



MOORHEAD PUBLIC SERVICE COMMISSION

MEETING AGENDA

Tuesday, June 16, 2026 - 4:30 PM

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

Commissioners:

Matthew Leiseth, Chairperson

Paul Baker, Vice Chairperson

Lisa Borgen, Secretary

Amy Lammers

Steve Lindaas

Jason Ness

Travis L. Schmidt, General Manager

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

1. Call to Order

2. Approve Agenda

3. Approve Consent Agenda

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

***4. Approve Minutes of May 19, 2026**

***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 2025 Annual Management Report for MPS**

9. **Award Bid for Furnishing 15 kV Metalclad Switchgear at MPS' Northeast and Southeast Substations**

10. **Award Bid for 2026 Lead Service Line Replacement Project**

11. **Approve Resolution and Declaration of Intent to Approve Potential Bond Sale in 2027 or 2028**

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

13. **Upcoming Meetings**
 - a. **Public Service Commission Meetings**
 - July 7, 2026 (if needed)**
 - July 21, 2026**
 - b. **Meeting Opportunities for Commissioners^(A)**
 - **AWWA Annual Conference**
June 21-24, 2026, Washington, DC
 - **APPA National Conference**
June 26-July 1, 2026, Boston, MA
 - **MMUA Summer Conference**
August 17-19, 2026, St. Cloud, MN

14. **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.awwa.org
MN AWWA = American Water Works Association-Minnesota Section - www.mnawwa.org
MRWA = Minnesota Rural Water Association - www.mrwa.com

Minutes of the Moorhead Public Service Commission
Hjemkomst Center, Auditorium
Tuesday, May 19, 2026 – 4:30 PM

MEMBERS PRESENT: Paul Baker (Interactive Technology—Personal), Lisa Borgen, Amy Lammers, Matthew Leiseth, Steve Lindaas, and Jason Ness

MEMBERS ABSENT: None

OTHERS PRESENT: General Manager Travis Schmidt; Staff Members Taylor Holte, Tyler Kari, Jake Long, Mark Moilanen, Ryan Nelson, Lisa Norstad, Marc Pritchard, Devan Schuler, and James Sumba; MPS Attorney John Boulger; Catherine Vollmer, GreatBlue Research; Janeen Hathcock, Eide Bailly, LLP; Assistant City Manager Mike Rietz

1. CALL TO ORDER.

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

2. APPROVE AGENDA.

Commissioner Lindaas made a motion to approve the agenda. Commissioner Borgen seconded the motion. The motion passed with a 6-0 vote. Voting Yes: Baker, Borgen, Lammers, Leiseth, Lindaas, and Ness. Voting No: None.

3. APPROVE CONSENT AGENDA.

Commissioner Borgen made a motion to approve the consent agenda. Commissioner Lindaas seconded the motion. The motion passed with a 6-0 vote. Voting Yes: Baker, Borgen, Lammers, Leiseth, Lindaas, and Ness. 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 APRIL 14, 2026.**

Commissioner Borgen made a motion to approve the minutes of April 14, 2026. Commissioner Lindaas seconded the motion. The motion passed with a 6-0 vote. Voting Yes: Baker, Borgen, Lammers, Leiseth, Lindaas, and Ness. Voting No: None.

***5. APPROVE BILLS FOR PAYMENT.**

Commissioner Borgen made a motion to approve the bills for payment. Commissioner Lindaas seconded the motion. The motion passed with a 6-0 vote. Voting Yes: Baker, Borgen, Lammers, Leiseth, Lindaas, and Ness. Voting No: None.

***6. APPROVE TASK ORDER NO. 17 WITH DGR ENGINEERING FOR NORTHEAST SUBSTATION TRANSMISSION LINE EXTENSION PROJECT.**

Commissioner Borgen made a motion to approve Task Order No. 17 with DGR Engineering, Inc., for Moorhead Public Service's Northeast Substation Transmission Line Extension Project in the amount of \$35,000. Commissioner Lindaas seconded the motion. The motion passed with a 6-0 vote. Voting Yes: Baker, Borgen, Lammers, Leiseth, Lindaas, and Ness. Voting No: None.

***7. APPROVE 2026 FARM LEASE AGREEMENT.**

Commissioner Borgen made a motion to approve the Farm Lease Agreement with Matthew Krabbenhoft, President of Krabbenhoft and Sons Inc., for 2026 at the current annual rate of \$50 per acre. Commissioner Lindaas seconded the motion. The motion passed with a 6-0 vote. Voting Yes: Baker, Borgen, Lammers, Leiseth, Lindaas, and Ness. Voting No: None.

***8. APPROVE TASK ORDER NO. 17 WITH KLM ENGINEERING FOR PROFESSIONAL SERVICES RELATED TO AT&T'S EQUIPMENT UPGRADE ON MPS' OAKPORT WATER TOWER.**

Commissioner Borgen made a motion to approve Task Order No. 17 with KLM Engineering, Inc., for professional services for plan review and inspection services related to AT&T's upgrade of existing telecommunications equipment on Moorhead Public Service's Oakport Water Tower. Commissioner Lindaas seconded the motion. The motion passed with a 6-0 vote. Voting Yes: Baker, Borgen, Lammers, Leiseth, Lindaas, and Ness. Voting No: None.

***9. APPROVE SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR 2026 LEAD SERVICE LINE REPLACEMENT PROJECT.**

Commissioner Borgen made a motion to approve the specifications and authorize advertisement for bids for the 2026 Lead Service Line Replacement Project. Commissioner Lindaas seconded the motion. The motion passed with a 6-0 vote. Voting Yes: Baker, Borgen, Lammers, Leiseth, Lindaas, and Ness. Voting No: None.

***10. APPROVE TASK ORDER NO. 4 WITH TERRACON CONSULTANTS FOR 2026 CONSTRUCTION MATERIALS TESTING.**

Commissioner Borgen made a motion to approve Task Order No. 4 with Terracon Consultants, Inc., for 2026 construction materials testing, contingent upon final legal approval. Commissioner Lindaas seconded the motion. The motion passed with a 6-0 vote. Voting Yes: Baker, Borgen, Lammers, Leiseth, Lindaas, and Ness. Voting No: None.

