGE IN NET POSITION	3,752,236	2,947,530	804,706	27%	7,725,764	(3,973,529)	-51%

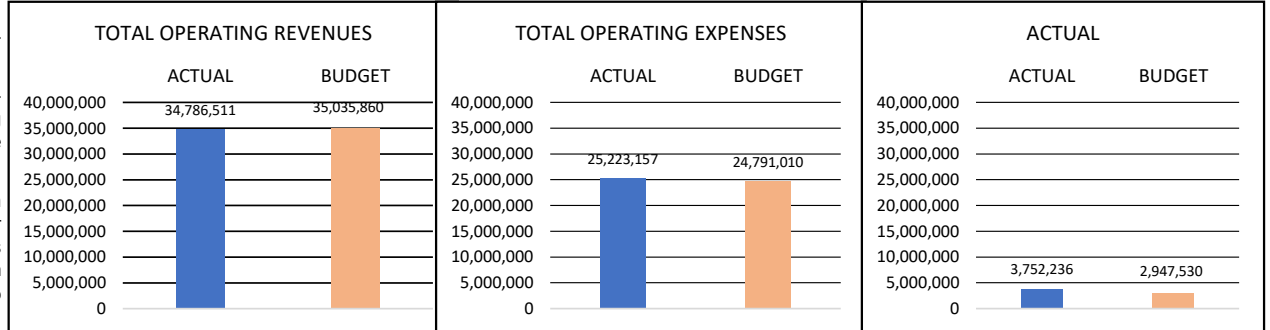
NOTES

For the quarter, Total Operating Revenues were 3% over budget. For the year-to-date, Total Operating Revenues were 2% over budget.

For the quarter, Total Operating Expenses were 3% over budget. For the year-to-date, Total Operating Expenses were 2% over budget. Within Operating Expenses, total Purchased Power expenses were 1% under budget for the quarter and were 2% under budget for the year-to-date.

For the quarter, Non-Operating items generated \$328,000 more revenue than expected, and for the year-to-date, Non-Operating items generated just over \$1.4 million more than budgeted. The vast majority of the revenue was generated from interest earned and market valuation increases on investments. As a result, the Income Before Transfers for the year was 7% over budget.

The combination of Operating and Non-operating items resulted in a change in Net Position that was 1% under budget for the quarter and 27% over budget for the year-to-date..



Days Cash On Hand Summary

Cash and Reserves	Budget Daily Exp	Calc. Days on Hand	Req'd Days	Excess or (Deficit) Days
39,175,876	107,532	364.3	200	164.3

MOORHEAD PUBLIC SERVICE
SUMMARY STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION
WATER DIVISION
FOR THE PERIOD ENDING 9/30/2025

CURRENT QUARTER	QUARTER BUDGET	VAR FR BDGT	VAR %	PRIOR YR QUARTER	PR YR VAR	PR YR CHG		YTD ACTUAL	YTD BUDGET	VAR FR BDGT	VAR %	PRIOR YR	PR YR VAR	PR YR CHG
3,382,388	3,806,930	(424,542)	-11%	3,509,614	(127,226)	-4%	OPERATING REVENUE	9,200,696	9,252,600	(51,904)	-1%	9,087,129	113,567	1%
7,658	6,430	1,228	19%	8,575	(917)	-11%	Sales of Water	19,714	14,580	5,134	35%	21,078	(1,364)	-6%
3,390,046	3,813,360	(423,314)	-11%	3,518,189	(128,143)	-4%	Other Operating Revenue	9,220,410	9,267,180	(46,770)	-1%	9,108,207	112,203	1%
							TOTAL OPERATING REVENUES							
100,929	91,410	9,519	10%	135,540	(34,610)	-26%	OPERATING EXPENSES	259,809	302,510	(42,701)	-14%	304,825	(45,016)	-15%
1,209,634	1,181,830	27,804	2%	1,295,793	(86,159)	-7%	Source of Supply	2,998,156	3,331,410	(333,254)	-10%	3,462,812	(464,656)	-13%
419,586	374,310	45,276	12%	301,871	117,715	39%	Water Treatment	1,092,449	1,058,470	33,979	3%	899,921	192,528	21%
85,008	111,980	(26,972)	-24%	86,300	(1,292)	-1%	Distribution	277,695	309,760	(32,065)	-10%	257,756	19,939	8%
0	0	0	0%	0	0	0%	Customer Accounts	1,390	1,140	250	22%	186	1,204	648%
455,646	469,970	(14,324)	-3%	425,493	30,154	7%	Customer Info., Education, & Awareness	1,519,248	1,402,060	117,188	8%	1,279,166	240,082	19%
643,551	578,640	64,911	11%	594,930	48,621	8%	Admin & General	1,930,652	1,735,920	194,732	11%	1,784,789	145,863	8%
2,914,355	2,808,140	106,215	4%	2,839,926	74,429	3%	Depreciation	8,079,400	8,141,270	(61,870)	-1%	7,989,455	89,945	1%
475,692	1,005,220	(529,528)	-53%	678,263	(202,572)	-30%	TOTAL OPERATING EXPENSES	1,141,010	1,125,910	15,100	1%	1,118,752	22,258	2%
							OPERATING INCOME (LOSS)							
55,500	59,780	(4,280)	-7%	55,500	0	0%	NON-OPERATING INCOME/(EXPENSE)	166,500	179,000	(12,500)	-7%	166,500	0	0%
142,820	49,870	92,950	186%	306,271	(163,451)	-53%	Revenue from Nonutility Operations	486,284	116,150	370,134	319%	526,881	(40,597)	-8%
33,356	21,150	12,206	58%	23,422	9,934	42%	Investment Int Inc & Market Adj.	75,034	52,330	22,704	43%	89,328	(14,293)	-16%
(130,698)	(133,620)	2,922	-2%	(130,008)	(690)	1%	Miscellaneous Non-operating	(410,401)	(385,210)	(25,191)	7%	(393,288)	(17,113)	4%
100,978	(2,820)	103,798	-3681%	255,185	(154,207)	-60%	Bond and Loan Int Expense	317,417	(37,730)	355,147	-941%	389,421	(72,003)	-18%
576,670	1,002,400	(425,730)	-42%	933,448	(356,778)	-38%	NONOPERATING INCOME (EXPENSE)	1,458,428	1,088,180	370,248	34%	1,508,173	(49,746)	-3%
							INCOME (LOSS) BEFORE TRANSFERS							
(131,250)	(137,430)	6,180	-4%	(133,500)	2,250	-2%	TRANSFERS TO CITY	(393,750)	(412,290)	18,540	-4%	(400,500)	6,750	-2%
(31,500)	(31,500)	0	0%	(31,500)	0	0%	General Fund	(94,500)	(94,500)	0	0%	(94,500)	0	0%
(162,750)	(168,930)	6,180	-4%	(165,000)	2,250	-1%	Capital Improvements Fund	(488,250)	(506,790)	18,540	-4%	(495,000)	6,750	-1%
48,123	0	48,123	0%	15,477	32,646	211%	TOTAL CITY TRANSFERS	55,090	0	55,090	0%	19,830	35,260	178%
462,043	833,470	(371,427)	-45%	783,925	(321,883)	-41%	CONTRIBUTIONS & OTHER ITEMS	1,025,267	581,390	443,877	76%	1,033,003	(7,736)	-1%
462,043	833,470	(371,427)	-45%	783,925	(321,883)	-41%	CHANGE IN NET POSITION	1,025,267	581,390	443,877	76%	1,033,003	(7,736)	-1%
							CHECK FIGURE							

NOTES

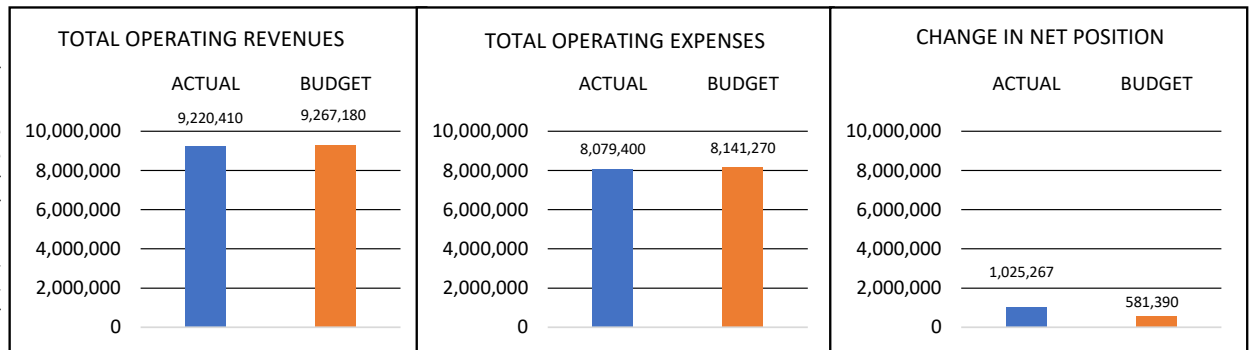
Due to wetter than average conditions in the summer, Total Operating Revenues were 11% under budget for the quarter and were 1% under budget for the year-to-date.

For the quarter, Total Operating Expenses were 4% over budget. For the year-to-date, Total Operating Expenses were 1% under budget. Within the Expenses, improved water quality in the river and aquifer resulted in Water Treatment costs coming in 2% under budget for the quarter qm 10% under budget for the year-to-date.

For the quarter, net Non-Operating items exceeded the budgeted non-operating net expense by nearly \$104,000. For the year-to-date, net non-operating items exceeded budgeted non-operating expense by just over \$355,000. The largest contributor within this account group was higher than expected interest income and book market value gains on investments for the both the quarter and year-to-date.

For the quarter, Income Before Transfers was 42% under budget. For the year-to-date, Income Before Transfers was 34% over budget

The combination of Operating, Non-operating, and contributed items resulted in the Change in Net Position for the quarter to be under budget by just over \$371,000 while remaining 76% over budget for the year-to-date..



Days Cash On Hand Summary

Cash and Reserves	Budget Daily Exp	Calc. Days on Hand	Req'd Days	Excess or (Deficit) Days
11,725,059	25,542	459.1	225	234.1

Human Resources Quarterly Dashboard

2025 Quarter 3

U.S. Bureau of Labor Statistics (BLS) Employee Counts Reported

(Full-time and part-time employees to include paid Commissioners)

July 2025	76
August 2025	75
September 2025	71

New Hires Processed During Quarter

(Payroll Setup / Federal E-Verify (I-9) Processed / MN New Hire Reporting)

Full-time	0
Part-time and Commissioners	1
Total	1

Full-Time Separations Processed During Quarter

(State PERA Reporting / (COBRA) Health Insurance Notifications)

0

OSHA / Workers Compensation Reporting

Total Injury Incidents Reported During Quarter	1
OSHA Form 301 Recordable Incident Reports Initiated*	0
Workers Compensation First Claims Initiated**	0

* Only incidents that require attention from a medical provider are reported on OSHA Form 301 incident reports. Per OSHA recordkeeping requirements, minor injuries requiring only routine first aid attention do not need to be recorded.

** Workers' Compensation Filings submitted when there is notification of an office visit, medical visit or other situation that may have a financial or cost impact.

Quarterly Reporting and Testing Requirements

Completed

Commercial Driver's License (CDL) Quarterly Random Tests Completed	X
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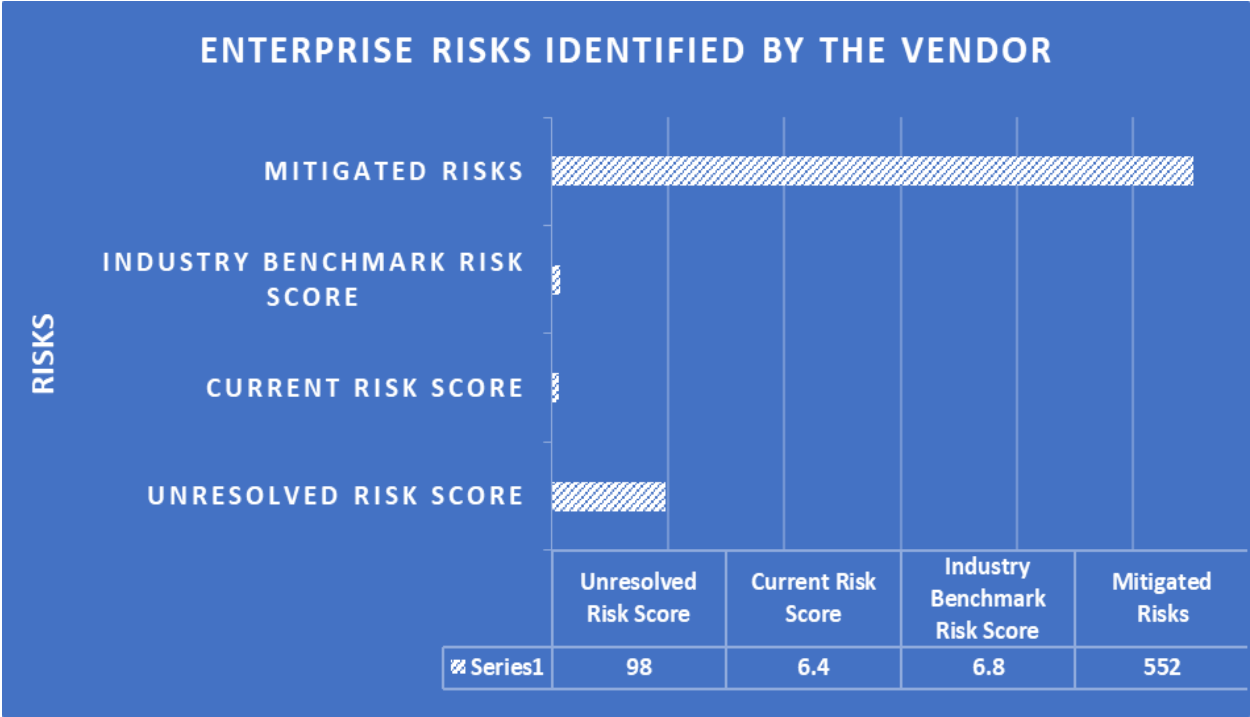
The following are completed during the first month following the end of the quarter:

Federal Quarterly Withholding Tax Reported / Filed	X
MN State Quarterly Withholding Tax Reported / Filed	X
ND Quarterly Withholding Tax Reported / Filed	X
MN Quarterly Unemployment Insurance Income Reported / Filed	X

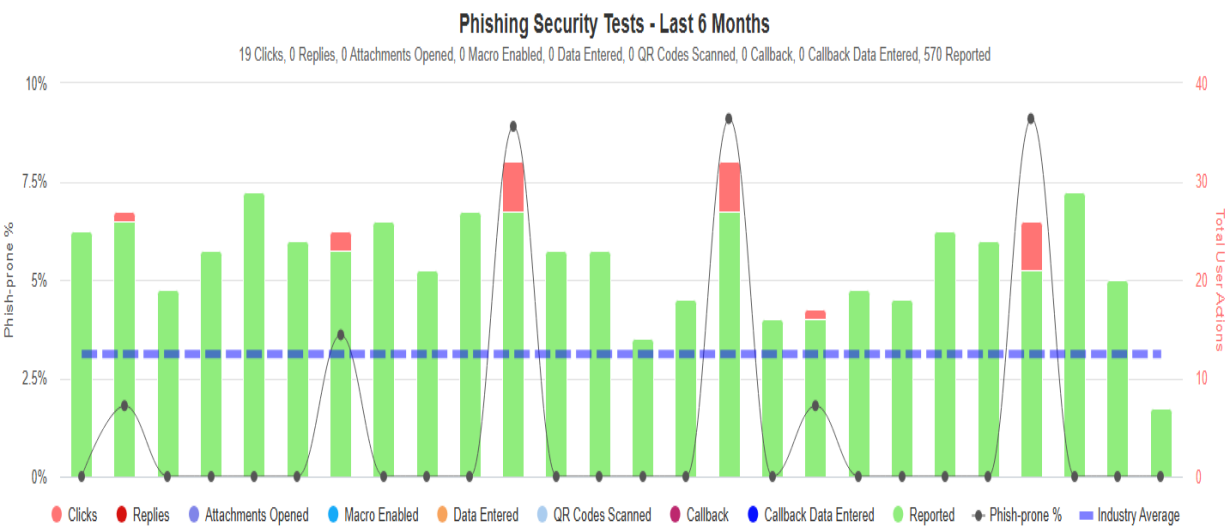
Other Items During Quarter

Payments to benefit providers made using 2025 rates	X
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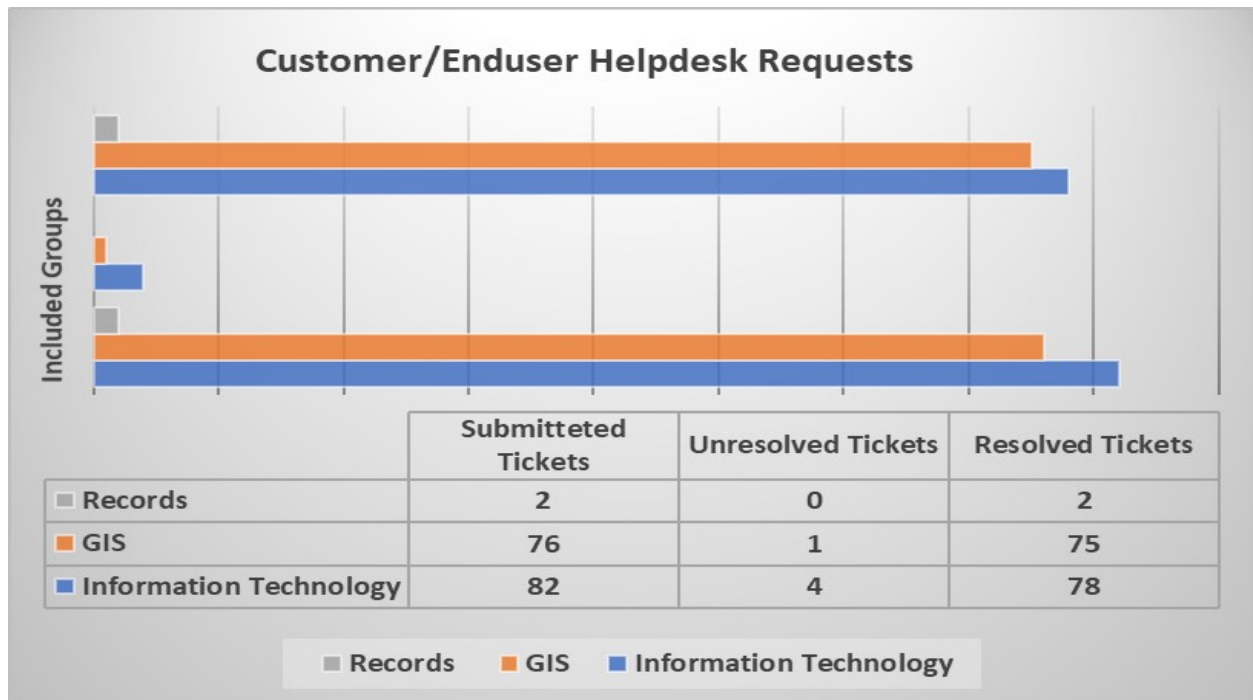
Enterprise Risk Identified by the Vendor



