



Halstad Municipal Utilities Commission met 11/21/2025 at 1:05 AM at the Utilities Office.

Commissioners Tom Maroney, Ron Gotteberg, Darin Johnson

Staff- Lucas Spaeth- Superintendent and Secretary, Alli Tice Office Coordinator, East Central Regional Water Districts (ECRWD) Neil Breidenbach, AE2S Abby Ritz and Stephen Slick.

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 Gotteberg, Seconded Johnson, M/C

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

Profit & Loss Statement; Balance Sheet; and Budget to Actual- reviewed financial profit and loss year to date through October. Year to date financials.

Water Project- Project was presented to MN Senate Capital Investment Committee 11-12-2025 for state bonding requests. Spaeth commented that Halstad has been recognized as a fundable project through Public Facilities Authority (PFA) Drinking Water Revolving Fund (DWRF.) Abby Ritz let the Commission know that this could be the most financially feasible option. PFA could offer a 1% interest rate over a 20 year period. PFA also offers a grant or reimbursable funds through DWRF. Discussion was held on maximizing PFA options and benefits; it was noted that Commission action is needed to select the intended design flows, capacity, and anticipated loan amounts to provide clear direction for the future application. Ritz would work with MN PFA to get Halstad application in que. Engineer Slick added that to continue preparing for a 2026 project build HMU pre-costs estimate would be \$150,000 for additional permitting, legal, admin, and engineering. Gotteberg Moved to approve Capacity buy-in with max pipe capacity and 150 GPM flow rate according to the Intended Use Plan (IUP) and using PFA financing metrics. Second by Johnson. - Motion Carried

Gotteberg moved to hire AE2S for additional permitting, legal, and engineering for up to \$150,000 for planning costs needed for water service connection. Second Johnson

ECRWD Service Proposal was received by Breidenbach; the next steps for the agreement HMU should look for an Interim Development Agreement between Halstad and ECRWD. The contract would be drafted but would not be used unless the PFA funding did not work.

Northern Municipal Power Agency (NMPA) met November 19th highlights included that the Joint system had a upset with market purchases during a power plant outage this Fall. Markets were double the budget amount. Repercussions include not making margins necessary for Minnkota financial covenants. NMPA did see a draft rate increase that was

likely to be adopted for April 2026. Preliminary increase average for all rates is 4.1%. Minnkota and NMPA continue future contract discussions.

Solar Panels on Public Buildings update from Johnson and Tice was given. 9 sites were pending some additional information requested by MN State.

Superintendents report was given. Spaeth reported of meetings attended. Spaeth highlighted some casualty insurance rates had gone down 2% and Work comp down 25%. Work Comp would likely tick up with two separate non-loss time accidents in 2025. Spaeth let the Commission know that meetings were held with three metering companies with water and electric meters. He would have a few more distributors to meet and would look to have both water and electric meters ordered in 2026. Staff had completed hydrant flushing in October and ISO testing of the fire hydrants.

Next regular council meeting, December 8, 2025.

Next Regular HMU Meeting Date – December

No other business to discuss.

Meeting adjourned 3:30 PM

Secretary- Lucas Spaeth