11. CUSTOMERS TO BE HEARD/RECOGNITIONS.

There were no customers to be heard.

General Manager Travis Schmidt recognized Water Treatment Plant Chemist Christopher Knutson for reaching his 15-year milestone and Lineman Tyler Kari for reaching his 5-year milestone.

12. OLD BUSINESS.

There was no old business to discuss.

13. REPORTS.

City Council

Commissioner Borgen stated that the Moorhead City Council (Council) recently approved construction of a roundabout at the intersection of 40th Avenue and 14th Street South in Moorhead, which is scheduled to begin in early June 2026. Borgen also mentioned that support for a federal separation ordinance regarding immigration enforcement activities was discussed but not approved.

Public Service Commission.

Commissioner Ness provided an update on his first meeting serving on the Moorhead Economic Development Authority Board of Commissioners.

Commissioner Lindaas provided an update on Missouri River Energy Services' (MRES') Annual Conference, which was also attended by Commissioner Baker. Lindaas shared insights and recommended that other Commissioners consider attending this conference in the coming years.

General Manager's Report.

General Manager Travis Schmidt provided an introduction to the General Manager's Report, which included updates to the 2026 first quarter Strategic Plan, quarterly dashboard reports for the first quarter, Moorhead Public Service (MPS) scholarship awards, thank you cards from the scholarship recipients, a resident who attended the Citizens Government Academy, a donation to A Place for Hope, and MRES' legislative newsletter.

Schmidt provided highlights on the dashboard reports for the first quarter. Water Plant Manager Marc Pritchard provided an explanation for the increase in Red River water hardness over the last few years. Schmidt responded to questions of the Commission.

Schmidt provided details on the 2026 Light Up Navajo Project (Project) and presented the plaque provided by the Navajo Tribal Utility Authority in appreciation. Schmidt introduced MPS' line crew members Ryan Nelson, Tyler Kari, and Devan Schuler who shared their experience and encouraged MPS to participate in this Project in the future.

Schmidt provided an update on the four MPS scholarship recipients who received awards that were presented by the Moorhead Legacy Education Foundation on April 29, 2026.

Accept Report on 2025 Residential Customer Survey with GreatBlue Research.

General Manager Travis Schmidt provided an overview of the 2025 Residential Customer Survey conducted by GreatBlue Research, Inc (GreatBlue). GreatBlue's Project Manager Catherine Vollmer presented a PowerPoint on the overall results of the survey.

Commissioner Lindaas made a motion to accept the report on Moorhead Public Service's 2025 Residential Customer Survey that was conducted by GreatBlue Research, Inc. Commissioner Ness seconded the motion. The motion passed with a 6-0 vote. Voting Yes: Baker, Borgen, Lammers, Leiseth, Lindaas, and Ness. Voting No: None.

Accept Report on 2025 Conservation Improvement Program (CIP) Summary and 2026 CIP Plan.

Electric Project Engineer Taylor Holte provided an update on the 2025 CIP summary and the 2026 CIP Plan. Holte reported that MPS did not meet its state-mandated CIP spending requirements for 2025. The 2026 CIP Plan will utilize similar successful strategies as in 2025, with an additional emphasis on energy savings programs and rebates designed to enhance the energy efficiency of MPS' residential and business customers. Staff will continue to work closely with MRES to utilize its marketing and outreach initiatives to help meet future CIP goals and requirements. Holte responded to questions of the Commission. Discussion was held.

Commissioner Ness made a motion to accept the report on the 2025 Conservation Improvement Program (CIP) and CIP plans for 2026. Commissioner Lindaas seconded the motion. The motion passed with a 6-0 vote. Voting Yes: Baker, Borgen, Lammers, Leiseth, Lindaas, and Ness. Voting No: None.

Accept 2025 Annual Reliability Performance Report.

Project Engineer Taylor Holte provided an overview of MPS' 2025 Annual Reliability Performance Report. Holte noted that MPS met all three of the reliability indices set by the Commission for 2025. MPS' overall system reliability was 99.9977 percent in 2025. Commissioners commended MPS on the reliable electric service it provides to its customers.

Commissioner Lindaas made a motion to accept Moorhead Public Service's 2025 Annual Reliability Performance Report. Commissioner Ness seconded the motion. The motion passed with a 6-0 vote. Voting Yes: Baker, Borgen, Lammers, Leiseth, Lindaas, and Ness. Voting No: None.

14. APPROVE 2025 AUDITED FINANCIAL STATEMENTS.

Administration and Finance Manager Mark Moilanen provided an overview of MPS' 2025 Audited Financial Statements conducted by EideBailly, LLP (EideBailly). Janeen Hathcock, Partner at Eide Bailly, presented a PowerPoint on MPS' 2025 Audited Financial Statements and Executive Summary.

Commissioner Borgen made a motion to approve the 2025 Audited Financial Statements, Executive Summary, and Eide Bailly's Management Letter to the Commission. Commissioner Ness seconded the motion. The motion passed with a 6-0 vote. Voting Yes: Baker, Borgen, Lammers, Leiseth, Lindaas, and Ness. Voting No: None.

15. APPROVE SUMMER VOLUNTARY WATERING RESTRICTIONS.

Water Plant Manager Marc Pritchard provided an update on summer conservation efforts, including the implementation of voluntary watering restrictions effective May 29, 2026, to September 30, 2026. Pritchard also requested that the Commission authorize General Manager Travis Schmidt to implement further conservation measures, if necessary. Pritchard responded to questions of the Commission. Discussion was held.

Commissioner Lindaas made a motion to approve summer conservation efforts in the form of voluntary watering restrictions, effective May 29, 2026, to September 30, 2026, and grant the General Manager authority to implement further conservation measures, if necessary. Commissioner Lammers seconded the motion. The motion passed with a 6-0 vote. Voting Yes: Baker, Borgen, Lammers, Leiseth, Lindaas, and Ness. Voting No: None.