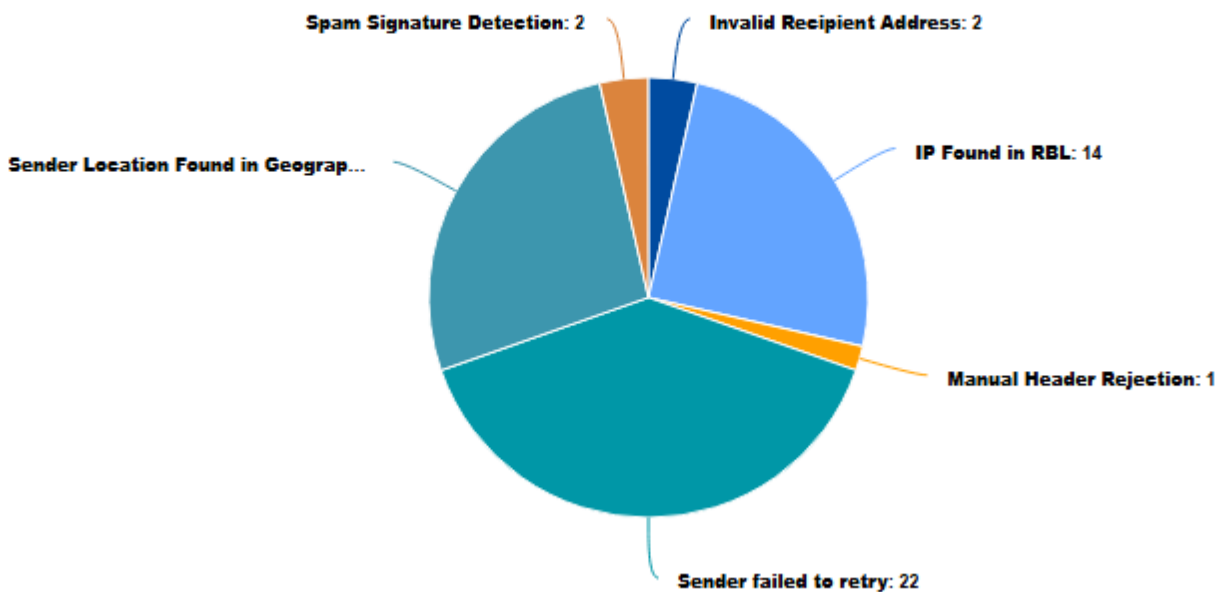
Phishing Security Test -Last 6 Months



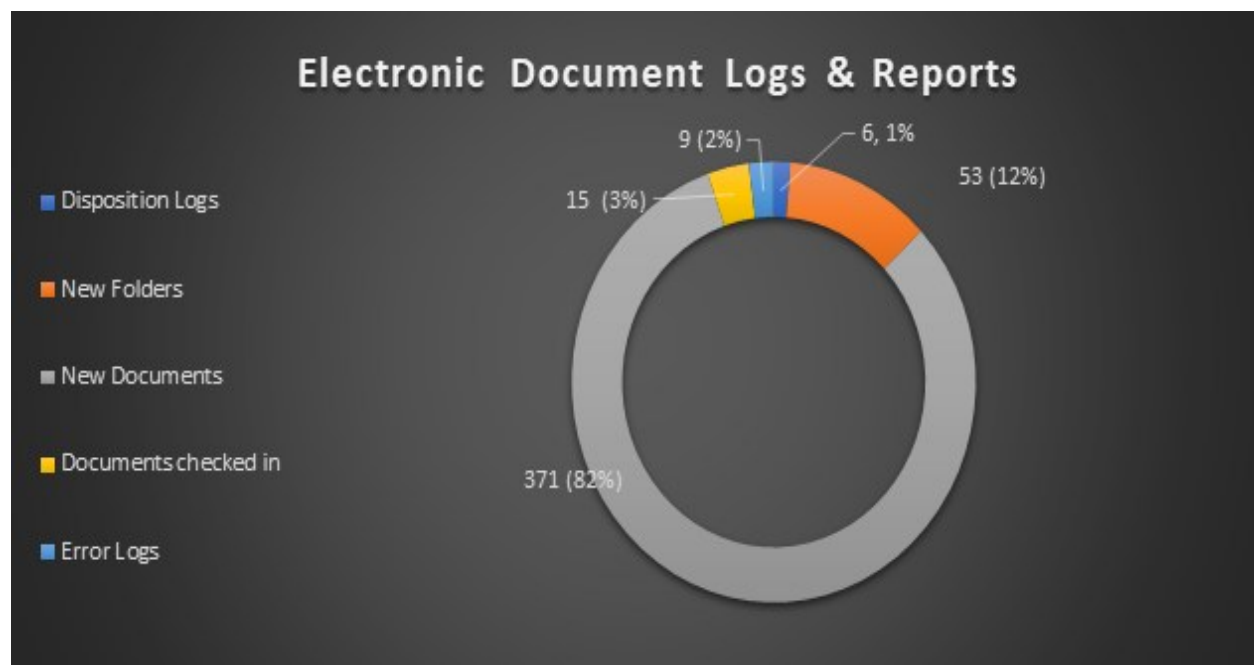
Technical Requests Made by MPS Users



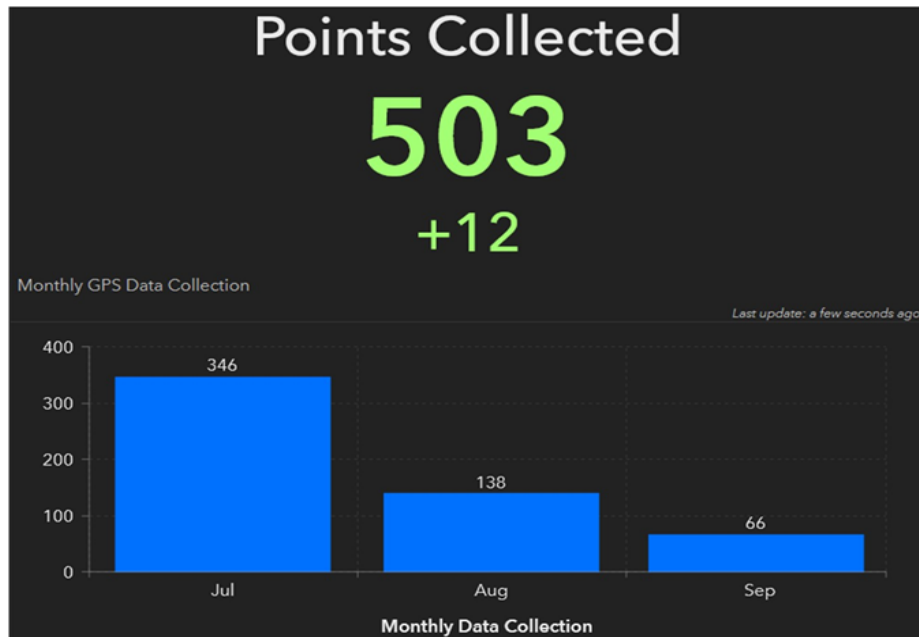
Internal Simulated Phishing Campaign Rejection Overview



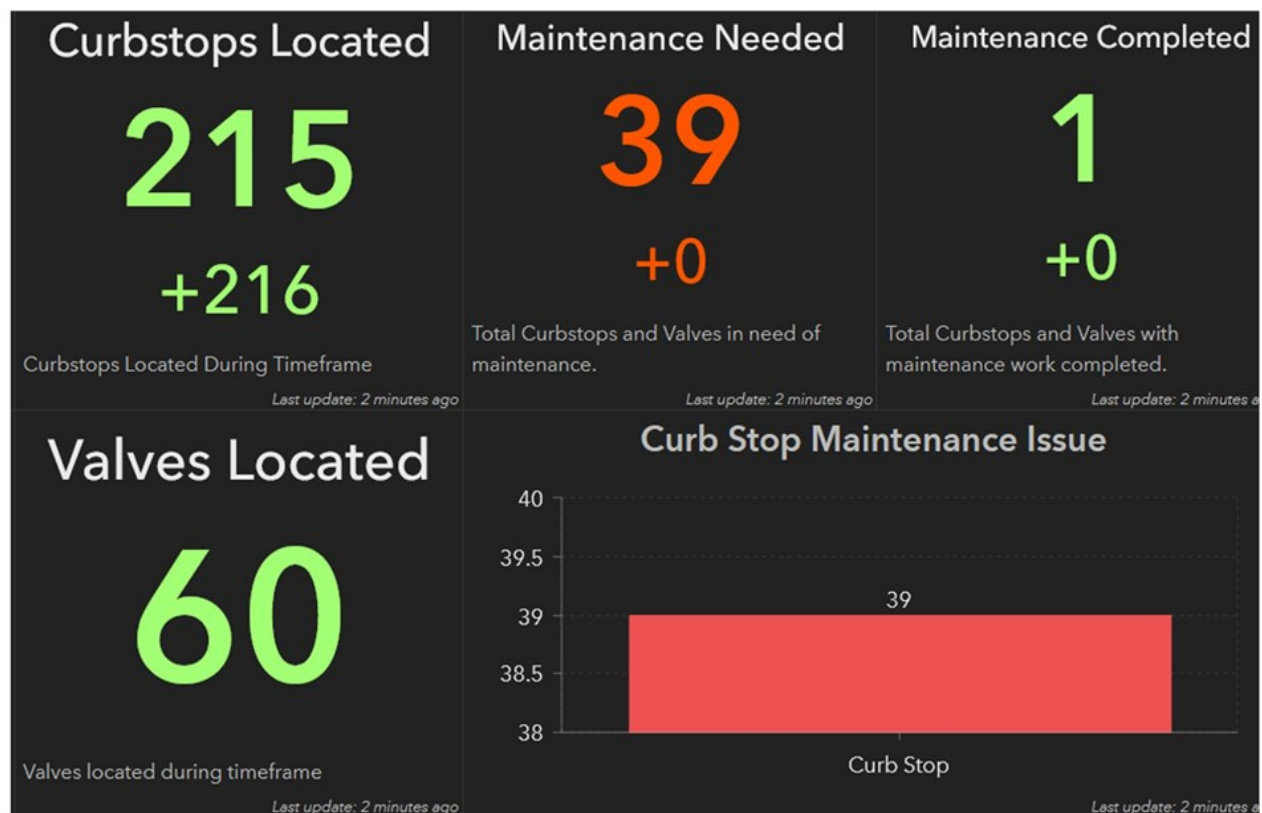
MPS Records Management New Inventory



GPS Points Collected—Water Facilities



Water Distribution Maintenance



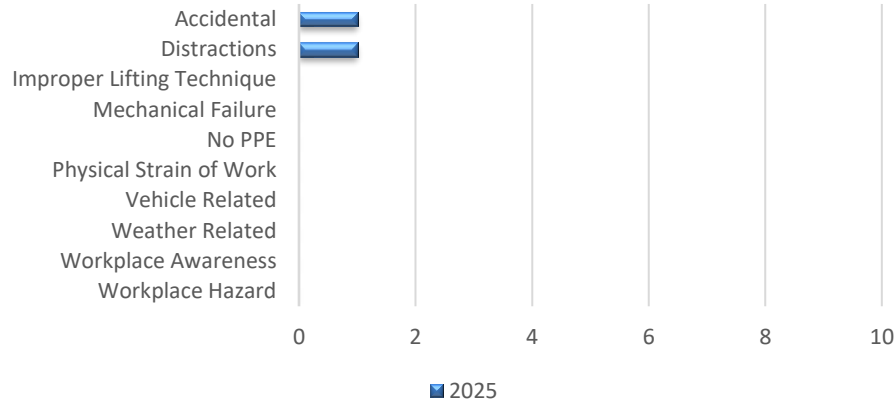
SAFETY COMMITTEE UPDATES

The Safety Committee meets every month to discuss upcoming safety training topics, address safety concerns, and review injury reports, when needed.

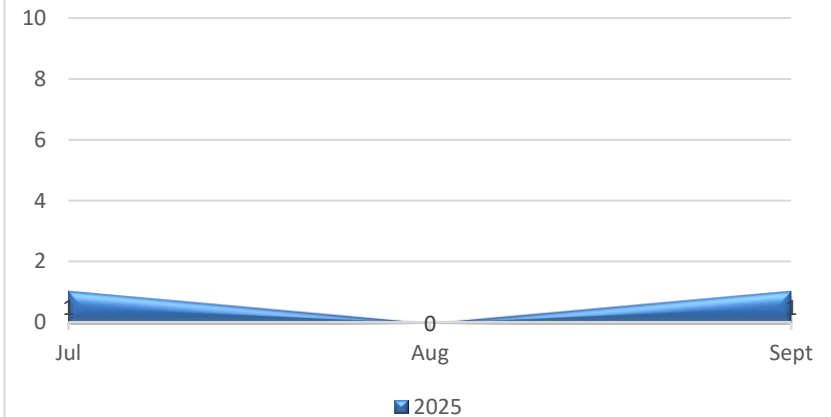
3RD QUARTER OF 2025

There was one injury reported and one near-miss reported during the third quarter of 2025.

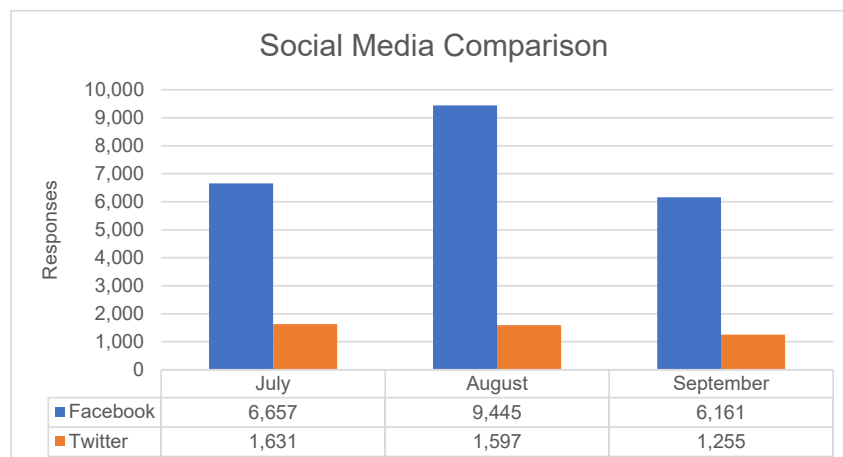
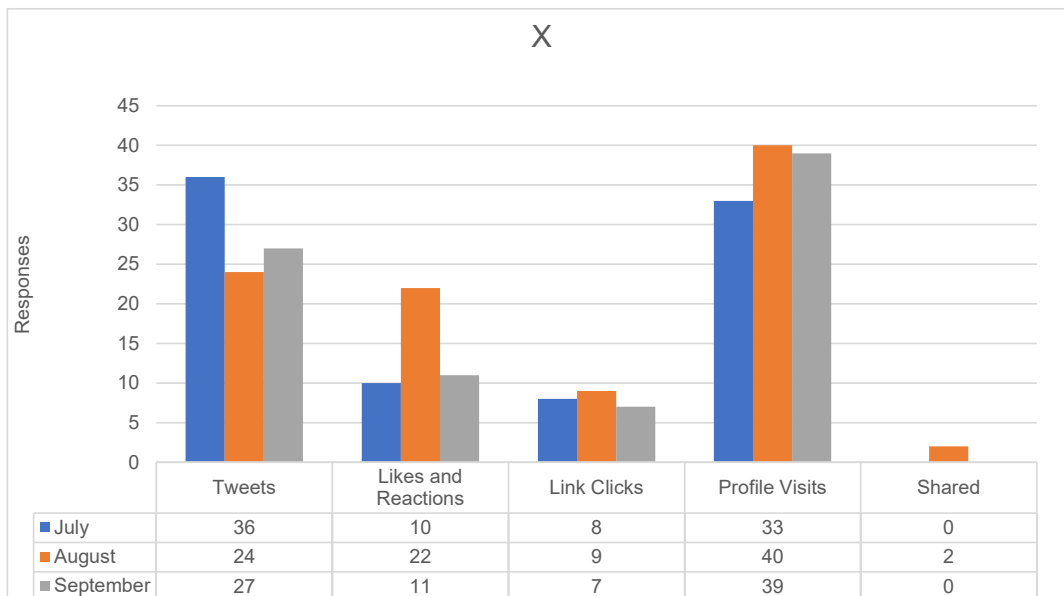
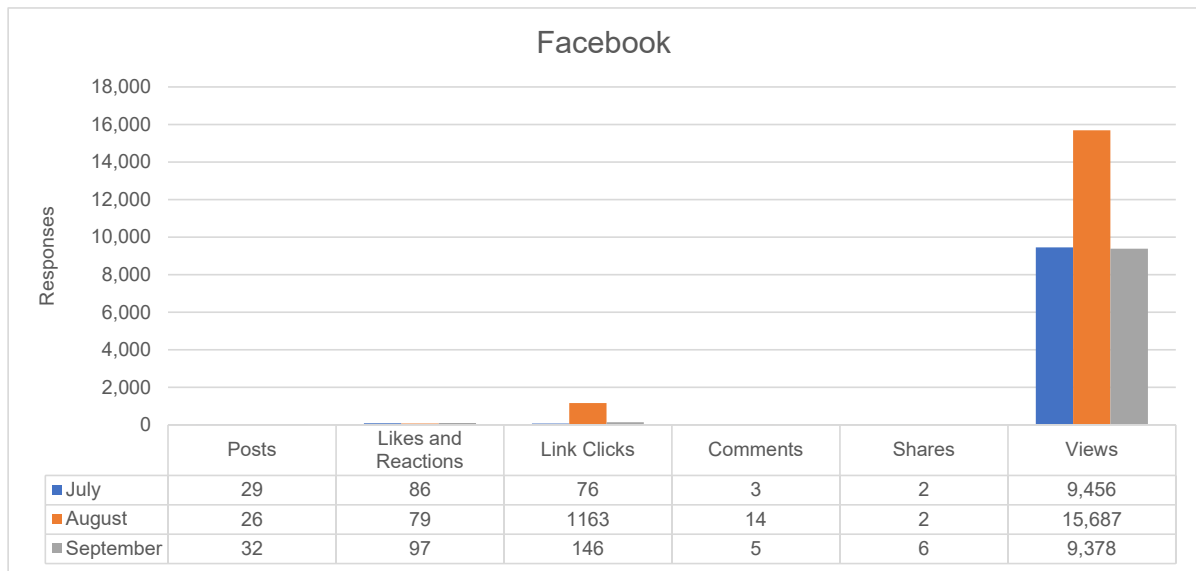
Injuries by Type



