



405 2nd Avenue West
Halstad, MN 56548

Halstad Municipal Utilities Commission met 8/18/25 at 10:35 AM at the Utilities Office.

Commissioners Tom Maroney, Ron Gotteberg, Darin Johnson

Staff- Lucas Spaeth- Superintendent and Secretary, Alli Tice, Tony Wolff, Amanda Nelson, Josh Poehls.

Additions to agenda –none

Approval of agenda – Move to approve agenda by Maroney, Seconded Gotteberg M/C

Approval of minutes – Move to approve minutes by Johnson, Seconded Gotteberg, M/C

Check and credit card approval – Move approve checks and credit card payments for June, July 2025 Johnson, Seconded by Maroney, Discussed items M/C

Profit & Loss Statement; Balance Sheet; and Budget to Actual- reviewed financial profit and loss year to date through July. Monthly statements from June and July. Water sales up for the month(s.)

USDA funding update given by Spaeth. The USDA application for water improvements is still waiting for initial approval. The financing has changed and the application will need to be amended to add other water needs and any wastewater needs after Preliminary Engineering Report (PER) is received, reviewed, and approved by Commissioners and City.

Water project update by Spaeth. West Central Regional Water District (WCRWD.) continues to progress with other cities for planning the water district. Year end WCRWD would expect to have a court hearing in the formation of a new Public Water System (PWS). Landowners in the WCRWD, including Halstad, would be receiving mailings from the Clay County District Court prior to court date. Progress towards the North Dakota addition sooner would rely on Halstad Municipal Utilities and the Halstad City Council agreeing to financing based on the preliminary cost information from the City, we are anticipating a bond issue of approximately \$981,000 structured over a term of approximately twenty-year period. The bonds would be tax exempt, bank qualified and would be issued without CUSIPs. We will also apply for the MN PFA Credit Enhancement, which is administered by the Minnesota Public Facilities Authority (MPFA), the program provides limited state bond guarantees for eligible local units of government. The debt obligation must be a general obligation debt issued for the construction, improvement or rehabilitation of wastewater, drinking water, or stormwater facilities.

Spaeth reviewed the contract services with Borup and Glyndon.

Spaeth gave an update on Northern Municipal Power Agency (NMPA) has been developing long term contract formats with Minnkota. NMPA will also be looking to extend the Participants contracts for wholesale between each city including Halstad.

PER Wastewater is underway. Spaeth and Tice have sent detail information to AE2S. 8-14-2025 AE2S was onsite to review the treatment plant operations and original as-builts for further review.

Old generator controllers for sale were offered \$5400 for the EGCB-3 Woodward. Gotteberg moved to approve sale: Second by Johnson. Motion Carried.

Commission reviewed the water tower maintenance agreement with KLM. The contract calls for a cleaning and Summary inspection in 2025 for \$2900.

Water rates were reviewed: Tice supplied some opportunity to adjust rates in the table below.

	August 2024- July 2025 Current Rates	Total	Increase
Options	\$ 152,232.59	Revenue	
1	\$10 base rate, 10% tier, 10% Nursing Home Agronomy, \$50 base rate for large meters 1.5 inch and over.	\$ 197,845.40	\$ 45,612.81
2	\$15 base rate, 10% Nursing Home, Agronomy. \$50 base rate for large meters 1.5 inch and over	\$ 210,035.05	\$ 57,802.46
3	\$20 base rate, 10% Nursing Home, Agronomy, \$50 base rate large meters 1.5 inch and over	\$ 226,315.55	\$ 74,082.96

Commission discussed pending financial needs for an increase due to water supply needs including water tower rehab. Gotteberg moved to approve a Option 1: \$10 base rate increases and 10% increase to consumption \$50 base rate for large meters. Starting September 1, 2025: Seconded by Johnson. Motion Carried.

Commission reviewed Master Services Agreement (MSA) to enter with AE2S. Gotteberg moved to approve MSA with AE2S and Task Order 1 in the amount of \$25000: Seconded by Maroney. Motion Carried.

Commission reviewed Minnesota Rural Water Association (MRWA) and National Rural Water Association (NRWA) apprentice training for Water and Wastewater operators. Johnson moved to accept terms of the apprenticeship for Amanda Nelson and Josh Poehls: Seconded by Gotteberg. Motion Carried.

Commission reviewed Energy Management Solutions Inc. proposal for application to the Minnesota paid “Solar on Public Buildings” as a no-cost-solar project. EMS will submit for state and federal grant for Halstad. Maroney moved to have Spaeth enter into proposal agreement with EMS: Seconded by Johnson. Motion Carried.

Superintendent report supplied- Spaeth noted use of the Text App to conserve water during a Elevator Fire in Shelly MN, Generator Annual insurance review in August, and Lead and copper rule revision work with AE2S.

Next regular council meeting, September 8, 2025.

Next Regular HMU Meeting Date – September

No other business to discuss.

Motion was made to adjourn meeting by Gotteberg: Second Maroney. M/C

Meeting adjourned 1:10 PM

Secretary- Lucas Spaeth