16. APPROVE TASK ORDER NO. 14 WITH APEX ENGINEERING GROUP FOR MASTER PLAN AND FEASIBILITY STUDY FOR MPS' WATER TREATMENT PLANT.

Water Plant Manager Marc Pritchard provided an overview of the Master Plan and Feasibility Study for MPS' Water Treatment Plant. MPS and Apex Engineering Group, Inc., anticipate completing this work between the fourth quarter of 2026 and the first quarter of 2027.

Commissioner Lindaas made a motion to approve Task Order No. 14 with Apex Engineering Group, Inc., for professional services to facilitate and complete a Master Plan and Feasibility Study for Moorhead Public Service's Water Treatment Plant in an amount not to exceed \$143,190. Commissioner Ness seconded the motion. The motion passed with a 6-0 vote. Voting Yes: Baker, Borgen, Lammers, Leiseth, Lindaas, and Ness. Voting No: None.

17. APPROVE SPONSORSHIP REQUEST FROM MOORHEAD PARKS AND RECREATION FOR MOVIE NIGHT IN THE PARK.

General Manager Travis Schmidt provided information on the sponsorship request from Moorhead Parks and Recreation to sponsor "Movie Night in the Park" on June 12, 2026, featuring the movie "Rio." Schmidt stated that this event aligns with MPS' sponsorship criteria. Schmidt responded to questions of the Commission.

Commissioner Borgen made a motion to approve the sponsorship request from Moorhead Parks and Recreation for Movie Night in the Park at the Heritage Garden and Amphitheater in the amount of \$1,000. Commissioner Lindaas seconded the motion. The motion passed with a 6-0 vote. Voting Yes: Baker, Borgen, Lammers, Leiseth, Lindaas, and Ness. Voting No: None.

18. APPROVE SPONSORSHIP REQUEST FOR 2026 MOORHEAD SAUSAGE FEST.

General Manager Travis Schmidt provided information on the sponsorship request for the 2026 Moorhead Sausage Fest. Schmidt stated that this event aligns with MPS' sponsorship criteria.

Commissioner Ness made a motion to approve the sponsorship request for the 2026 Moorhead Sausage Fest in the amount of \$1,500. Commissioner Borgen seconded the motion. The motion passed with a 6-0 vote. Voting Yes: Baker, Borgen, Lammers, Leiseth, Lindaas, and Ness. Voting No: None.

19. CLOSE MEETING FOR EXECUTIVE SESSION.

The meeting was not closed for executive session.

20. UPCOMING MEETINGS.

Upcoming meetings of the Moorhead Public Service Commission are scheduled for July 7, 2026 (if needed), and July 21, 2026.

21. ADJOURN.

The meeting adjourned at 5:58 PM.

The minutes herein are approved on this 16th day of June, 2026.

APPROVED BY:

ATTEST:

***Matthew Leiseth
Chairpersonⁱ***

***Lisa Borgen
Secretaryⁱ***

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

General Manager's Report

1. Distribution of 2025 Consumer Confidence Report (aka Drinking Water Report).

Each year, Moorhead Public Service's (MPS') Water Division works with the Minnesota Department of Health (MDH) to provide customers with important drinking water information to customers through the Consumer Confidence Report (CCR), commonly referred to as the Drinking Water Report. The report provides information about the quality and safety of MPS' drinking water.

To conserve resources, the MDH-mandated CCR is distributed electronically through bill inserts and e-bill notifications rather than traditional mailings. MPS has utilized electronic distribution for several years, taking advantage of the MDH-approved program that allows utilities to notify customers electronically and post the report online. The attached 2025 CCR is available on MPS' website at <https://www.mpsutility.com/index.php/en/drinking-water-reports>. The CCR has also been distributed electronically to dormitory residents, local college employees, nursing homes, and other long-term care facilities. MPS saves approximately \$6,000 annually in printing costs.

Staff is currently working with Gemini Water Group to develop an updated report that is more visually appealing, user-friendly, and easier to understand. The redesigned report will highlight MPS' commitment to providing the high-quality drinking water customers have come to expect while supporting MPS' strategic goal of engaging with the community through education and increased awareness of local water resources and water quality. Once the updated 2025 CCR is completed, it will be available at the same location on MPS' website.

2. Thank You Notes from MPS Scholarship Recipients.

Attached are two thank you notes from Moorhead High School seniors who were awarded MPS scholarships. Christopher Carvell was awarded MPS' \$1,500 "Bachelor's Degree" scholarship, which will support his education in aerospace and mechanical engineering with a focus on propulsion systems at the University of Minnesota Twin Cities. Yuri Orth was awarded MPS' \$1,500 "Serving Our Community" scholarship, which will support her education in natural resources management at North Dakota State University (NDSU). Ms. Orth was recently selected for the inaugural cohort of NDSU's Honors College.

3. State Legislative Newsletter.

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

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



2025 DRINKING WATER REPORT

For Non-English Speaking Customers:

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

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

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

Source Water

Your drinking water comes from both groundwater and surface water sources. Surface water is drawn from the Red River of the North, and groundwater is drawn from seven wells, ranging from 114 to 269 feet deep, that draw water from the Quaternary Buried Unconfined and Quaternary Buried Artesian aquifers.

Moorhead Public Service (MPS) works diligently to provide you with safe and reliable drinking water that meets federal and state water quality requirements. The results of monitoring done on MPS' drinking water for the period from January 1 to December 31, 2025, are presented in this Consumer Confidence Report (CCR). The purpose of this report is to provide you with information about your drinking water and how to protect our precious water resources.

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

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

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

MPS Monitoring Results

This report contains MPS' monitoring results from January 1 to December 31, 2025.

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

One more assurance of water quality occurs at the local level. Each day, in addition to ongoing computerized monitoring, the staff at Moorhead's Water Treatment Plant performs over 250 laboratory tests to ensure the continued quality and safety of our drinking water. On a monthly basis, three water quality reports are submitted to the MDH.