Injuries by Month



SOCIAL MEDIA STATISTICS - 1ST QUARTER



Audience

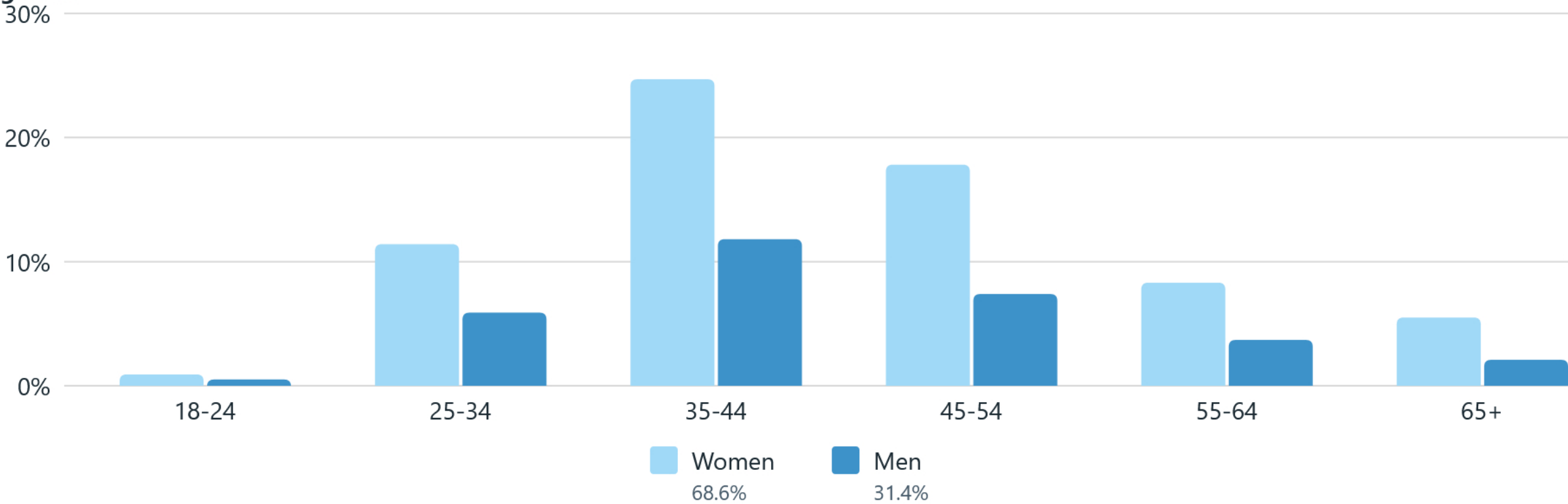
- Demograph...
- Trends
- Potential audience

Followers ⓘ

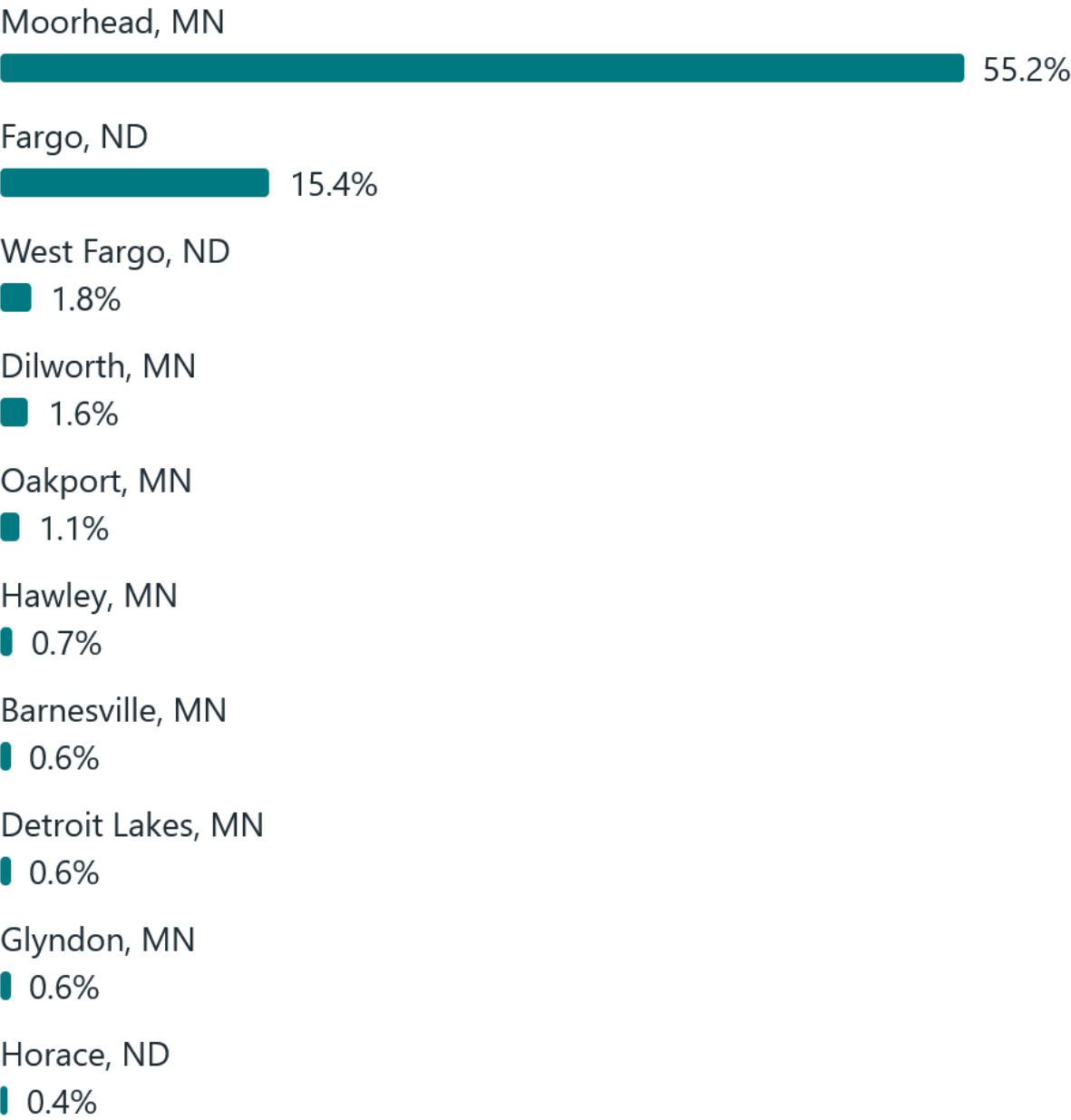
Lifetime

3,262

Age & gender ⓘ

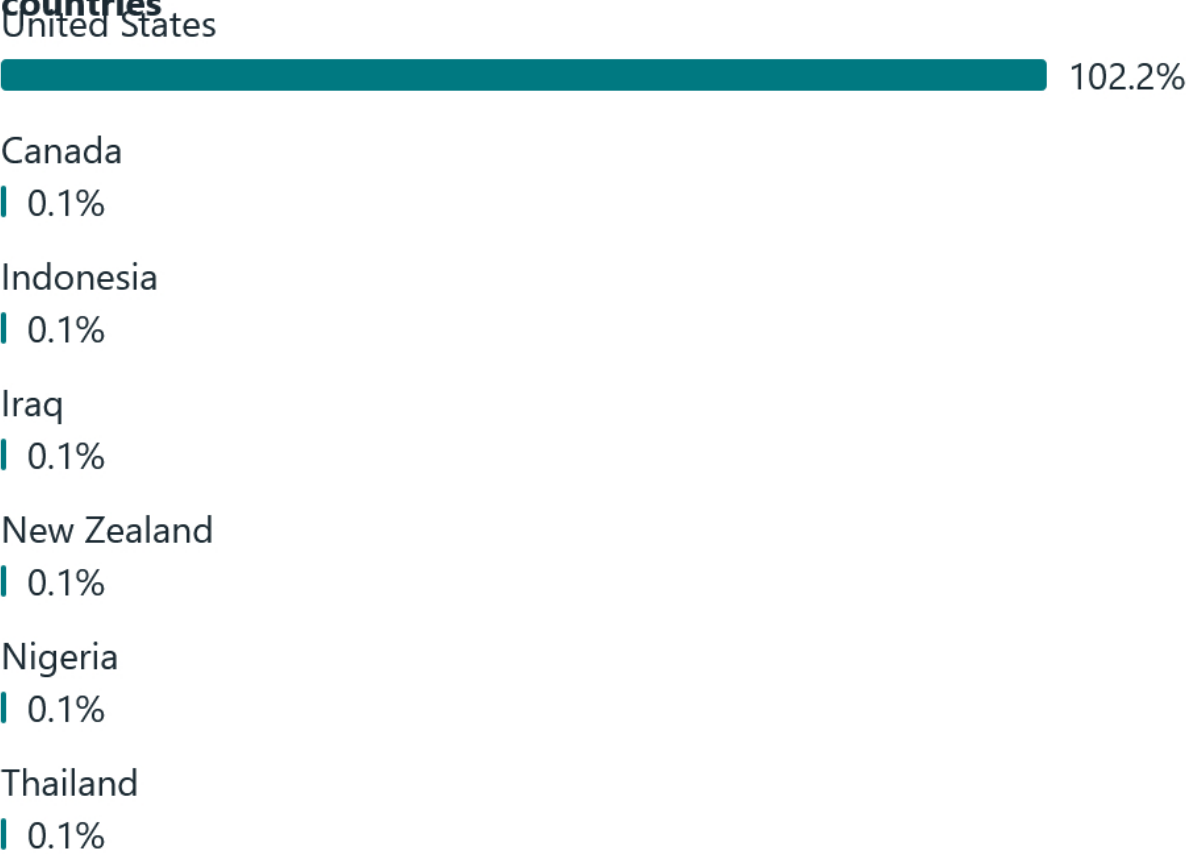


Top cities



Top

countries



Water Division 3rd Quarter 2025 Dashboard



What Are We Known For?

- Class A Surface Water Treatment Plant
- Ozone Disinfection
- Great Tasting Water
- Innovative Staff
- Leaders in the field

2025 3rd Quarter Water Division (Gallons) = 337,202,843

Revenue Mix:

Water usage

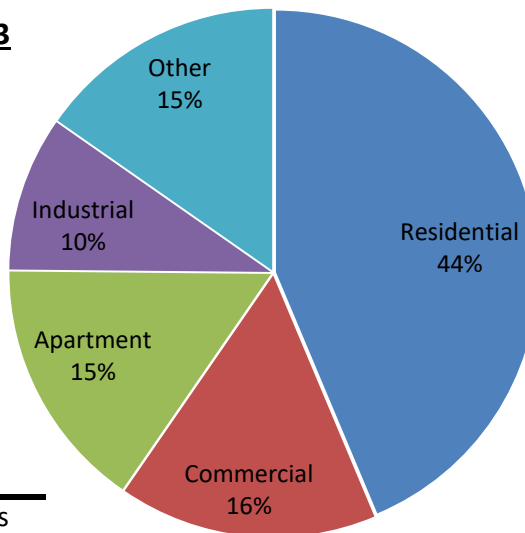
44%	Residential	147,255,267
16%	Commercial	53,729,719
16%	Apartment	52,422,032
10%	Industrial	32,203,644
15%	Other	51,592,181

Customer Base

Residential Customers	12,089
Commercial Customers	818
Apartment Customers	432
Industrial Customers	3
Regional Customers	1
Other Customers	0