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

How to Read the Water Quality Data Tables

The tables in this report show the contaminants MPS found in 2025, or the most recent time samples were collected for that contaminant. The tables also show the levels of those contaminants and the EPA's limits. Substances that MPS tested for but did not find are not included in the tables.

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

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

Explaining Special Situations for the Highest Result and Average

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

Definitions

- **AL (Action Level):** The concentration of a contaminant which, if exceeded, triggers treatment or other requirements which a water system must follow.
- **EPA:** Environmental Protection Agency
- **MCL (Maximum contaminant level):** The highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible using the best available treatment technology.
- **MCLG (Maximum contaminant level goal):** The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.

- **MRDL (Maximum residual disinfectant level):** The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.
- **MRDLG (Maximum residual disinfectant level goal):** The level of a drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.
- **NA (Not applicable):** Does not apply.
- **NTU (Nephelometric Turbidity Units):** A measure of the cloudiness of the water (turbidity).
- **ppb (parts per billion):** One part per billion in water is like one drop in one billion drops of water, or about one drop in a swimming pool. ppb is the same as micrograms per liter (µg/l).
- **ppm (parts per million):** One part per million is like one drop in one million drops of water, or about one cup of water in a swimming pool. ppm is the same as milligrams per liter (mg/l).
- **PWSID:** Public water system identification.
- **TT (Treatment Technique):** A required process intended to reduce the level of a contaminant in drinking water.

Monitoring Results - Regulated Substances

LEAD AND COPPER – Tested at customer taps.

Contaminant (Date, if sampled in previous year)	EPA’s Ideal Goal (MCLG)	EPA’s Action Level	90% of Results Were Less Than	Number of Homes with High Levels	Range of Detected Test Results	Violation	Typical Sources
Lead (10/14/2025)	0 ppb	90% of homes less than 15 ppb	8.06 ppb	1 out of 60	0 – 27.5 ppb	NO	Corrosion of household plumbing.
Copper (10/14/2025)	0 ppm	90% of homes less than 1.3 ppm	0.08 ppm	0 out of 60	0.01 – 0.13 ppm	NO	Corrosion of household plumbing.

Some People Are More Vulnerable to Contaminants in Drinking Water

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

INORGANIC & ORGANIC CONTAMINANTS – Tested in drinking water.

Contaminant (Date, if sampled in previous year)	EPA's Ideal Goal (MCLG)	EPA's Limit (MCL)	Highest Average or Highest Single Test Result	Range of Detected Test Results	Violation	Typical Sources
Nitrate	10 ppm	10.4 ppm	0.19 ppm	N/A	NO	Runoff from fertilizer use; Leaching from septic tanks, sewage; Erosion of natural deposits.
Arsenic	0 ppb	10.4 ppb	1.6 ppb	N/A	NO	Erosion of natural deposits; Runoff from orchards; Runoff from glass and electronics production wastes.

CONTAMINANTS RELATED TO DISINFECTION – Tested in drinking water.

Substance (Date, if sampled in previous year)	EPA's Ideal Goal (MCLG or MRDLG)	EPA's Limit (MCL or MRDL)	Highest Average or Highest Single Test Result	Range of Detected Test Results	Violation	Typical Sources
Total Trihalomethanes (TTHMs)	N/A	80 ppb	0.8 ppb	0.00 – 1.00 ppb	NO	By-product of drinking water disinfection.
Total Haloacetic Acids (HAA)*	N/A	60 ppb	4.9 ppb	1.30 – 9.60 ppb	NO	By-product of drinking water disinfection.
Total Chlorine	4.0 ppm	4.0 ppm	2.21 ppm	2.10 - 2.40 ppm	NO	Water additive used to control microbes.
Bromate**	0 ppb	10 ppb	4.1 ppb	0.000 – 4.1 ppb	NO	By-product of drinking water disinfection.

*Total HAA refers to HAA5

**Running Annual Average (RAA) calculation for Water Treatment Plant did not exceed 5.7 ppb. All quarterly averages for Bromate in 2023 were below the MCL.

OTHER SUBSTANCES – Tested in drinking water.

<i>Substance (Date, if sampled in previous year)</i>	EPA's Ideal Goal (MCLG)	EPA's Limit (MCL)	Highest Average or Highest Single Test Result	Range of Detected Test Results	Violation	Typical Sources
Fluoride	4.0 ppm	4.0 ppm	0.67 ppm	0.64 - 0.68 ppm	NO	Erosion of natural deposits; Water additive to promote strong teeth.

Potential Health Effects and Corrective Actions (if Applicable)

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

TREATMENT INDICATOR – Tested during treatment.

<i>Substance</i>	Removal Required	Lowest Monthly Percent of Results in Compliance	Highest Test Result	Violation	Typical Sources
Turbidity	Treatment Technique	100%	0.054	NO	Soil runoff.

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

<i>Substance</i>	Removal Required	Range of Percent Removal Achieved	Average of Percent Removal Achieved	Violation	Typical Sources
Total Organic Carbon	Variable	46 - 56	51	NO	N/A

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

PFAS (Per- and Polyfluoroalkyl Substances)

Contaminant (with year, if sampled outside current year)	EPA's Ideal Goal (MCLG)	EPA's Limit (MCL)	Highest Average or Highest Single Test Result	Range of Detected Test Results	Violation	Typical Sources
Perfluorooctanoic acid (PFOA) (2022)	0 ppt	4.0 ppt	0.39 ppt	0.38 - 0.39 ppt	TBD in Future	Discharge from manufacturing and industrial chemical facilities, use of certain consumer products, occupational exposures, and certain firefighting activities.

Monitoring Results – Unregulated Substances/Emerging Contaminants

In addition to testing drinking water for contaminants regulated under the Safe Drinking Water Act, we sometimes also monitor for contaminants that are not regulated. Unregulated contaminants do not have legal limits for drinking water. MDH, EPA, and other health agencies may have developed comparison values for some of these compounds. Some of these comparison values are based solely on potential health impacts and do not consider our ability to measure contaminants at very low concentrations nor the cost and technology of prevention and/or treatment. These values may be set at levels that are costly, challenging, or impractical for a water system to meet (for example, large-scale treatment technology may not exist for a given contaminant). Sample data are listed along with comparison values in the table below; it is important to note that these comparison values are not enforceable.