13,343
Customers

Gallons By User Type



Water Quality Sampling Protocol

Bacteriological Samples

Sampled	Passed	Percent
150	150	100%

Stage 1 Disinfectant Byproduct Rule - Bromate Samples

Sampled	Passed	Percent
3	3	100%

LT 1 Enhanced Surface Water Treatment Rule - Turbidity

Sampled	Passed	Percent
546	546	100%

Trihalomethanes & Haloacetic Acids

Sampled	Passed	Percent
4	4	100%

Fluoride Samples

Sampled	Low	High
273	0.63 mg/L	0.74 mg/L

Total Organic Carbon Internal Samples

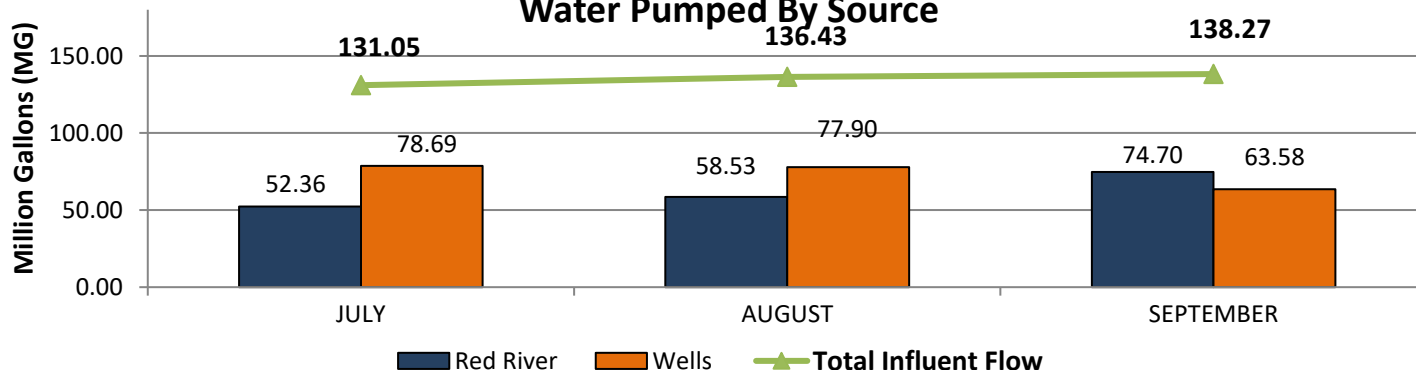
Sampled	Passed	Percent
180	180	100%

Stage 1 DBP Rule - Alk & TOC Reduction Samples

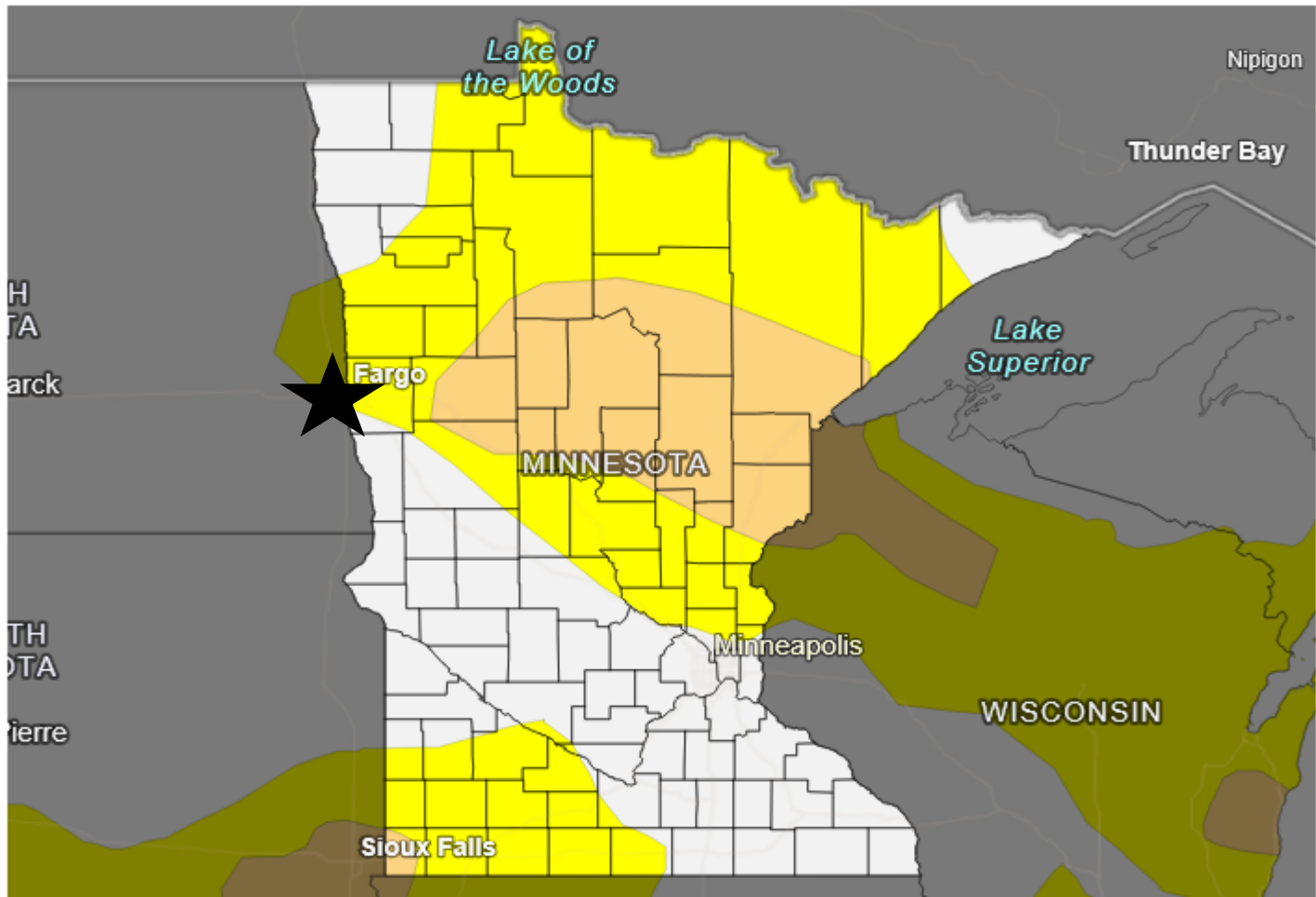
Sampled	Passed	Percent
3	3	100%

General Water Quality Parameters for new Lead and Copper Rule Improvements

Water Pumped By Source



U.S. Drought Monitor



Drought & Dryness Categories

	D0 – Abnormally Dry	43.8%
	D1 – Moderate Drought	18.7%
	D2 – Severe Drought	0.0%
	D3 – Extreme Drought	0.0%
	D4 – Exceptional Drought	0.0%
	Total Area in Drought (D1–D4)	18.7%

Source(s): NDMC, NOAA, USDA

Data Valid: 10/14/25

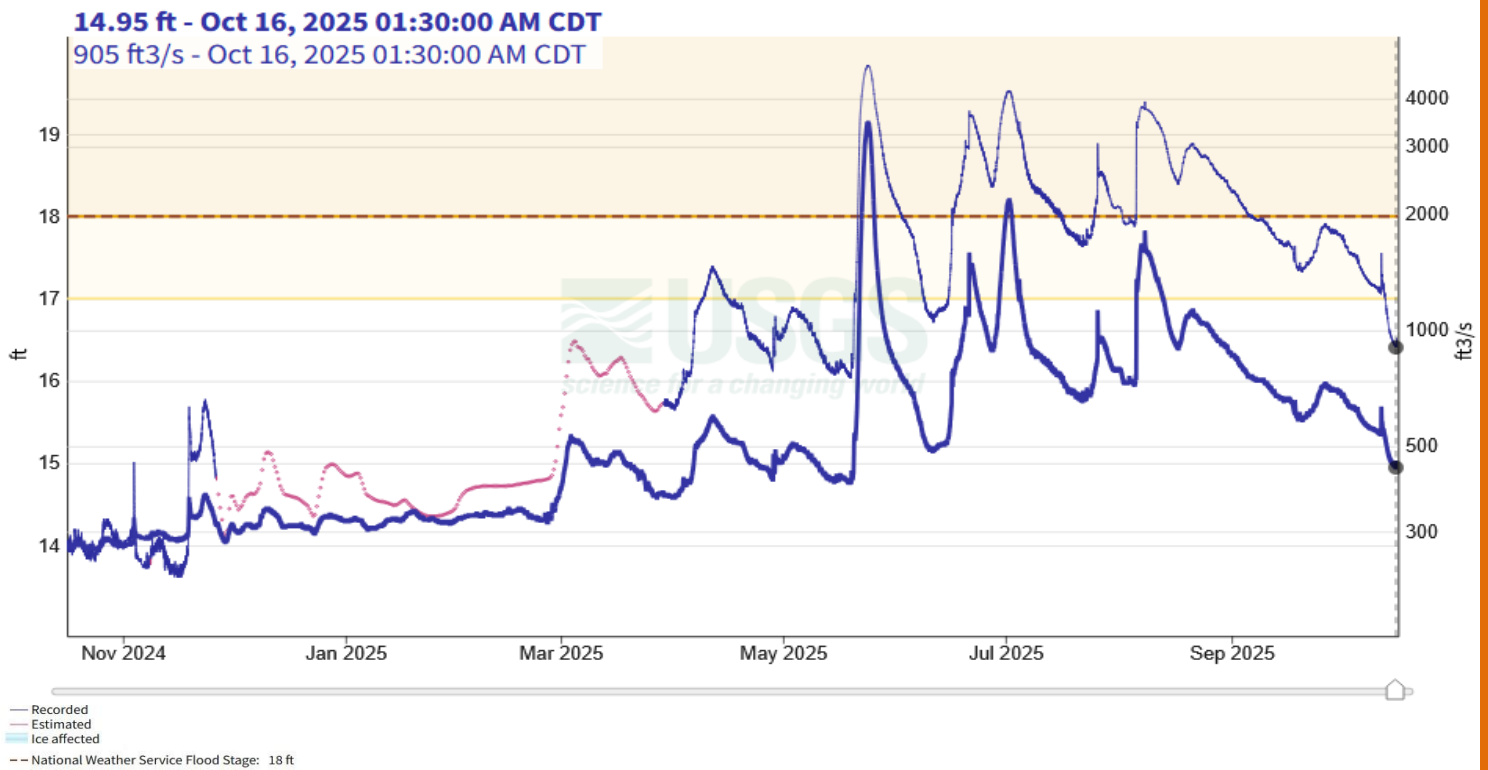
Drought.gov

Drought conditions currently alleviated by regular rain showers and increased soil moisture

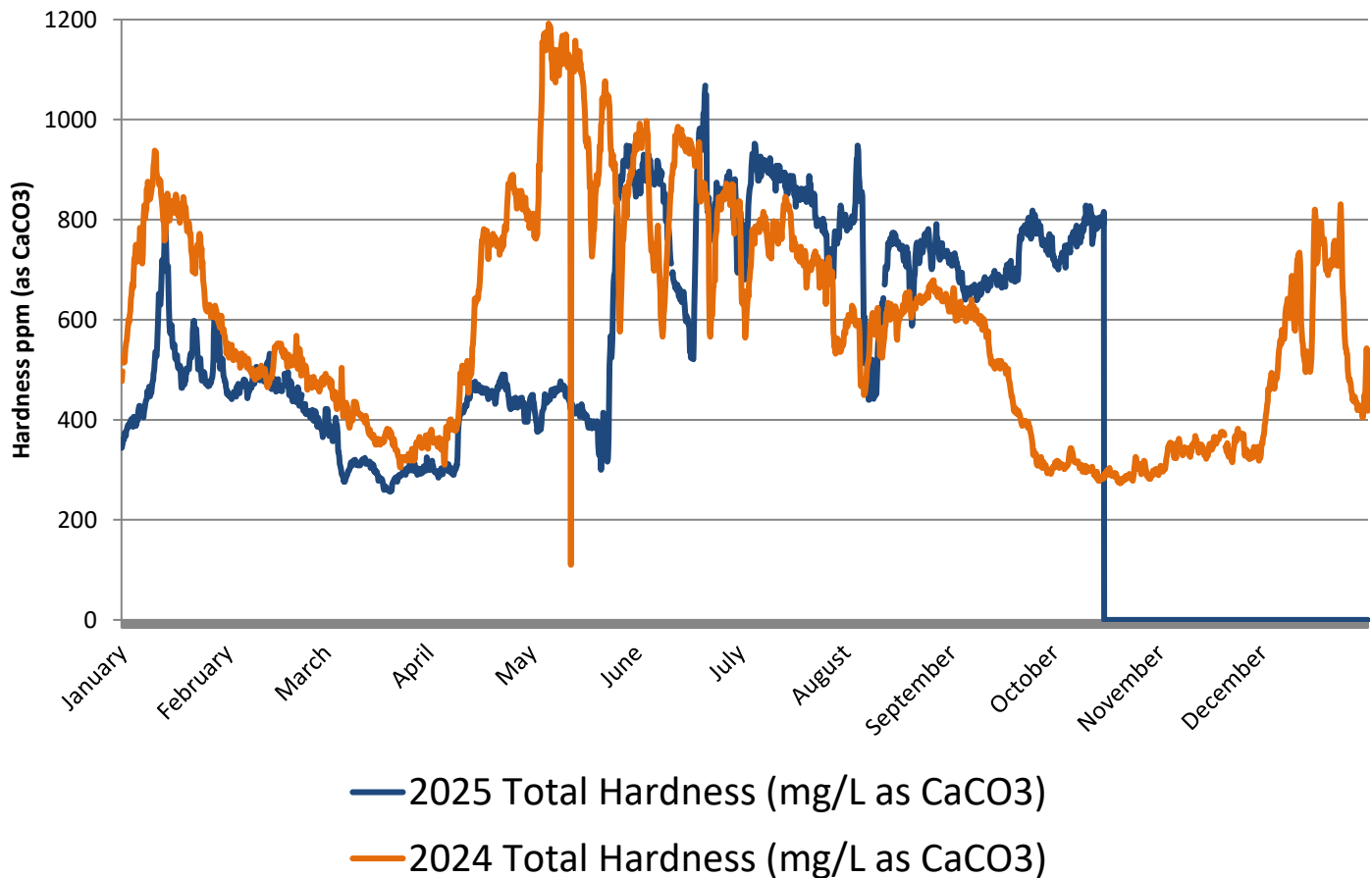
October 16, 2024 - October 16, 2025

Gage height, feet

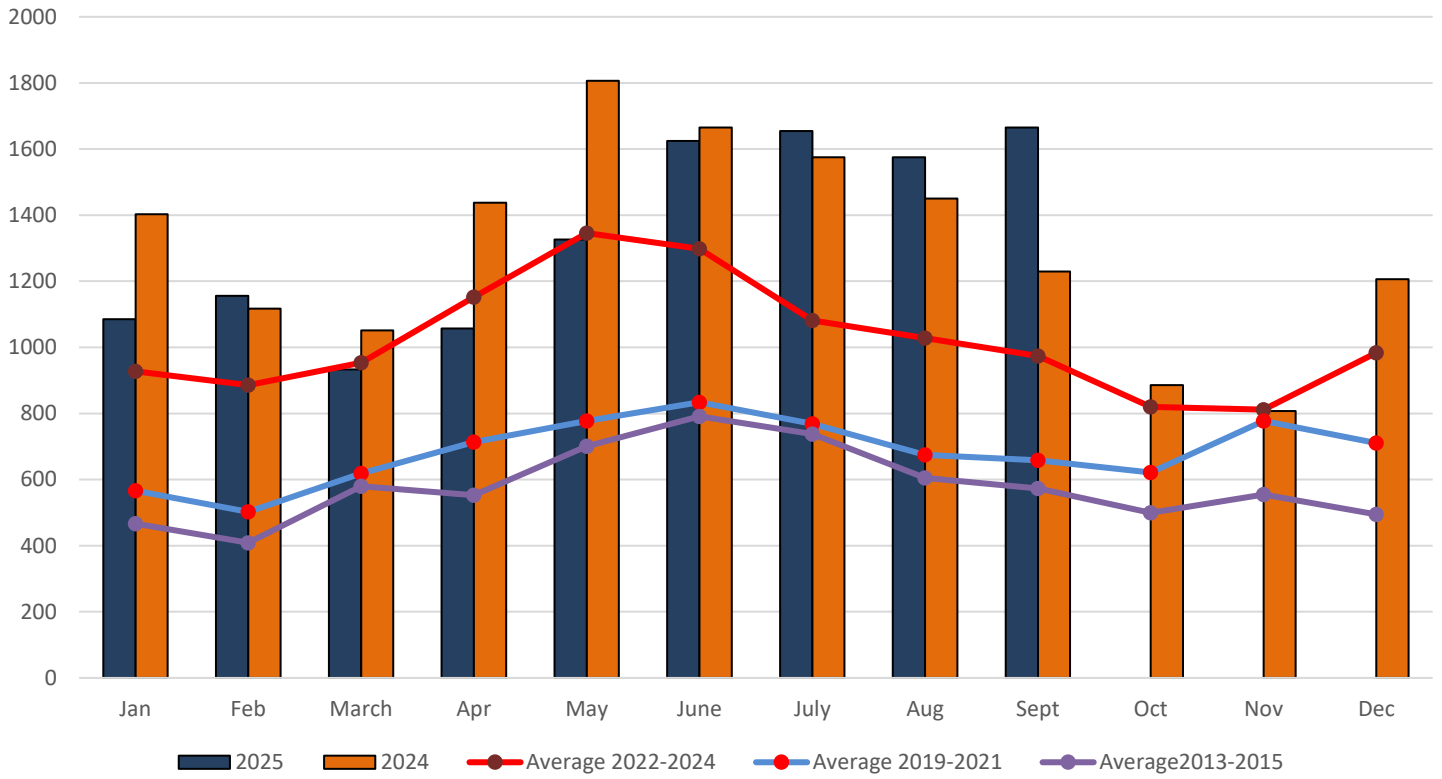
Discharge, cubic feet per second



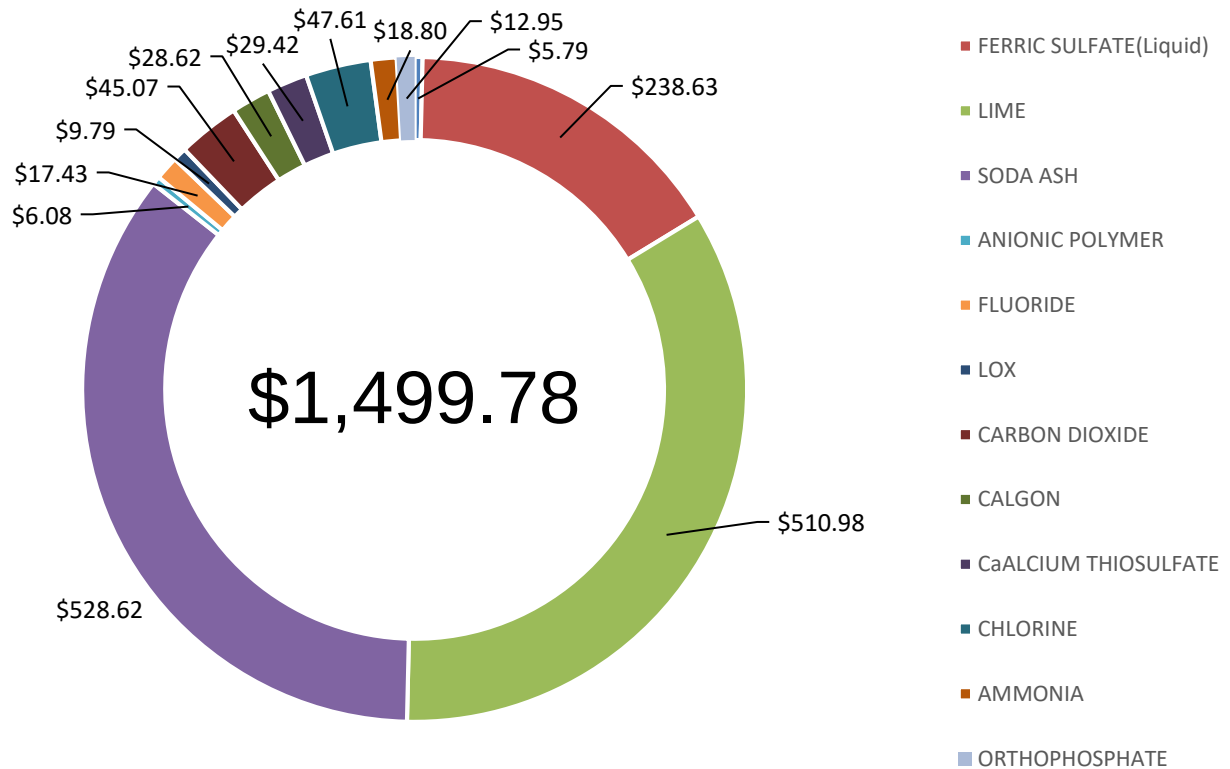
Total Hardness Comparison Red River



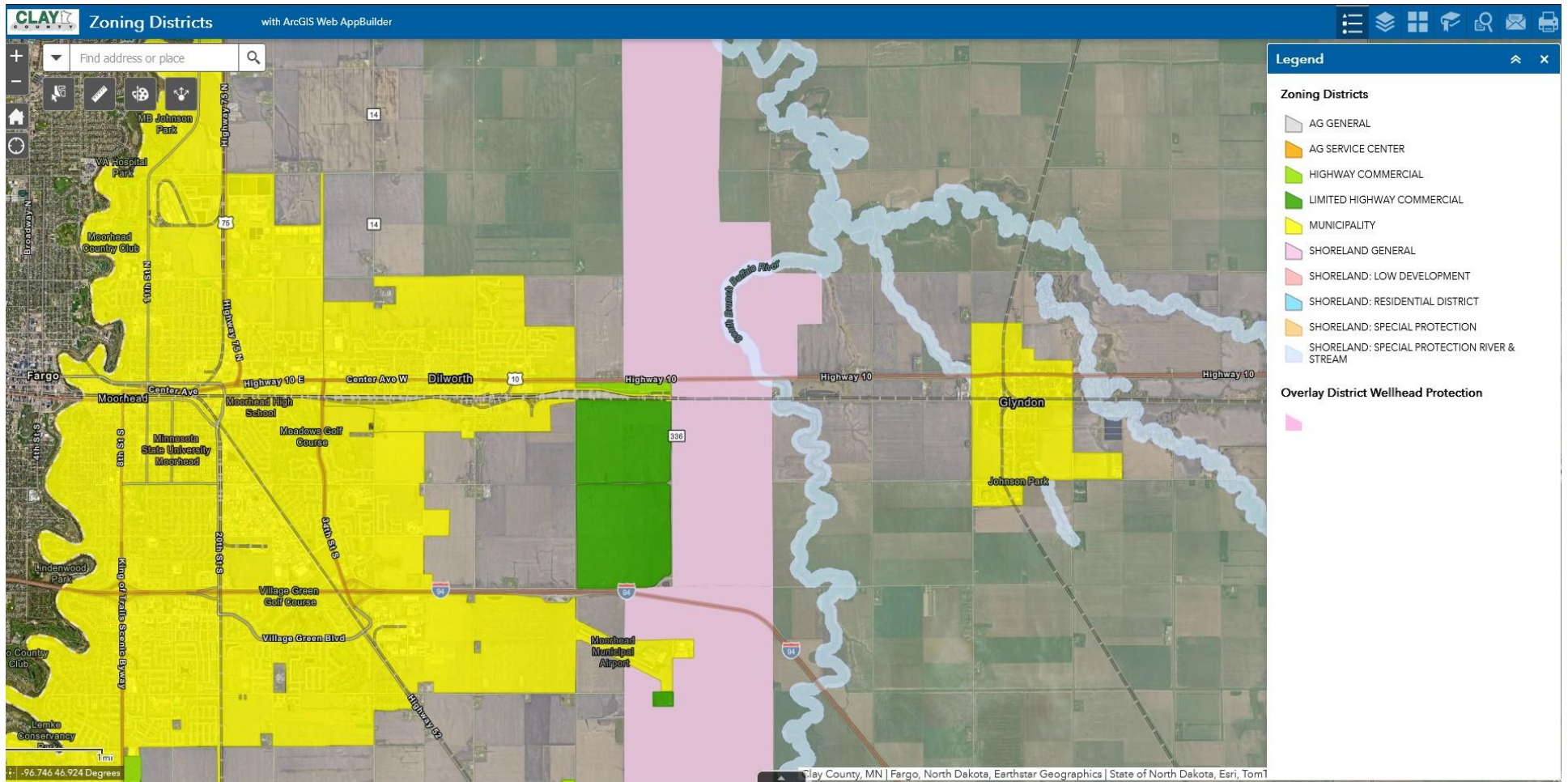
Chemical Cost per Million Gallons Treated Monthly



2025 Chemical Cost per Million Gallons



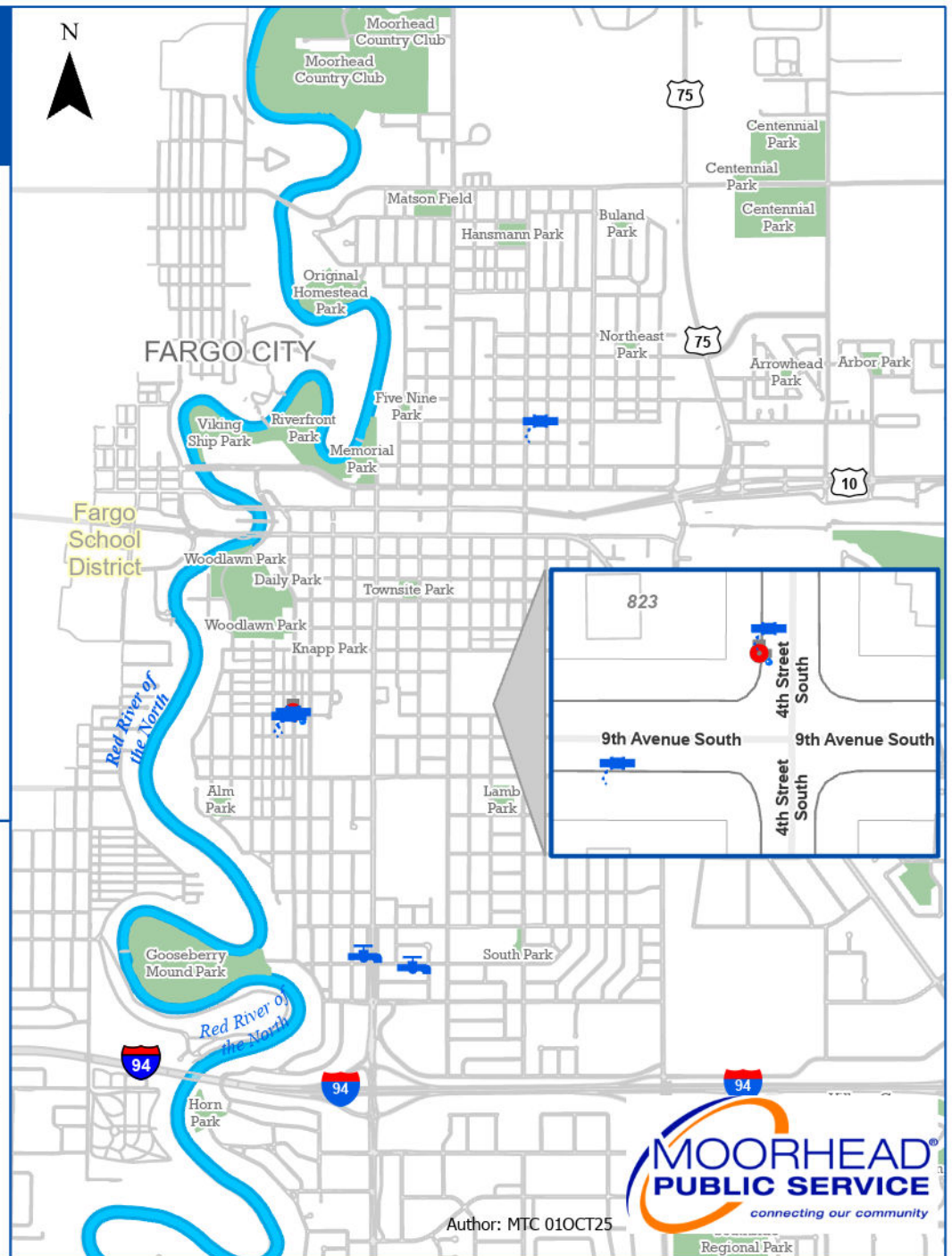
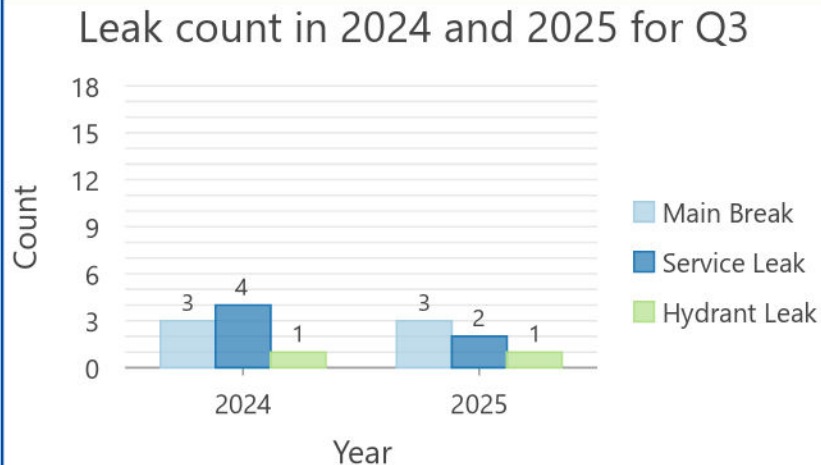
Buffalo Aquifer Zoning and Protection



Note: Wellhead Protection Plan Update is underway
Awaiting responses for Wellhead Protection Team Appointees
Phase I Draft - Wellhead Protection Plan with MDH is complete
Wellhead Protection Team meetings begin November 2025

Q3 Water Leaks 2025

Repair Date	Leak Type	Location Description	Pipe Diameter
8/7/2025 6:58:24 PM	Main Break	901 4th St S	12 inch
8/9/2025 5:00:00 AM	Main Break	1419 4th Ave N	6 inch
8/14/2025 9:47:08 PM	Main Break	823 4th St S	6 inch
8/14/2025 9:51:14 PM	Hydrant Leak	823 4th St S	6 inch
9/5/2025 11:38:00 AM	Service Leak	2111 8th St S	3/4 inch
9/23/2025 2:29:00 PM	Service Leak	919 22nd Ave S	3/4 inch



Moorhead Public Service Strategic Direction Matrix 2025-2027

Community		Our Team		Water	
Current Reality	Success	Current Reality	Success	Current Reality	Success
▪ Need more customer connections ▪ Need to step up key accounts program ▪ Communications, Marketing, Energy Services position is vacant ▪ Communication by letters, bill stuffers, website and social media ▪ Lacking customer cell or email information ▪ Limit on max payment on bill ▪ 10 events this year	▪ Key accounts – annual in person, quarterly check-in ▪ Visiting top 50 customers annually ▪ 10 events per year ▪ Communications, Marketing, Energy Services position filled ▪ Gathering updated customer contact information ▪ Education on costs and transfer ▪ Customer portal	▪ Vacant positions (5) ▪ Evaluating needs vs. wants in positions ▪ Working on succession planning ▪ Leadership training ▪ Staff professional development ▪ General training ▪ Some standard operating procedures (SOPs) and need review ▪ Spread out over 3 locations ▪ Business office move and transition ▪ Team safety	▪ Fully staffed ▪ All SOPs done and updated ▪ Successful transition with knowledge transfer ▪ Continued training and development ▪ Identify professional development opportunities ▪ Zero incidents or accidents ▪ More cross department mixing ▪ Clear and concise communication ▪ Employee input on needs/wants ▪ Ensure dissemination of information ▪ Great attitudes/culture from all ▪ Job fairs for recruitment ▪ Education requirement review on job descriptions ▪ Chlorine training for all	▪ Aging infrastructure ▪ Master plan in process ▪ Water asset management plan ▪ Lead/Copper survey at state ▪ Lead service line pilot project ▪ Water supply crossroads ▪ Discussions with regulatory agencies ▪ Reliable ▪ Capacity for growth limited	▪ Lead service lines identified and plan for replacement ▪ Water supply long- term identified and plan ▪ Facilities master plan ▪ Regulatory support ▪ Ozone project complete ▪ Efficiency in water main replacements ▪ Supervisor positions filled ▪ Sharing knowledge ▪ Communication system up to safety standards
1 st Year Accomplishments		1 st Year Accomplishments		1 st Year Accomplishments	
⊕ Visit 25 customers ⊕ 10 events with full participation ⊕ Communications, Marketing, Energy Services position filled		⊕ Zero incidents or accidents ⊕ Positions defined as needed and filled ⊕ Continued training and development ⊕ Find and list development and training opportunities by department/position ⊕ Consistent day after commission meeting updates		⊕ Technical memo for South Buffalo Line ⊕ Request for proposal (RFP) complete for Master Plan consultant ⊕ 1.25 miles of line replacement ⊕ Finish design for Ozone Project ⊕ Supervisor positions filled	
Key Performance Indicators (KPI)		Key Performance Indicators (KPI)		Key Performance Indicators (KPI)	
✱ Key account goals ✱ Social media stats ✱ Community engagement outreach		✱ Position stats ✱ Turnover rate ✱ Safety stats ✱ Records management stats ✱ Report of culture events		✱ CCR/water quality ✱ Taste awards ✱ Regulatory 100% compliance ✱ Watermain breaks ✱ Zero zoning changes that impact source water protection	

Complete

In-Process/On-Going

Gathering information – not started

Moorhead Public Service Strategic Direction Matrix 2025-2027

Electric		Finance		Technology	
Current Reality	Success	Current Reality	Success	Current Reality	Success
- Reliability 99.995% - Capacity for growth limited 75% complete LED streetlight conversion 25% overhead to 75% underground ratio - APPA Smart Energy Provider (SEP) - APPA Reliable Public Power Provider (RP3) - NERC compliant - NE substation planning - Load management limited	- Continued reliability - Continued APPA SEP and RP3 designations 100% LED streetlight conversion 80% overhead to 20% underground ratio - NE substation near completion - Updated load management plan - Positions filled - Capacity improvement plan	- Lowest regional electric rates - Competitive water rates - Aa2 bond rating - Clean audit - Budget process successful 22.6% transfer rate to the city - Transition in office space - Customer interactions less escalated events - Increased costs - Accounting software near end of life	- Lowest regional electric rates - Competitive water rates - Maintain/improve bond rating - Clean audits - Budget process successful - Stable or lower transfer to city - Office space resolved - Accounting software solution	- AMI in progress - CIS on version 3 - Phone system out of date - GIS needs update and RFP is out 78% of water assets are GPS located 54% of electric assets are GPS located - No redundant data center	- AMI complete - Management review for access - CIS on version 5 - Phone system upgraded - Redundant data center - Email migration - GIS upgrade complete 95% of water assets are GPS located 70% of electric assets are GPS located - Timely resolve of tickets - Fiber added to maps when updated - Ensuring staff has all they need for equipment - Timely correspondence
1 st Year Accomplishments		1 st Year Accomplishments		1 st Year Accomplishments	
⊕ NE substation design ⊕ Long lead time equipment ordered for NE substation ⊕ North half of Moorhead LED streetlight conversion ⊕ Capacity improvement plan		⊕ Clean audit ⊕ Review and analyze office space needs and options ⊕ Continued financial strength		⊕ Email migration plan ⊕ Redundant data center is complete ⊕ Phone system upgrade ⊕ Firewall replacement ⊕ AMI SAT area complete	
Key Performance Indicators (KPI)		Key Performance Indicators (KPI)		Key Performance Indicators (KPI)	
✱ Reliability/outages ✱ NERC compliance ✱ BES Stats ✱ Load management ✱ Street light LED conversion rate		✱ Financial statements ✱ Billing/collection stats ✱ Reserve requirement report ✱ Customer financial assistance stats		✱ Cybersecurity training stats ✱ AMI project status ✱ GIS conversion to Pro status	

Complete

In-Process/On-Going

Gathering information – not started



Department of Energy
Western Area Power Administration
Upper Great Plains Customer Service Region
P.O. Box 35800
Billings, MT 59107-5800

RECEIVED
OCT 13 2025
MOORHEAD PUBLIC SERVICE
MOORHEAD, MN

10/9/25

Dear Firm Power Service Customer:

As part of the current rate schedule, placed into effect January 1, 2025, under Rate Order No. WAPA-213 (published in the Federal Register on November 20, 2024), Western Area Power Administration (WAPA) will conduct a preliminary review of the Pick-Sloan Missouri Basin Program--Eastern Division (P-SMBP--ED) Firm Electric Service Rate Drought Adder component in early spring to provide customers advance notice of any foreseen changes to the Drought Adder component. In the fall, WAPA will complete a final review of drought conditions and provide notification of any change to the Drought Adder component of the rate schedule that would take effect on January 1 of the of the following year.

As noted in our June 11, 2025, letter for our annual Drought Adder review process notice, WAPA estimated decreasing the P-SMBP--ED Drought Adder component for January 1, 2026, may be possible contingent upon generation projections in the Pick-Sloan Missouri River Basin system though the fiscal year 2025. WAPA is using this letter to notify customers that, as prescribed in the annual Drought Adder review process, the final review has been completed, and we are reducing the Drought Adder component for January 2026 as estimated in Rate Order No. WAPA-213. The Drought Adder component charges are shown in the table below:

January 1, 2026	Demand (\$/kW month)	Energy (mills/kWh)
Drought Adder Component	\$0.55 reducing to \$0.30	1.34 reducing to 0.80

As a reminder, the Base Component of the rate will also be changing on January 1, 2026, as prescribed in the second step of Rate Schedule P-SED-F15 that became effective January 1, 2025. Additional information regarding P-SMBP--ED firm power service rates can be found at <https://www.wapa.gov/about-wapa/regions/ugp/ugp-rates/>. If you have any questions concerning this notice, or the firm power service rate, please contact me at (406) 702-4791 or cady@wapa.gov.

Sincerely,

LINDA
CADY-
HOFFMAN

Digitally signed by
LINDA CADY-
HOFFMAN
Date: 2025.10.09
10:57:36 -06'00'

Linda Cady-Hoffman
Rates Manager
Upper Great Plains Region



October 5th, 2025

Dear Valued Partner,

On behalf of the Moorhead Sausage Fest planning team, we would like to express our heartfelt gratitude for your generosity in sponsoring this event. Your support played a vital role in enabling us to provide free meals for children, enjoy wonderful live music and engage in several activities, etc.