Detection alone of a regulated or unregulated contaminant should not cause concern. The significance of a detection should be determined considering current health effects information. We are often still learning about the health effects, so this information can change over time.

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

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

More information is available on [MDH's A-Z List of Contaminants in Water \(https://www.health.state.mn.us/communities/environment/water/contaminants/index.html\)](https://www.health.state.mn.us/communities/environment/water/contaminants/index.html)

[Fourth Unregulated Contaminant Monitoring Rule \(UCMR 4\)](https://www.health.state.mn.us/communities/environment/water/com/ucmr4.html)<https://www.health.state.mn.us/communities/environment/water/com/ucmr4.html>[Fifth Unregulated Contaminant Monitoring Rule \(https://www.epa.gov/dwucmr/fifth-unregulated-contaminant-monitoring-rule\)](https://www.epa.gov/dwucmr/fifth-unregulated-contaminant-monitoring-rule)EPA has developed a [UCMR5 Program Overview Factsheet](https://www.epa.gov/system/files/documents/2022-02/ucmr5-factsheet.pdf)<https://www.epa.gov/system/files/documents/2022-02/ucmr5-factsheet.pdf> describing UCMR 5 contaminants and standards.

In the past year, your drinking water may have tested for additional unregulated contaminants as part of the [Fifth Unregulated Contaminant Monitoring Rule \(https://www.epa.gov/dwucmr/fifth-unregulated-contaminant-monitoring-rule\)](https://www.epa.gov/dwucmr/fifth-unregulated-contaminant-monitoring-rule) and results are still being processed. The Unregulated Contaminant Monitoring Rule 5 (UCMR 5) Data finder allows people to easily search for, summarize, and download the available [UCMR 5 analytical results \(https://www.epa.gov/dwucmr/fifth-unregulated-contaminant-monitoring-rule-data-finder\)](https://www.epa.gov/dwucmr/fifth-unregulated-contaminant-monitoring-rule-data-finder).

UNREGULATED/EMERGING CONTAMINANTS – Tested in drinking water.

Contaminant	Comparison Value	Highest Average Result or Highest Single Test Result	Range of Detected Test Results
Sulfate (2023)	500 ppm	231 ppm	N/A
Lithium (2024)	10 ppb	86 ppb	63.20 - 99.60 ppb
Perfluorobutanoic acid (PFBA) (2024)	7000 ppt	5.65 ppt	2.47 - 7.59 ppt
Perfluoroheptanoic acid (PFHpA) (2024)	N/A	0.31 ppt	0.00 - 0.92 ppt
Perfluorohexanoic acid (PFHxA) (2024)	200 ppt	0.88 ppt	0.00 - 1.44 ppt
Perfluoropentanoic acid (PFPeA) (2024)	N/A	0.98 ppt	0.00 - 1.72 ppt
Sodium* (2023)	20 ppm	95 ppm	N/A

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

In early 2024, MDH released new comparison values for two PFAS compounds, PFOA and PFOS. Additionally, EPA released final MCLs for PFAS on April 10th, 2024 but has announced intent to make changes to this rule. Additional information on PFAS system results may also be available in the PFAS MCL section of this report.

UNREGULATED/EMERGING CONTAMINANTS – Tested in drinking water.

Contaminant	Comparison Value	Highest Average Result or Highest Single Test Result	Range of Detected Test Results
Sulfate (2023)	500 ppm	231 ppm	N/A
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Perfluoropentanoic acid (PFPeA) (2024)	N/A	0.98 ppt	0.00 - 1.72 ppt
Sodium* (2023)	20 ppm	95 ppm	N/A

Learn More about Your Drinking Water

Drinking Water Sources

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

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

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

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

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

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

Lead in Drinking Water

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

Lead is rarely in a drinking water source, and is not present in Moorhead's source water or in the treated water when it leaves MPS' Water Treatment Plant. Lead can get in your drinking water as it passes through lead service lines and your household plumbing system. MPS is responsible for providing high quality drinking water, but it cannot control the plumbing materials used in private buildings.

Read below to learn how you can protect yourself from lead in drinking water.

1. **Let the water run** for 30-60 seconds before using it for drinking or cooking if the water has not been turned on in over six hours. If you have a lead service line, you may need to let the water run longer. A service line is the underground pipe that brings water from the watermain under the street to your home.

Help Protect Our Most Precious Resource – Water

The Value of Water

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

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

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

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

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

Conservation

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

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

- Follow MPS' recommended voluntary watering restrictions during summer months.
 - Fix running toilets—they can waste hundreds of gallons of water.
 - Turn off the tap while shaving or brushing your teeth.
 - Shower instead of bathe. Bathing uses more water than showering, on average.
 - Only run full loads of laundry, and set the washing machine to the correct water level.
 - Only run the dishwasher when it's full.
 - Use water-efficient appliances (look for the WaterSense label).
 - Use water-friendly landscaping, such as native plants.
 - Learn more
 - [Minnesota Pollution Control Agency's Conserving Water webpage \(https://www.pca.state.mn.us/living-green/conserving-water\)](https://www.pca.state.mn.us/living-green/conserving-water)
 - [U.S. Environmental Protection Agency's WaterSense webpage \(https://www.epa.gov/watersense\)](https://www.epa.gov/watersense)
2. You can find out if you have a lead service line by contacting your public water system, or you can check by following the steps at: <https://www.mprnews.org/story/2016/06/24/npr-find-lead-pipes-in-your-home>.
 3. The only way to know if lead levels have been reduced by letting it run is to check with a test. If letting the water run does not reduce lead, consider other options to reduce your exposure.
2. **Use cold water** for drinking, making food, and making baby formula. Hot water releases more lead from pipes than cold water.
 3. **Test your water.** In most cases, letting the water run and using cold water for drinking and cooking should keep lead levels low in your drinking water. If you are still concerned about lead, arrange with a laboratory to test your tap water. Testing your water is important if young children or pregnant women drink your tap water.
 - Contact an MDH accredited laboratory to obtain a sample container and instructions on how to submit a sample. The MDH can help you understand your test results. <https://eldo.web.health.state.mn.us/public/accreditedlabs/labsearch.seam>.
 4. **Treat your water** if a test shows your water has high levels of lead after you let the water run.