Thanks to your contribution, we were able to host a family-friendly, community event that participants of all ages enjoyed, with 700 people in attendance this year.

We are truly grateful for your partnership and look forward to continuing our collaboration next year.

Thank you again for your support!

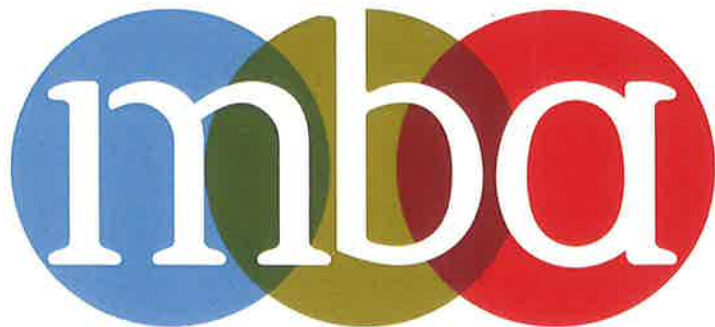
Sincerely,

The Moorhead Sausage Fest Planning Committee

John Bailey

Mark Wheeler

Ron Johnson



Thank You!

Thank you so much for being our
premier sponsor at our Annual
Celebration. You helped to make

Accept Report on Contract Extension for Hauling and Beneficial Use Services for Lime Residuals from Water Treatment Plant

RECOMMENDATION:

The General Manager respectfully requests the Commission accept a report on the one-year contract extension for hauling and beneficial use services for lime residuals from Moorhead Public Service's Water Treatment Plant to the Successor in Interest of Border States Paving, Inc., Evergreen ND, LLC, in the continued amount of \$85.00 per cubic yard for 2026.

BACKGROUND:

Moorhead Public Service (MPS) utilizes lime softening to remove hardness from raw water sources. A by-product of the lime softening process is lime sludge. Contract hauling services for the dewatered lime by-product are required to fulfill the Minnesota Pollution Control Agency's (MPCA's) mandate to either land apply or dispose of the lime by-product materials without relying on indefinite storage in MPS' ponds. On December 3, 2024, the Commission approved the original contract with Border States Paving Inc. (Border States) for lime sludge hauling and disposal services.

MPS has thoroughly vetted the existing contract performance, market conditions, and other factors, and has been satisfied with the performance of Border States and its Successor in Interest, Evergreen ND, LLC (Evergreen). Based on this information, MPS staff is exercising the option for a one-year contract extension according to the specifications and award of the original contract in 2024. As part of this one-year extension, Border States has requested to transfer its primary responsibilities to Evergreen, the Successor in Interest under the existing contract, to continue providing existing services, including applying lime solids to land, among other newly identified activities. Attorney John Boulger has reviewed and approves of the Contract Extension (available upon request).

Through updated meetings and contract extension negotiations during the third and fourth quarters of 2025, MPS and Border States/Evergreen staff agreed to a 2026 contract extension price of \$85.00 per cubic yard of material, which is the same amount as 2025 pricing.

As new and more efficient uses for the dewatered lime sludge material become available, MPS and Border States/Evergreen are discussing change order reductions to the contract. MPS and the contractor have worked on a variety of alternative use scenarios for the dewatered material, which are beginning to take form. MPS staff continues to explore a range of options to enhance the economic outlook of lime sludge material handling.

In 2025, MPS dewatered approximately 10,000 tons of material through its Lime Sludge Dewatering Facility. Production levels fluctuate based on the quality of the raw water being treated and the amount of chemicals used to soften the raw water sources to MPS' quality standards. MPS anticipates processing approximately 10,000 cubic yards of lime material in 2026. The 2026 budget includes \$998,760 for lime hauling and disposal activities.

KEY ISSUES:

- Contract hauling services for the dewatered lime by-product are required to fulfill the MPCA's mandate to either land apply or dispose of lime by-product materials without relying on indefinite storage in MPS' ponds.
- MPS has thoroughly vetted the existing contract performance, market conditions, and other factors, and has been satisfied with the performance of Border States and its Successor in Interest,

Evergreen. Based on this information, MPS staff is exercising the option for a one-year contract extension according to the specifications and award of the original contract in 2024.

- MPS staff continues to pursue a range of options to enhance the economic outlook of lime sludge material handling.

FINANCIAL CONSIDERATIONS:

- Through update meetings and contract extension negotiations during the third and fourth quarters of 2025, MPS and Border States/Evergreen staff agreed to a 2026 contract extension price of \$85.00 per cubic yard of material, which is the same amount as 2025 pricing.
- The 2026 budget includes \$998,760 for lime hauling and disposal activities.

Respectfully submitted,



Travis L. Schmidt
General Manager

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

Attachments: Available upon request.

Approve Amendment No. 3 to Joint Powers Agreement with State of Minnesota to Lease Dark Fiber

RECOMMENDATION:

The General Manager respectfully requests the Commission approve Amendment No. 3 to the Joint Powers Agreement between Moorhead Public Service and the State of Minnesota to lease dark fiber located within and throughout Moorhead, Minnesota.

BACKGROUND:

Moorhead Public Service (MPS) provides telecommunication services through its Electric Division to various entities in Moorhead. The State of Minnesota (State) has requested the renewal of services through this system. Amendment No. 3 (available upon request) to the Joint Powers Agreement (available upon request) will be billed at \$1,578.25 per month for the five-year term, with two additional five-year renewals. The total obligation will increase by \$94,695.00, or \$1,578.25 per month for 60 months, and will not exceed \$557,020.80. Currently, the State is providing dark fiber optic service in a star (point-to-point) configuration. The dark fiber connects Minnesota State University Moorhead with several locations in Moorhead.

The State is currently billed \$1,578.25 per month for these current services—based upon Amendment No. 2 (from 2020) (available upon request) to the Joint Powers Agreement that expired on June 30, 2025. The State has requested that the term of the Joint Powers Agreement be extended.

Attorney John Bougler has reviewed and approved Amendment No. 3 to the Joint Powers Agreement.

KEY ISSUES:

- MPS provides telecommunication services through its Electric Division to various entities in Moorhead.
- Amendment No. 3 to the Joint Powers Agreement may be amended to allow for two additional five-year renewals, which will be presented to the State for their review and execution.

FINANCIAL CONSIDERATIONS:

- Amendment No. 3 to the Joint Powers Agreement will be billed at \$1,578.25 per month for the five-year term, with two additional five-year renewals.
- The total obligation to the State will not exceed \$557,020.80.

Respectfully submitted,

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

Travis Schmidt
General Manager

Division/Response Person: Travis Schmidt, General Manager.

Attachments: Available upon request.

Approve Exhibit A, Revision 2, to the Transmission Operator Procedure with Western Area Power Administration

RECOMMENDATION:

The General Manager respectfully requests the Commission approve Exhibit A, Revision 2, to the Transmission Operator Procedure with Western Area Power Administration for maintenance and coordination of the facilities at Moorhead Public Service's Moorhead DOE Substation.

BACKGROUND:

In January 2018, Moorhead Public Service (MPS) staff submitted an application to North American Electric Reliability Corporation (NERC) to have MPS' 115kV transmission loop excluded from the Bulk Electric System (BES). Doing so would reduce the number of NERC requirements for which MPS is responsible. Additionally, if MPS' 115kV transmission loop was not excluded from the BES, MPS would be required to transfer control of the 115kV circuit breakers to Western Area Power Administration (WAPA) under the Transmission Operator Services Agreement, including the Transmission Operator Procedure (TOP) and Exhibit A, Revision 1, which were last revised and signed in 2024.

Exhibit A, Revision 2 (attached), to the TOP needs to be revised to reflect the additions and removal of equipment associated with the shunt reactors and ring bus reconfiguration projects that WAPA will be monitoring, on behalf of MPS, at MPS' Moorhead DOE Substation. MPS will continue to provide WAPA advanced notice of planned outages of the 115kV transmission loop to, as well as real-time status information on MPS' 115kV equipment. WAPA will be responsible for providing this information to Southwest Power Pool.

KEY ISSUES:

- In January 2018, MPS staff submitted an application to NERC to have MPS' 115kV transmission loop excluded from the BES.
- Exhibit A, Revision 2, to the TOP needs to be revised to reflect the additions and removal of equipment associated with the shunt reactors and ring bus reconfiguration projects that WAPA will be monitoring, on behalf of MPS, at MPS' Moorhead DOE Substation.

FINANCIAL CONSIDERATIONS: None.

Respectfully submitted,



Travis L. Schmidt
General Manager

Division/Response Person: Taylor Holte, Project Engineer.

Attachments:

Exhibit A, Revision 2, to the Transmission Operator Procedure with WAPA

Exhibit A, Revision 2
Moorhead BES and Other Facilities

1. Moorhead Facilities Dispatched by WAPA-UGPR:

Table 1: Effective upon Signature of Exhibit A

Moorhead Owned/Responsible <u>BES</u> Substations, Lines and Associated Equipment under WAPA-UGPR Dispatch Jurisdiction		
Substation/Line	Moorhead Equipment Operated by WAPA-UGPR Includes:	Facility Voltage
Moorhead Substation	Moorhead Breaker 1286 Moorhead Switch 1281 Moorhead Switch 1283 Moorhead Switch 1285 Moorhead Switch 1287 Moorhead Motor-Operated Switch 1289 Moorhead Breaker 1382 Moorhead Switch 1381 Moorhead Switch 1383 Moorhead Breaker 1482 Moorhead Switch 1481 Moorhead Switch 1483 Moorhead Breaker 1486 Moorhead Switch 1485 Moorhead Switch 1487 Moorhead Switch 1581 Moorhead Switch 1583 Moorhead Motor-Operated Switch 1589 Moorhead Breaker 2188 Moorhead Switch 2187 Moorhead Breaker 5188 Moorhead Switch 5187 Moorhead Switch 382 Moorhead Switch 482	230kV
Moorhead Substation	Moorhead Switch 363 Moorhead Switch 463 Moorhead Switch 369	115kV

Table 2: Effective upon Midwest Reliability Organization (MRO) Acceptance of Moorhead’s BES Exception Request

Moorhead Owned/Responsible <u>Non-BES</u> Substations, Lines and Associated Equipment under WAPA-UGPR Dispatch Jurisdiction		
Substation/Line	Moorhead Equipment Operated by WAPA-UGPR Includes:	Facility Voltage
Moorhead Substation	Moorhead PCB 1162 Moorhead Switch 1161 Moorhead Switch 1163 Moorhead Switch 1169 Moorhead PCB 1262 Moorhead Switch 1261 Moorhead Switch 1263	115kV

2. Additional Facilities Where SCADA Telemetry or Status is Required:

Moorhead shall provide SCADA data to WAPA-UGP that WAPA-UGP will share with SPP for the following facilities:

Line Segment or Substation	Data
115-kV Fargo-Brookdale Transmission Line	Telemetry for MW, MVAR, and kV
115-kV Moorhead-Opportunity Transmission Line	Telemetry for MW, MVAR, and kV
Brookdale Substation	Breaker status for Breakers CB7 and CB8
Centennial Substation	Breaker status for Breakers CB3 and CB4
Moorhead Substation	Breaker status for Breakers 1162 and 1262
Northeast Substation	Breaker status for Breakers CB5 and CB6
Opportunity Substation	Breaker status for Breakers CB9 and CB10
Southeast Substation	Breaker status for Breakers CB1 and CB2

Digital Signature: The Parties agree that this Exhibit may be signed and executed by digital signature, digitally signed using Adobe Sign or Adobe E-Signature. A digital signature is the same as a handwritten signature and shall be considered valid and acceptable.

Execution in Counterparts: This Exhibit may be executed in any number of counterparts and, upon execution and delivery by each Party, the executed and delivered counterparts together shall have the same force and effect as an original instrument as if all Parties had signed the same instrument. Any signature page of this Exhibit may be detached by any counterpart of this Exhibit without impairing the legal effect of any signatures thereon, and may be attached to another counterpart of this Exhibit identical in form hereto, by having attached to it one or more signature pages.

WESTERN AREA POWER ADMINISTRATION

By: _____

Title: Acting Senior Vice President and

Upper Great Plains Regional Manager

Address: PO Box 790

Watertown, SD 57201-0790

Dated: _____

(SEAL)

CITY OF MOORHEAD, MINNESOTA

By: _____

Attest:

Title: Mayor

By: _____

Address: PO Box 779

Title: _____

Moorhead, MN 56561-0779

Dated: _____

By: _____

Title: City Manager

Address: PO Box 779

Moorhead, MN 56561-0779

Dated: _____

(SEAL)

MOORHEAD PUBLIC SERVICE

By: _____

Attest:

Title: _____

By: _____

Address: _____ PO Box 779

Title: _____

_____ Moorhead, MN 56561-0779

Dated: _____

By: _____

Title: _____

Address: _____ PO Box 779

_____ Moorhead, MN 56561-0779

Dated: _____

Revision History

Revision 1	Removed all substations except for Moorhead. Added Table 2: Moved Moorhead 115-kV facilities to Non-BES. Added requirements for SCADA telemetry and status for SPP.
Revision 2	Updated new and removal of equipment associated with the Shunt Reactors and Ring Bus Reconfiguration Projects.

Approve Amendment No. 1 to Task Order No. 12 for Northeast Substation and Amendment No. 1 to Task Order No. 13 for Southeast Substation with DGR Engineering

RECOMMENDATION:

The General Manager respectfully requests the Commission approve Amendment No. 1 to Task Order No. 12 for Moorhead Public Service's Northeast Substation and Amendment No. 1 to Task Order No. 13 for Moorhead Public Service's Southeast Substation with DGR Engineering.

BACKGROUND:

In December 2024, Moorhead Public Service (MPS) entered into a Task Order Agreement for Professional Services with DGR Engineering (DGR). On January 21, 2025, the Commission approved Task Order No. 12 with DGR to assist with detailed designs and layouts for MPS' Northeast Substation (NE Substation), as well as develop specifications for ordering transformers and breakers. On April 22, 2025, the Commission approved Task Order No. 13 with DGR to assist with the control building and capacitor banks at MPS' Southeast Substation (SE Substation).

Since the Commission's approval of Task Order No. 12, MPS requires additional engineering services for the design, bidding, construction, and final phases of the NE Substation project. The design phase tasks include coordinating soil borings and geotechnical services, preparing specifications and bid documents for major materials; developing controls and protective relaying; designing foundations, steel structures, bus work, shielding, and the raceway; installing the equipment; and preparing drawings for construction. The bidding phase will involve coordinating six major material bid packages for the NE Substation, assisting MPS with bid evaluations, and providing recommendations for contract awards. The construction phase tasks include assisting with construction administration and scheduling, as well as meeting any necessary requirements during the construction phase. The final phase tasks include performing on-site quality checks and ensuring that the construction of the NE Substation is completed in accordance with the specifications. The original cost of Task Order No. 12 was \$108,000. The additional engineering costs associated with Amendment No. 1 are \$1,673,000, for a total of \$1,781,000.

Since the Commission's approval of Task Order No. 13, MPS requires additional engineering services for the design, bidding, construction, and final phases of the SE Substation project. The design phase tasks include coordinating soil borings and geotechnical services; preparing specifications and bid documents for major materials; developing controls and protective relaying; designing foundations, steel structures, bus work, shielding, and the raceway; installing the equipment; and preparing drawings for construction. The bidding phase will involve coordinating six major material bid packages for the SE Substation, assisting MPS with bid evaluations, and providing recommendations for contract awards. The construction phase tasks include assisting in construction administration and scheduling, as well as meeting any necessary requirements during the construction phase. The final phase tasks include performing on-site quality checks and ensuring that construction is completed in accordance with the specifications. The original cost of Task Order No. 13 was \$60,000. The additional engineering costs associated with Amendment No. 1 are \$820,000, for a total amount of \$880,000.

MPS staff has reviewed Amendment No. 1 (available upon request) for Task Order No. 12 and Amendment No. 1 (available upon request) for Task Order No. 13, and agrees with the additional services needed to complete both projects.

KEY ISSUES:

- On January 21, 2025, the Commission approved Task Order No. 12 with DGR to assist with detailed designs and layouts for MPS' NE Substation, as well as develop specifications for ordering transformers and breakers.
- On April 22, 2025, the Commission approved Task Order No. 13 with DGR to assist with the control building and capacitor banks at MPS' SE Substation.
- The design phase tasks for the NE and SE Substations include coordinating soil borings and geotechnical services, preparing specifications and bid documents for major materials; developing controls and protective relaying; designing foundations, steel structures, bus work, shielding, and the raceway; installing the equipment; and preparing drawings for construction.
- The bidding phase for the NE and SE Substations will involve coordinating six major material bid packages, assisting MPS with bid evaluations, and providing recommendations for contract awards.
- The construction phase tasks for the NE and SE Substations consist of assisting in construction administration and scheduling, in addition to meeting any necessary requirements during the construction phase.
- The final phase tasks for the NE and SE Substations include performing on-site quality checks and ensuring that construction is completed according to the specifications.

FINANCIAL CONSIDERATIONS:

- The original cost of Task Order No. 12 was \$108,000. The additional engineering costs associated with Amendment No. 1 are \$1,673,000, for a total of \$1,781,000.
- The original cost of Task Order No. 13 was \$60,000. The additional engineering costs associated with Amendment No. 1 are \$820,000, for a total amount of \$880,000.

Respectfully submitted,



Travis L. Schmidt
General Manager

Division/Response Person: Taylor Holte, Project Engineer.

Attachments: Available upon request.