Read about water treatment units at:

[Point-of-Use Water Treatment Units for Lead Reduction \(https://www.health.state.mn.us/communities/environment/water/factsheet/poulead.html\)](https://www.health.state.mn.us/communities/environment/water/factsheet/poulead.html)

Learn more:

- Visit [Lead in Drinking Water](https://www.health.state.mn.us/communities/environment/water/contaminants/lead.html) (<https://www.health.state.mn.us/communities/environment/water/contaminants/lead.html>)
- Visit [Basic Information about Lead in Drinking Water](http://www.epa.gov/safewater/lead) (<http://www.epa.gov/safewater/lead>)
- Call the EPA Safe Drinking Water Hotline at 1-800-426-4791. To learn about how to reduce your contact with lead from sources other than your drinking water, visit [Lead Poisoning Prevention: Common Sources](https://www.health.state.mn.us/communities/environment/lead/sources.html) (<https://www.health.state.mn.us/communities/environment/lead/sources.html>).

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

Dear Moorhead public service,
Thank you for your generous
\$1500 scholarship.

I will be attending The
University of Minnesota
Twin cities college of science
and engineering for a double
major in aerospace engineering
and mechanical engineering with
a focus on propulsion systems.

After I graduate college I
hope to be employed with
either NASA or ESA designing
aspects for future manned space
missions. Thank you for your
support
- Chris Carroll.

Dear Travis Schmidt and all of MPS,

my name is Yuri Orth. I am about to graduate from Moorhead highschool, and I will be pursuing a degree in Natural Resource Management at NDSU next fall.

I would just like to take a moment to thank your program and generosity in funding the "Servicing our community" scholarship that I received this year as part of my financial aid package.

Next year I will begin my undergrad studies, with a focus in the water, habitat, and environmental management emphases, with the goal of partnering with local environmental groups and finding an internship as opportunities arise!

Outside of school, I work in the summers to guide ~~canoe~~ canoe trips, as well as working various positions over the school year to fund my education. I am truly grateful for the assistance I am receiving to cover these expenses.

When I complete college, I hope to use my positions to aid in others journeys and make a difference in peoples lives the same way trips' aid has made a difference in mine.

Thank you for supporting the community and for the generous contribution that made my scholarship possible.



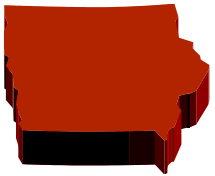
Sincerely,
Yuri Orth



MRES 2026 Legislative Recap

Memorial Day has passed, officially marking the beginning of the summer. And, at least for this year, it also means that all the state legislative sessions, the dust has settled, and we can look back on what the sessions looked like in general, and what the municipal electric utilities accomplished.

Iowa Legislative Session



Iowa's 100-day legislative session focused on property taxes, eminent domain, water quality, and public safety adding additional days at the end to finalize the state budget and property tax changes. Lawmakers passed a \$9.6 billion state budget for fiscal year 2027, a 1.43 percent increase over the previous year.

Property taxes

Property tax reform was the biggest issue at the beginning of the year. The House, Senate, and Governor all released their own plans within the first two weeks, but it still took 10 extra days, going into early May for the three to find agreement. Highlights include:

- The current homestead tax credit will change to an exemption, which will be worth up to 10 percent of a home's taxable value ranging from \$5,500 to \$20,000, adjusted for inflation.
- Property tax revenue collected by local governments will be capped at 2 percent annual growth with several exceptions.
- Multi-residential homes will be reinstated as their own property class. After it is fully phased in, multi-residential property will be set 6 percent higher than single family residential properties.
- The \$5.40 property tax levy to support schools will be gradually lowered to \$4.90, and state general funding will make up the difference to schools.
- All new tax increment financing (TIF) projects are limited to 23 years.
- An increasing share of revenue from SAVE, the school infrastructure sales tax, will be put towards property tax relief.
- Local government general fund reserve balances will be restricted to 35 percent of spending.

Cancer

In addition to an expanded investment in water quality funding, lawmakers approved a new tax on vaping and nicotine products, directing revenues toward pediatric cancer research. The Legislature also passed a new building code requirement mandating that all newly constructed single-family and two-family homes include passive radon mitigation systems.

Water quality

Amid growing concerns surrounding water quality in Iowa, a new investment in clean water was announced. This included reallocated and new funds for monitoring and infrastructure grants as well as funding for nitrate removal in central Iowa.



Public Safety/Three strikes law

A priority of House Republicans was met when at the end of session, the three strikes law was revised to require a mandatory minimum seven-year sentence for repeat felony offenders.

Eminent Domain

Eminent domain was identified as a priority early in session, with the House sending a bill to the Senate the second week. However, the Senate could not find an agreement, and it remained a contested issue that legislators could not find agreement on for the remainder of session.

Energy Issues

Several **transmission** related bills found broad bipartisan support including: implementing minimum requirements for land restoration after transmission construction, requiring transmission owners to file contact information with the IUC, and allowing transmission infrastructure in highway rights-of-way with proper coordination with the state Department of Transportation. Efforts to pass developer-led community solar, integrated resource plans, and restrictions on data centers all fell short.

Load Forecasting

The Iowa Economic Development Authority's (IEDA) departmental bill includes a division requiring utilities to fund and contribute data to an electric load-forecasting report produced by ISU every two years, with funding collected from the utilities. However, this requirement duplicates work already performed by utilities and regional transmission organizations (RTOs). Despite assurances from legislators that this provision would be removed from the bill, it was still a part of the larger bill when it passed during the final hours of the legislative session.