Approve Task Order No. 14 for the FOCUS Upgrade Project and Task Order No. 16 for Northeast Generating Station with DGR Engineering

RECOMMENDATION:

The General Manager respectfully requests the Commission approve Task Order No. 14 for the Fiber Optic Communications for Utility System Upgrade Project and Task Order No. 16 for Northeast Generating Station with DGR Engineering.

BACKGROUND:

In December 2024, Moorhead Public Service (MPS) entered into a Task Order Agreement for Professional Services with DGR Engineering (DGR).

Task Order No. 14 (available upon request) is for MPS' Fiber Optic Communications for Utility Systems (FOCUS) Upgrade Project. MPS needs to upgrade and replace its aging FOCUS Multiplexer (MUX) equipment on its existing fiber system, as well as for Western Area Power Administration's (WAPA's) fiber exiting MPS' Moorhead DOE Substation (DOE Substation). The MUX equipment serves as a communication path for the line relaying throughout MPS' 115 kV transmission system, in addition to the 230 kV line relaying for MPS' Moorhead DOE Substation connection to WAPA's transmission line. The communication path is necessary for the transmission line protection systems. The FOCUS Upgrade Project consists of selecting new equipment to be furnished and installed, evaluating what implications the updated equipment will have on MPS' existing transmission line relaying, which includes the design, programming, installation, and migration to the new FOCUS equipment.

Task Order No. 16 (available upon request) is to assist MPS with the initial stages of planning, designing, procuring long lead-time equipment, and permitting for construction of the Northeast Generating Station which will be located next to the site of the future Northeast Substation. The initial stages will include financial analysis, developing the site plan, obtaining an air quality permit from the Minnesota Pollution Control Agency, and procuring the generators.

The total cost for Task Order No. 14 for the FOCUS Upgrade Project is estimated at \$42,000. The total cost for Task Order No. 16 for the Northeast Generating Station is estimated at \$101,000. Both projects are included in MPS' proposed 2026 budget.

KEY ISSUES:

- Task Order No. 14 is for MPS' FOCUS Upgrade Project.
- Task Order No. 16 is to assist MPS with the initial stages of planning, designing, procuring long lead-time equipment, and permitting for construction of the Northeast Generating Station which will be located next to the site of the future Northeast Substation.

FINANCIAL CONSIDERATIONS:

- The total cost for Task Order No. 14 for the FOCUS Upgrade Project is estimated at \$42,000.
- The total cost for Task Order No. 16 for the Northeast Generating Station is estimated at \$101,000.
- Both projects are included in MPS' proposed 2026 budget.

Respectfully submitted,

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

Travis L. Schmidt
General Manager

Division/Response Person: Taylor Holte, Project Engineer.

Attachments: Available upon request.

Approve Professional Services for Public Outreach and Educational Materials

RECOMMENDATION:

The General Manager respectfully requests the Commission approve professional services with Isabella Ternes to develop public outreach and educational materials for Moorhead Public Services Water Division in an amount not to exceed \$8,000.

BACKGROUND:

Moorhead Public Service (MPS) relies upon the Red River of the North as the primary drinking water source for its customers in Moorhead and Dilworth. Each year, MPS sources approximately 70 to 80 percent of its total treated water from the Red River, with the remaining water being drawn from the Buffalo Aquifer. To promote ongoing protection and raise community awareness of local source waters, MPS has incorporated public outreach into its existing Wellhead Protection Plan, as well as, its new Surface Water Intake Protection Plan. Both plans allow MPS to apply for grant funding through the Minnesota Department of Health to achieve action items relevant to each Plan.

MPS received \$10,000 in MDH grant funding to facilitate public outreach and educational materials action items in early 2025. With grant funding secured, staff collaborated with River Keepers to identify professional services capable of developing educational and social media materials, along with other outreach content, to help inform the public and promote MPS' mission and sustainability efforts related to local water resources. Through the services outlined in this scope of work, both River Keepers and MPS will be able to provide educational materials to the public.

The proposed agreement for professional services with Ms. Ternes includes a rate of \$40 per hour with a total cost not to exceed \$8,000. The agreement would allow work to continue through the end of the grant period and remain cost-neutral to MPS. Attorney John Boulger has reviewed and approves of the agreement.

KEY ISSUES:

- To promote ongoing protection and raise community awareness of local source waters, MPS has incorporated public outreach into its existing Wellhead Protection Plan, as well as its new Surface Water Intake Protection Plan.
- With grant funding secured, staff collaborated with River Keepers to identify professional services capable of developing educational and social media materials, along with other outreach content, to help inform the public and promote MPS' mission and sustainability efforts related to local water resources.

FINANCIAL CONSIDERATIONS:

- The proposed agreement for professional services with Ms. Ternes includes a rate of \$40 per hour with a total cost not to exceed \$8,000. The agreement would allow work to continue through the end of the grant period and remain cost-neutral to MPS.

Respectfully submitted,

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

Travis L. Schmidt

General Manager

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

Attachments:

Public Outreach and Educational Proposal
Agreement for Professional Services

Public Outreach and Education Proposal

Moorhead Public Service Water Plant - River Keepers

Prepared by:

Isabella Ternes

bellat2810@gmail.com

(701) 955-4830

Objectives

- Increase public outreach on the MPS water system.
- Spread educational content on best water quality management practices for residents.
- Update current website information, social media presence, and print content.
- Incorporate River Keepers' related projects, activities, etc.
- Utilize grant money.

Timeline

- Grant fulfilled by end of fiscal year
- Content created by final day of month prior to posting
 - e.g. December content finished by November 30th
- Start posting content on?
- Content continued through?

Strategy

* What does MPS have for a digital presence and who currently runs the website and social media?

- A. Create outreach content for various social media platforms (Instagram, Facebook, Twitter, etc.)

- Feed Posts
 - Stories
 - Reels
- B. Create water-related educational content to be used for web publication**
(website, RK site, emails, etc.)
- Photos
 - Videos
 - Graphics
 - Animations
- C. Create informational content for print publication** (bill inserts, small taglines to print on items?, etc.)
- Mostly text with some imaging
 - Engaging and intriguing to customers!!

Content Plan

A. Feed Posts

- **“What’s in Your Water Wednesday”**
- 1 post a week for 5 months (4 a month)
- Each month has different water “theme” or “message”
 - Water Quality
 - Erosion
 - Infrastructure
 - Flooding and Navigation
 - Laws
- Each post contains an action, result, and what the consumer can do
 - e.g. a post on water quality might say contain the following elements:
 - **Did you know?** “Pet waste contributes to fecal coliform bacteria populations in the river.”
 - **What you can do:** “Pick up after your pets.”
 - Related graphic or image
- At least 1 post each month directly collaborates with River Keepers' activity/volunteering/event
 - Reforest the Red

- Rain Barrel Workshop
- Compost Tumbler Workshop
- Storm Drain Marking Program
- Cleanups
- Adopt a Storm Drain Program
 - Do we want to create this?

Stories

- Same timeline as feed posts? (4/month)
 - At least one on RK opportunity
- Quick graphics or one/two-liner information
 - Could be fact & solution (like feed posts)
- Short informational animations (similar to St.Cloud's) Reels
- 1 post a month correlating with theme
- Compilation of clips with music over and text
 - Or voiceover of information

B. Website

- Longer form text content with incorporation of other elements
 - Photos
 - Videos
 - Additional links
 - Graphics
 - Animations

C. Emailing Lists

- Small section with content relating to monthly “theme” on socials
 - Info on monthly email or incorporated on all emails throughout the month?

D. Bill Inserts

- Similar to mailing list but with a physical insert correlating with monthly theme
 - Send out with monthly bill

E. Products?

- Short taglines on small items such as stickers, pens, magnets, etc.?
 - Ex. #SustaintheRed

Budget

- Consultant: Isabella Ternes
 - Hourly Wage: ?
 - Pay Periods:

Costs to Consider

- Printed mediums
 - Bill inserts
 - Brochures?
- Promotional products
 - Pens
 - Stickers
 - Magnets



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P.O. Box 779
Moorhead, MN 56561-0779
Phone: 218.477.8000
Fax: 218.477.8020
www.mpsutility.com

November 19, 2025

VIA REGULAR U.S. MAIL

Ms. Isabella Ternes
4201 33rd Ave S
Fargo, ND 58104
bellat2810@gmail.com

RE: Agreement for Developing Public Outreach and Educational Materials Associated with Moorhead Public Service's Wellhead Protection Plan and Area Source Waters

Dear Ms. Ternes:

As a follow-up to our recent conversations, I am pleased to offer you a contract as a consultant for Moorhead Public Service (MPS). You will be responsible for developing new public outreach and educational materials for MPS and area professional organizations' ongoing efforts to share information relative to MPS' Wellhead Protection Plan (WHPP), as well as area water conservation and source water protection efforts (the "Project"). If you choose to accept the consulting arrangement, the terms will be as follows:

1. You will be hired as an independent contractor to provide the services necessary to complete the Project. The Project will be completed when the materials that are produced are received by MPS staff. If you establish a company or entity through which your services will be made available, MPS will contract with that company.
2. The timetable for completing various portions of the Project is designed so MPS' grant from the Minnesota Department of Health can be finalized and closed out by December 15, 2025.
3. You will be paid semi-monthly at an hourly rate of \$40 for the duration of the Project, at a cost not to exceed \$8,000 (remaining available grant funds). Your responsibility is to develop a new series of educational materials, such as pamphlets, shareable social media content, and website-usable content. Please submit all final materials to Marc Pritchard, Water Plant Manager, in appropriate formats.
4. As an independent contractor, you will be responsible for any tax withholdings or estimated taxes. You will not be covered by workers' compensation or receive any additional benefits such as health, vision, or dental insurance, paid time off, retirement funding, or other benefits.

5. As an independent contractor, you will set the times you will work and the location from which you will perform the work.
6. MPS will have administrative support staff available to assist you with completing the Project work and ensuring that the documents meet MPS' required format.
7. It is expected that this Project will be completed within approximately two (2) months of the start date. This agreement will take effect upon both parties signing. If timelines exceed this estimation, MPS will discuss, in good faith, the continuation of work until all of the objectives are achieved.

If you agree to these terms, please sign the agreement below to indicate your acceptance and return a fully signed original to MPS, retaining a copy for your records.

Thank you for your interest in this Project and for assisting MPS and River Keepers in engaging the public with these materials.

Sincerely,

Marc Pritchard
Water Plant Manager

MP/lkn

The professional services referred to herein were approved by the Moorhead Public Service Commission on November 18, 2025.

Joel Paulsen - Chairperson

Lisa Borgen - Secretary

ACCEPTANCE:

I, Isabella Ternes, do hereby agree to and accept the terms outlined herein. I understand this forms a contract for my consulting services as an independent contractor, as approved by the Moorhead Public Service Commission.

Dated _____

Isabella Ternes

Award Bids for 2026 Water Treatment and Wastewater Treatment Chemicals

RECOMMENDATION:

The General Manager respectfully requests the Commission award the bids for 2026 Water Treatment and Wastewater Treatment Chemicals to the lowest, qualified bidders meeting the specifications, as shown on the attached Bid Tabulation Sheet.

BACKGROUND:

On an annual basis, Moorhead Public Service (MPS) requests bids for water treatment and wastewater treatment chemicals. MPS incorporates the specifications necessary for the City of Moorhead's Wastewater Division to purchase chemicals for the treatment of wastewater. For the purpose of drinking water treatment, MPS utilizes a significant amount of chemicals on an annual basis.

To ensure the availability of water treatment chemicals for MPS from January 1, 2026, to December 31, 2026, on September 23, 2025, the Commission authorized MPS staff to advertise for chemical bids with a bid opening date of October 22, 2025. The bid cycle was previously adjusted to align the contracts for chemicals with the given calendar year and budget.

The bids received indicate a 2 percent increase in per-unit costs for 2026 chemicals. If the recommended bids are approved and chemical usage remains consistent with the specification amounts, MPS' chemical costs, per unit, are projected to increase by a total of \$34,689.

As part of the bid process, MPS staff received multiple bids for orthophosphate solution. As part of the specification, orthophosphate must be pre-approved through trials prior to being listed as equivalent to the existing chemicals. With this information in mind, MPS staff recommends awarding Bid Item #13 to Hawkins, Inc., in the amount noted on the Bid Tabulation Sheet. Notably, 9 out of the 14 chemicals used for MPS' drinking water treatment process have pricing equal to, or lower than, 2025 levels. Lime, soda ash, and liquid ferric sulfate account for over 80 percent of the estimated total cost for 2026.

The estimated cost for water treatment chemicals for the 12-month period, based on 2025 usage, is \$1,761,602. The 2026 budget for water treatment chemicals is \$2,070,000. Staff anticipated a 5 percent increase in chemical costs based on market trends. The recent plateauing of chemical prices may indicate the broader supply market is stabilizing from COVID-level variability. Furthermore, staff recommended keeping the 2026 budget total budget above the expected bid totals to account for continued and severe water quality issues affecting the Red River—MPS' primary water supply source. In 2025, soda ash used in the softening process was ordered in quantities approximately 700 tons above bid expectations due to record-high river hardness.

To address potential fluctuations in chemical use, staff recommends utilizing cash reserves to offset any budget variables. Any required replenishment of reserves will be incorporated into MPS' 2027 budget and water rate calculations.

KEY ISSUES:

- As part of the specification, orthophosphate must be pre-approved through trials prior to being listed as equivalent to the existing chemicals. With this information in mind, staff recommends awarding Bid item #13 to Hawkins, Inc., in the amount noted on the Bid Tabulation Sheet.

- The bids received indicate a 2 percent increase in per-unit costs for 2026 chemicals. If the recommended bids are approved and chemical usage remains consistent with the specification amounts, MPS' chemical costs, per unit, are projected to increase by a total of \$34,689.

FINANCIAL CONSIDERATIONS:

- The estimated cost for water treatment chemicals for the 12-month period, based on 2025 usage, is \$1,761,602.
- The 2026 budget for water treatment chemicals is \$2,070,000.
- To address potential fluctuations in chemical use, staff recommends utilizing cash reserves to offset any budget variables. Any required replenishment of reserves will be incorporated into MPS' 2027 budget and water rate calculations.

Respectfully submitted,

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

Travis L. Schmidt
General Manager

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

Attachments:

Bid Tabulation Sheet

Bid Tabulation Sheet
2026 Water Treatment and Wastewater Treatment Chemicals

Bid Opening: October 22, 2025, at 2:00 PM

Bidder	Check	Bid Bond	<u>Bid Item #1:</u>	<u>Bid Item #2:</u>	<u>Bid Item #3:</u>	<u>Bid Item #4:</u>	<u>Bid Item #5:</u>	<u>Bid Item #6:</u>
			Lime Price/Ton Qty. 2,000	Soda Ash Price/Ton Qty. 1,000	Dry Ferric Sulfate Price/Ton Qty. 250	Sodium Hexa. Price/Ton Qty. 4	Liquid Chlorine Price/Ton Qty. 36	Liquid CO ₂ Price/Ton Qty. 200
AWG – American Welding & Gas	✓							\$236.95
Carus		✓				\$3560.00		
Chemrite, Inc.		✓				\$3560.00		
DuBois Chemicals, Inc.		✓		\$476.00				
Graymont (WI) LLC		✓	\$366.20					
Hawkins, Inc.		✓				\$4250.00	\$2588.00	
Mississippi Lime Company		✓	\$705.66					
PVS Technologies, Inc.		✓						
Shannon Chemical Corporation		✓				\$3434.17		
SNF Polydyne, Inc.		✓						

Bid Tabulation Sheet
2026 Water Treatment and Wastewater Treatment Chemicals

Bid Opening: October 22, 2025, at 2:00 PM

Bidder	Check	Bid Bond	<u>Bid Item #7:</u>	<u>Bid Item #8:</u>	<u>Bid Item #9:</u>	<u>Bid Item #10:</u>	<u>Bid Item #11:</u>	<u>Bid Item #12:</u>
			Sodium Hypo. Price/Gallon Qty. 300	Sulfur Dioxide Price/Ton Qty. 4	Liquid Oxygen Price/Gallon* Qty. 35,000	Fluoro. Acid Price/Gallon Qty. 5,000	Ammonia Price/Gallon Qty. 5,500	Anionic Poly. Price/Pound Qty. 4,000
AWG – American Welding & Gas	✓				\$0.94			
Carus		✓						
Chemrite, Inc.		✓						
DuBois Chemicals, Inc.		✓						
Graymont (WI) LLC		✓						
Hawkins, Inc		✓	\$4.50	\$2178.00		\$6.15	\$5.425	
Mississippi Lime Company		✓						
PVS Technologies, Inc.		✓						
Shannon Chemical Corporation		✓						
SNF Polydyne, Inc.		✓						\$1.71

*Note: One (1) gallon is equivalent to 115.1 standard cubic feet.

Bid Tabulation Sheet
2026 Water Treatment and Wastewater Treatment Chemicals

Bid Opening: October 22, 2025, at 2:00 PM

Bidder	Check	Bid Bond	<u>Bid Item #13:</u>	<u>Bid Item #14:</u>	<u>Bid Item #15:</u>	<u>Bid Item #16:</u>
			Orthophosphate Price/Gallon Qty. 3,000	Ferrous Chloride Price/Pound Qty. 250,000	Ferric Sulfate Price/Gallon Qty. 45,000	Hydrogen Peroxide (34% Solution) Price/Gallon Qty. 1500
AWG – American Welding & Gas	✓					
Carus LLC		✓	\$10.602 *			
Chemrite, Inc.		✓				
DuBois Chemicals, Inc.		✓				
Graymont (WI) LLC		✓				
Hawkins, Inc.		✓	\$11.286		\$4.45	\$5.95
Mississippi Lime Company		✓				
PVS Technologies, Inc.		✓		\$1.85		
Shannon Chemical Corporation		✓	\$14.17			
SNF Polydyne, Inc.		✓				

*Did not meet the specification review



Approve the Addition of Section 10.22 on Minnesota Paid Leave to MPS' Personnel Policy Manual

RECOMMENDATION:

The General Manager respectfully requests the Commission approve the addition of Section 10.22 on Minnesota Paid Leave to Moorhead Public Service's Personnel Policy Manual.

BACKGROUND:

The Minnesota Paid Leave law was passed by the State of Minnesota in 2023 and will go into effect on January 1, 2026. Minnesota Paid Leave (MPL) is a mandatory, public insurance program administered by the Minnesota Department of Employment and Economic Development (DEED) and funded by employer and employee premium contributions. For 2026, the premiums total 0.88 percent of employees' wages, with employers paying, at a minimum, 50 percent of the premium. MPS recommends that a 50/50 split (employer/employee) of the premiums is fair and reasonable. Based on the wages of Moorhead Public Service (MPS) employees in 2025, the estimated total cost for MPL would be \$52,782, with MPS' employer responsibility being \$26,391.

MPL provides eligible employees with job protections and partial wage replacement (employees receive between 55 and 90 percent of their wages on a weekly basis, up to a maximum of the State-wide average weekly wage) for qualifying conditions. MPL was developed to ensure that Minnesotans can take the time they need to be present for some of life's most important moments, such as welcoming a child, recovering from a serious illness, or caring for a loved one. MPL provides up to 12 weeks of paid medical leave for an employee's own serious health condition, and up to 12 weeks of paid family leave in a benefit year (a 12-month period beginning the first day MPL is used), not to exceed 20 weeks total.

Employers have the option to meet the responsibilities under MPL with either the DEED-administered program or a qualified equivalent plan. MPS received a quote from National Insurance Services (NIS), which currently administers our long-term disability plan, for a private MPL plan. The premiums quoted with the private carrier were 0.78 percent, with a one-year rate guarantee. While the private plan premiums were lower than the State-required premiums, careful consideration of factors (e.g., leave qualification determinations, payment of mandatory garnishments while on leave, etc.) led MPS to choose the DEED-administered program.

General Manager Travis Schmidt is requesting the addition of Section 10.22—Minnesota Paid Leave (attached) to MPS' Personnel Policy Manual to ensure compliance with the Minnesota Paid Leave law, which will take effect on January 1, 2026. MPS staff received assistance from legal counsel to create Section 10.22 for MPS' Personnel Policy Manual.

KEY ISSUES:

- The Minnesota Paid Leave law was passed by the State of Minnesota in 2023 and will go into effect on January 1, 2026.
- Minnesota Paid Leave is a mandatory, public insurance program administered by DEED and funded by employer and employee premium contributions.
- General Manager Travis Schmidt is requesting the addition of Section 10.22—Minnesota Paid Leave to MPS' Personnel Policy Manual to ensure compliance with the Minnesota Paid Leave law,

FINANCIAL CONSIDERATIONS:

- For 2026, the premiums total 0.88 percent of employees' wages, with employers paying, at a minimum, 50 percent of the premium. MPS recommends that a 50/50 split (employer/employee) of the premiums is fair and reasonable.
- Based on the wages of employees in 2025, the estimated total cost for MPL would be \$52,782, with MPS' employer responsibility being \$26,391.

Respectfully submitted,



Travis L. Schmidt
General Manager

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

Attachments:

MPS' Personnel Policy Manual - Section 10.22—Minnesota Paid Leave (PSC Only)

Approve Memorandum of Understanding with IBEW

RECOMMENDATION:

The General Manager respectfully requests the Commission approve a Memorandum of Understanding Between the Moorhead Public Service Commission and the International Brotherhood of Electrical Workers, Local No. 1426, contingent upon final legal approval.

BACKGROUND:

In early September 2024, Moorhead Public Service (MPS) employees, then represented by American Federation of State, County, and Municipal Employees (AFSCME) Council 65, submitted a petition to the State of Minnesota Bureau of Mediation Services (Bureau) seeking decertification of their appropriate bargaining unit.

On October 24, 2024, MPS received a Certification of Results of Tabulation letter from the Bureau, which indicated that AFSCME Council 65, Minnesota, was no longer the exclusive representative for all of MPS' office clerical employees who were previously represented by AFSCME. As a result, the Bureau required that all former AFSCME employees wait one year before entering into an agreement for alternate union representation. Accordingly, on October 24, 2024, the Labor Agreement Between the Moorhead Public Service Commission and AFSCME Council 65, effective from January 1, 2022, through December 31, 2024, was deemed to be null, void, and no longer in effect.

On October 31, 2024, all employees who were previously represented by AFSCME were provided with a Memorandum from General Manager Travis Schmidt. The Memorandum stated that MPS looks forward to continuing direct discussions with employees regarding components of employment. It also noted that these components will continue to be established and managed in accordance with MPS' personnel policies, MPS' compensation plan, and actions taken by the Moorhead Public Service Commission (Commission). Specific items outlined in the Memorandum included statements indicating that employees will continue to receive base pay as established under MPS' 2024 Base Pay Structure, subject to adjustments approved by the Commission. In addition, the Memorandum included language confirming that affected employees will remain eligible for health insurance benefits through an MPS-sponsored plan, with defined employee and employer contributions.

In December 2024, the Commission approved a Labor Agreement with International Brotherhood of Electrical Workers (IBEW) for 2025 through 2027.

On October 27, 2025, and after waiting one year as required AFSCME, the employees who were previously represented by AFSCME signed paperwork with IBEW seeking representation. On October 31, 2025, representatives from IBEW and MPS IBEW union employees, as well as MPS management staff, met to discuss the process and requirements for integrating the job positions previously represented by AFSCME into IBEW's Labor Agreement. The Memorandum of Understanding (MOU) (available upon request) reflects a tentative agreement with IBEW regarding the addition of several new positions that will be included under IBEW's Labor Agreement for 2025 through 2027.

KEY ISSUES:

- In early September 2024, MPS employees, then represented by AFSCME, Council 65, submitted a petition to the Bureau seeking decertification of their appropriate bargaining unit.

- On October 24, 2024, MPS received a Certification of Results of Tabulation letter from the Bureau, which indicated that AFSCME Council 65, Minnesota, was no longer the exclusive representative for all of MPS' office clerical employees who were previously represented by AFSCME. As a result, the Bureau required that all AFSCME employees wait one year before entering into an agreement for alternate union representation.
- In December 2024, the Commission approved a Labor Agreement with IBEW for 2025 through 2027.
- On October 27, 2025, and after waiting one year as required by AFSCME, the employees who were previously represented by AFSCME signed paperwork with IBEW seeking representation.
- The MOU reflects a tentative agreement with IBEW regarding the addition of several new positions that will be included under IBEW's Labor Agreement for 2025 through 2027.

FINANCIAL CONSIDERATIONS:

- The financial impact to MPS is limited, as affected employees were already included in MPS' 2024 Base Pay Structure and subject to similar benefit programs.

Respectfully submitted,



Travis L. Schmidt
General Manager

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

Attachments: Available upon request.

Approve Annual Agreement with The Salvation Army for 2025/2026 HeatShare Program

RECOMMENDATION:

The General Manager respectfully requests the Commission approve The Salvation Army's annual HeatShare Program Agreement between Moorhead Public Service and The Salvation Army for the period of October 1, 2025, through September 30, 2026.

BACKGROUND:

For over 25 years, Moorhead Public Service (MPS) and The Salvation Army have utilized a joint partnership to promote and utilize The Salvation Army's HeatShare Program. The HeatShare Program has been in existence since 1982 and is funded through individual donations. The HeatShare Program is a voluntary, non-governmental program entirely funded by donations from individual donors, utility companies, and generous customers who choose to give beyond their own bill payments. The contributions are used to help other customers who are struggling to keep up with their utility bills. The HeatShare Program Agreement is available upon request.

As part of the partnership, MPS promotes the HeatShare Program and refers customers who would like to make contributions to The Salvation Army by posting program information on MPS' website (www.mpsutility.com) and through bill messages printed on customers' bills during the months of October through March. In return, The Salvation Army allocates, at a minimum, at least 85 percent of funds to MPS customers in direct proportion to the donations received from MPS' service area.

To apply for and obtain assistance, applicants must meet income eligibility requirements, must have a past due bill or disconnection notice, and must have applied for assistance from other available public agencies (in particular, West Central Minnesota Communities Action, which coordinates the State of Minnesota's Low Income Home Energy Assistance Program (LIHEAP) for western Minnesota).

KEY ISSUES:

- Participation in this partnership with The Salvation Army has little or no cost to MPS other than posting information on MPS' website (www.mpsutility.com) and printing bill message reminders on customers' monthly utility bills.
- Eligibility and payment processing is handled by The Salvation Army and is based upon predetermined, published criteria.
- A minimum of 85 percent of the funds donated by MPS customers are returned to MPS customers in need to assist with past due electricity and heating bills.

FINANCIAL CONSIDERATIONS: None.

Respectfully submitted,



Travis L. Schmidt
General Manager

Division/Response Person: Mark Moilanen, Administration and Finance Manager.

Attachments: Available upon request.

Approve Amendment to Software Licence and Implementation Agreement with Advanced Utility Systems

RECOMMENDATION:

The General Manager respectfully requests the Commission approve the Amendment to Change Dispute Resolution Provisions to the 2005 Software Licence and Implementation Agreement with Advanced Utility Systems.

BACKGROUND:

As part of the legal review process of the Statement of Work with Advanced Utility Systems for Moorhead Public Service's Customer Information System upgrade approved by the Commission on October 21, 2025, Attorney John Boulger discovered some concerns in the original 2005 Software Licence and Implementation Agreement (Agreement) with Advanced Utility Systems (Advanced). Moorhead Public Service (MPS) staff and Attorney Boulger were able to work with Advanced to amend language in the 2005 Agreement regarding dispute resolution.

The attached Amendment to Change Dispute Resolution Provisions to the 2005 Software Licence and Implementation Agreement with Advanced has been reviewed and approved by MPS Attorney John Boulger.

KEY ISSUES:

- MPS staff and Attorney Boulger were able to work with Advanced to amend language in the 2005 Agreement regarding dispute resolution.

FINANCIAL CONSIDERATIONS: None.

Respectfully submitted,

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

Travis L. Schmidt
General Manager

Division/Response Person: Travis Schmidt, General Manager.

Attachments:

Amendment to 2005 Software Licence and Implementation Agreement with Advanced Utility Systems

Amendment to Change Dispute Resolution Provisions to Software Licence and Implementation Agreement

This Amendment is to that certain **Software Licence and Implementation Agreement** (hereinafter, "Agreement") dated August 9, 2005, by and between the Moorhead Public Service, a Utility of the City of Moorhead, Minnesota ("**Moorhead**"), and Advanced Utility Systems, a division of N. Harris Computer Corporation ("**Advanced**").

WHEREAS, the parties wish to Amend the Agreement to modify and update its dispute resolution terms;

NOW, THEREFORE, for good and valuable consideration, the sufficiency and receipt of which are acknowledged, the parties agree as follows:

1. Paragraph 8.5 in the Agreement, "Arbitration," is hereby superseded and replaced in its entirety with the following new text:

8.5 Dispute Resolution. If any dispute develops among the parties to this Agreement, each party agrees it will, in good faith, attempt to negotiate a resolution. If the parties are not successful in negotiating a resolution, the parties agree they will participate in good faith in mediation with a neutral third-party mediator in Moorhead, Minnesota. If they cannot agree on a third-party mediator, each party will list three acceptable mediators. If there is a common acceptable mediator, that mediator will be used. If this does not result in a mediator selection, there will be a coin toss. The party losing the coin toss will strike one mediator off the winning party's list. The winning party will then strike a mediator off the losing party's list. This will be repeated until there is one mediator remaining. The remaining mediator will be the mediator the parties use. Mediation shall be scheduled within sixty (60) days of the end of negotiations. If mediation is not successful, the parties agree to submit this matter to State District Court, Seventh Judicial District, in Clay County, Minnesota, which will be the exclusive jurisdiction and venue. Any judgment may be enforced by any court of competent jurisdiction

2. This Amendment may be executed in counterparts.
3. Except as expressly otherwise set forth herein, the Agreement remains unchanged.

Executed by and between the parties this ____ day of _____, 2025.

Advanced Utility Systems, a division of N. Harris Computer Corporation

Signature

Name: _____

Title: _____

Date: _____

Moorhead Public Service, a Utility of the City of Moorhead, Minnesota

Signature

Name: _____

Title: _____

Date: _____

Signature

Name: _____

Title: _____

Date: _____

Approve Sponsorship Request from Moorhead Parks and Recreation for Family Swim Night at the Moorhead Municipal Pool

RECOMMENDATION:

The General Manager respectfully requests the Commission approve a sponsorship request from Moorhead Parks and Recreation for Family Swim Night at the Moorhead Municipal Pool.

BACKGROUND:

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

Moorhead Parks and Recreation offers a wide range of programs, special events, facilities, and parks within the community. Its mission is to enrich the lives of Moorhead residents by providing a comprehensive system of parks and affordable, diverse recreation programs that promote health, fitness, relaxation, and cultural enrichment, as well as opportunities for community involvement. Attached is Moorhead Parks and Recreation's Sponsorship Submission Form.

Moorhead Public Service (MPS) would like to sponsor Family Swim Night by offering free open swim in August 2026. In 2024, the pool's average attendance was 270 swimmers. The new facility is expected to open in June 2026 with a capacity of approximately 450. The cost will be \$5.00 per attendee, with an estimated total of \$2,250. This amount may be lower since some attendees will have season passes.

Recognition for the sponsorship would be provided to MPS in the following ways:

- MPS will receive pre-event recognition.
- MPS' name and logo will be displayed at the event.
- MPS' name will be included in marketing materials for the event.

Each year, MPS budgets \$50,000 for sponsorship and marketing expenditures, and this event will be included in MPS' 2026 budget. Currently, MPS has disbursed \$41,933 for sponsorships and marketing in 2025.

KEY ISSUES:

- On November 21, 2023, the Commission approved the amended Policy. As stated in this Policy, the General Manager has the authority to review and provide a recommendation to the Commission for approval of the sponsorship request.
- Moorhead Parks and Recreation offers a wide range of programs, special events, facilities, and parks within the community.
- MPS would be recognized as a sponsor for this event, and recognition would be provided to MPS in various ways.

FINANCIAL CONSIDERATIONS:

- The new facility is expected to open in June 2026 with a capacity of approximately 450. The cost will be \$5.00 per attendee, with an estimated total of \$2,250. This amount may be lower since some attendees will have season passes.
- Each year, MPS budgets \$50,000 for sponsorship and marketing expenditures, and this event will be included in MPS' 2026 budget. Currently, MPS has disbursed \$41,933 for sponsorships and marketing in 2025.

Respectfully submitted,

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

Travis L. Schmidt
General Manager

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

Attachments:

Moorhead Parks and Recreation Sponsorship Submission Form

Sponsorship Submission Form

Requester Information

Date: 10/21/2025

Name of Organization Requesting Sponsorship Opportunity: _____

City of Moorhead - Parks and Recreation

Name of Sponsorship Event: Family Swim Night at the Moorhead Municipal Pool

Primary Contact Person and Title: Melissa Discher, Recreation Supervisor

Primary Contact Person Phone Number: 218-299-5559

Primary Contact Person E-mail: melissa.discher@moorheadmn.gov

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

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

This event will build community connection and social interaction, promote health

and wellness, support youth and families in a fun recreational setting, and provide an opportunity to educate about services.

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

MPS is not just a utility provider, but a partner in building a stronger, healthier Moorhead.

The Municipal Pool is a perfect example of where clean water, reliable power and public health all flow together.

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

No, this is a public-serving event and this sponsorship would enhance community

engagement and overall support of public health and safety.

APPROVE SPONSORSHIP REQUEST:

General Manager

Date: _____



6/24/2025

Approve 2026 Commission Meeting Schedule

RECOMMENDATION:

The General Manager respectfully requests the Commission approve the 2026 Commission meeting schedule.

BACKGROUND:

Attached is the 2026 Commission meeting schedule for the Commission's approval. Meetings of the Commission typically occur on the first and third Tuesdays of each month, unless noted otherwise on the attached schedule.

Respectfully submitted,

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

Travis L. Schmidt
General Manager

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

Attachments:

2026 Regular Meetings of the Moorhead Public Service Commission



2026 Regular Meetings of the Moorhead Public Service Commission

Moorhead Public Service (MPS) is locally governed by a six-member board of MPS customers known as the Moorhead Public Service Commission. Its six members are appointed by the Moorhead City Council and the Mayor.

Meetings of the Moorhead Public Service Commission typically occur on the first and third Tuesday of each month at 4:30 PM in the Auditorium at the Hjemkomst Center, 202 First Avenue North, Moorhead, Minnesota.

JANUARY

- 6 (if needed)
- 20

FEBRUARY

- 3 (if needed)
- 17

MARCH

- 3 (if needed)
- 17

APRIL

- 7 (if needed)
- 21

MAY

- 5 (if needed)
- 19

JUNE

- 2 (if needed)
- 16

JULY

- 7 (if needed)
- 21

AUGUST

- 4 (if needed)
- 25ⁱⁱ

SEPTEMBER

- 8 (if needed)
- 22

OCTOBER

- 6 (if needed)
- 20ⁱ

NOVEMBER

- 3 (if needed)
- 17

DECEMBER

- 8 (if needed)
- 22

ⁱ If needed, electric and water rate hearings for 2027 rates will be held on October 20, 2026.

ⁱⁱ This meeting date does not follow the normal meeting schedule.