Minnesota Legislative Session



The 2026 Minnesota Legislative Session convened on February 17. However, in some ways, the tone and tenor of the session began before February. In the months before session, Minnesotans saw the shooting of two legislators and their spouses, a mass shooting at the Annunciation school in Minneapolis, protests and violence surrounding Operation Metro Surge, and various fraud allegations and investigations involving a variety of government programs and assistance.

While the second year of a biennium is usually focused on bonding bills and policy proposals, this session focused largely on legislative safety, fraud prevention, increased consumer costs, debates on Immigration and Customs Enforcement (ICE), hospital funding, and taxes. However, legislators also grappled with a one-vote margin in the Senate and a tied vote in the House. This resulted in many bills being heard but tabled indefinitely for lack of bipartisan support.

Security at the Capitol

The session unfolded as lawmakers continued to grapple with the aftermath of last summer's assassination of Speaker Emeritus Melissa Hortman and her husband, Mark, as well as the attempted assassination of Senator John Hoffman and members of his family. These events had a profound impact on the Capitol community and influenced both security considerations and the overall tenor of the legislative process. For the first time ever, screening requirements were put in place and enforced at the Capitol. Home addresses and other key information were wiped from legislator websites. Bills were debated and passed providing \$32 million for

legislative, executive branch, and judiciary security. The Security Services Task Force was also created and funded in a continued effort to protect public officials. Additional funding was also provided for school safety, including physical security, cybersecurity, and mental health services.

Health Care Funding

As part of a bipartisan agreement, legislators passed a healthcare stabilization package that included a rescue package for the Hennepin County Medical Center (HCMC). The funding provides \$200 million for immediate hospital relief and a \$500 million reserve fund to protect HCMC through 2031. Additionally, the state provided funding for other health care facilities, and dedicated funding specifically for modernizing technology platforms (IT upgrades) for MNsure, Medicaid, and other human services programs.

Fraud Prevention

Leading up to session, Minnesota saw a steady stream of stories involving fraud in public programs, prompting ongoing oversight discussions. As a result, this was a priority issue for both sides of the aisle, resulting in the Legislature passing measures to enhance whistleblower protection, allowing reporting individuals to keep their identity private; to improve the state's ability to share information across agencies when an individual or organization has been found guilty of fraud; and to allow the state to freeze payments when there is a credible allegation of fraud that requires investigation. Additionally, the new Office of Inspector General was created. This is an independent agency charged with evaluating and overseeing government programs, identifying credible allegations of fraud, and referring cases for further law enforcement action.



Capital Investment (Bonding)

Despite the stalemate that was largely prevalent on many issues throughout session, it was announced in the very last days of session that a bonding bill agreement was reached. The \$1.2 billion capital investment bill, HF 719, provided funding for road improvement grants, drinking water grants, clean water grants, lead service line replacements, local bridge repair and replacement, public housing, flood hazard mitigation, emergency shelter grants, and other programs and institutions.

North Dakota Special Session and Interim



North Dakota does not normally hold a legislative session in even-numbered years. However, the Legislative Assembly held a short special session in January 2026 to address rural health funding and other interim matters.

Health Care Funding

While there were several topics of discussion, the primary reason for the special session was to address funding for rural health. Nearly \$200 million in federal health care funding had been allocated and released to the state of North Dakota. The Legislature was required to return to Bismarck to authorize the state to spend the grant money. In addition to authorizing the state agency to take action, the Legislature passed additional health-related bills including: a requirement that a physician license renewals require completion of a course on nutrition (SB 2401), an expansion of the prescriptive authority of pharmacists (SB 2402), and authorizing North Dakota to become part of the physical assistant licensure compact (HB 1622).

Provided School Meals

Another issue that was debated during the Special Session was the issue of school lunch program funding. The key bill here was HB 1624, which would have allocated \$65 million to reimburse public schools for providing

universal free school meals for the 2026-2027 school year. Non-public, charter, or tribal schools would have a path to opt in. Although the House originally passed the bipartisan bill (55-38); it was defeated by a 2-vote margin in the Senate. A pared down bill, HB 1627, also failed to pass.

These bills were in response to an upcoming ballot measure on the November General Election Ballot. Constitutional Measure 3, if passed, would place a new section in the state Constitution. It would require that all public school districts, public schools, and public charter schools provide one breakfast and one lunch on every school day to all students at no cost. It also provides that non-public schools and charters, and tribal schools may opt in. The Superintendent of Public Instruction has the authority to issue regulations and guidance on the matter. Unlike a statute, once a measure is in the state Constitution, the Legislature would have no direct ability to modify it. While lawmakers tried to pass laws implementing this program ahead of a Constitutional measure, they were unsuccessful.

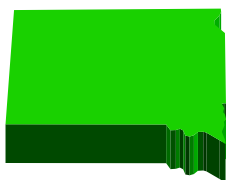
Interim Committees

Because the Legislature convenes in regular session in odd-numbered years only, the interim is quite robust in North Dakota with committees covering Government Finance, Health Care, Higher Education, Tax Reform, Special Education, Tribal Relations, Employee Benefits, Emergency Response, Budget, and many other areas. Energy policy is included in this as well. MRES has traditionally monitored the Energy Development and Transmission Committee. In prior years, it has taken up issues on electric service territory, wind permitting, required setbacks, and natural gas flaring. Currently, the committee is more focused on large energy customers (data centers) and the generation and transmission infrastructure to serve them. Additionally, the committee is looking at impacts of data centers and other industry on future power needs and the reliability of the grid.

There is also the Advanced Nuclear Energy Committee that is meeting this interim. The committee is focusing on advanced nuclear reactor development and how it may impact the state. Specifically, the legislators are examining what may be required in terms of licensing, regulation, fuel supply, spent fuel disposal, and security measures.

As we get closer to the 2027 session, these interim committees will begin considering bill drafts for possible passage during session.

South Dakota Legislative Session



South Dakota's 38-day 2026 legislative session focused on data centers, property tax reform, and the perennial budget challenges. Lawmakers agreed on a \$7.5 billion budget for fiscal year 2027, which includes a 1.4 percent increase in funding for the "big three" (state employees, pre-K-12 education, and Medicaid health care providers). Overall, the budget is a 2.4 percent increase from last year.

Data Centers

Several different bills related to data centers were introduced. From tax breaks to incentivize, to moratoriums to deter, and a range of policies and procedures to proactively protect traditional electric consumers in the event data centers are sited in South Dakota. One of the challenges was the varying definitions of data centers across varying proposals, which applied policies to loads ranging from unspecified to 2MW, and some as high as 20 MW. 10 MW or larger became the most used threshold. While MRES is neutral on data centers, we reviewed all proposals that would impact electric infrastructure and utility operations, working with legislators to help them better understand concerns and/or by offering clarifying language.

In the end, tax incentives and moratoriums were all defeated. Two bills were passed in amended form and received the governor's signature. [HB 1038](#), proposed by the PUC, requires data centers over 10 MW to pay

the cost for their rate analysis to ensure the rate covers the costs of serving them and to protect the legacy electric consumers from negative rate adjustments. This applies only to those to be served by investor-owned utilities. [SB 135](#), dubbed the “Electric Consumers Bill of Rights,” provides guardrails against data center electricity and water usage. It seeks to protect residents from rising utility costs and data center-driven shortages. We had concerns about the original language; the sponsor amended the bill, and while not perfect, the revised legislation was an improvement. It establishes a separate rate class for data centers that use 10 MW or more, requiring all electric service costs to be fairly allocated to the data center. It also outlines some requirements for data centers regarding water usage. The legislation was sponsored by President Pro Tempore Sen. Karr (R-Sioux Falls) and gubernatorial candidate Speaker Rep. Jon Hansen (R-Dell Rapids).

As a result of the current tenor among state policymakers, Applied Digital, which planned to place a hyperscale data center in Deuel County, like its facility under construction near Ellendale, N.D., has indicated that it has suspended its plans to locate in South Dakota. However, as the data center industry evolves, it will continue to receive legislative attention to establish policies that protect consumers while balancing local concerns with the opportunity to broaden the tax base.

Property Taxes

A myriad of bills were introduced to address property tax relief. There was a divergence of opinion on whether a statewide solution was necessary or whether the issue was more localized to areas experiencing tremendous pandemic-related growth and related upward pressure on property assessments. Again, the issue permeated the debate throughout the session and ultimately resulted in two pieces of legislation being enacted.



[SB 96](#), proposed by Governor Rhoden, gives counties the option to raise sales taxes by a half cent in exchange for lowering property taxes. [SB 245](#), proposed by fellow gubernatorial candidate Speaker Rep. Jon Hansen, will create an owner-occupied property tax relief fund using revenue generated from the scheduled sunset of the 0.3% reduction in the statewide sales tax due to come into effect July 1, 2027. These measures were praised by supporters as the largest property tax relief ever, but opponents argued it is a tax shift that mainly benefits large, growth- and tourism-centric counties. There is also concern by some that there will be pressure on future general fund budgets without the ability to utilize the 0.3% sales tax - an estimated \$114 million in additional revenue - after the sunset takes effect.

Eminent Domain

Landowner rights, the issue that resulted in significant legislative turnover in the 2024 election, remains a strong hold. [House Joint Resolution 5001](#) would have referred a constitutional amendment to voters to alter the use of eminent domain. The language was amended, and it did not specifically grandfather in traditional utilities long considered to serve the public good. More troubling was the sponsor's resistance to the request to add clear, specific language to address the concern. Fortunately, the legislation was defeated.

Other Issues of Interest

[SB 9](#) tweaked the existing statute regarding the completion of **utility locates**. The statute will now specify that the 48-hour clock to complete the locate begins at 12:01 a.m. on the day following the day the request was made, regardless of the time of day the request was made.

[SB 36](#) authorizes utilities to have approved **wildfire mitigation plans** to limit their liability in the event of a wildfire. The bill received overwhelming support in both chambers and the Governor's signature.

[SB 88](#) limits the **survey access** on property subject to condemnation. This bill does not apply to the state or its subdivisions. The actions of surveyors involved in the carbon pipeline project remain a point of passion for landowners and prompted this legislation. The Senate and the House both passed the legislation unanimously, and the Governor signed the bill.

Accept 2025 Annual Management Report for Moorhead Public Service**RECOMMENDATION:**

The General Manager respectfully requests the Commission accept the 2025 Annual Management Report for Moorhead Public Service.

BACKGROUND:

The purpose of the 2025 Annual Management Report (Annual Report) to the Moorhead Public Service Commission for the year ended December 31, 2025, is to provide vital statistics and information to the Commission and Moorhead Public Service (MPS) staff regarding the operations of MPS' electric and water utilities. The Annual Report includes a letter from General Manager Travis Schmidt, photos taken throughout the year, operation reports for each division, as well as financial statements, graphs, charts, and maps.

General Manager Travis Schmidt will provide a PowerPoint presentation on the 2025 Annual Report at Tuesday's meeting.

KEY ISSUES:

- The 2025 Annual Management Report provides vital statistics and information to the Commission and MPS staff regarding the operations of MPS' electric and water utilities.

FINANCIAL CONSIDERATIONS: None.

Respectfully submitted,



Travis L. Schmidt
General Manager

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

Attachments:

2025 Annual Management Report (PSC Only)



**Award Bid for Furnishing 15 kV Indoor Metalclad Switchgear at
MPS' Northeast and Southeast Substations**

RECOMMENDATION:

The General Manager respectfully requests the Commission award the bid for furnishing 15 kV indoor metalclad switchgear at Moorhead Public Service's Northeast and Southeast Substations to Harold K. Scholz Company in the amount of \$1.92 million, contingent upon final legal approval, and authorize the General Manager to approve all change orders up to a cumulative maximum of 5 percent of the contract amount.

BACKGROUND:

In December 2024, Moorhead Public Service (MPS) entered into a Task Order Agreement for Professional Services with DGR Engineering (DGR). Task Order No. 12, approved by the Commission on January 21, 2025, is for engineering services for the Northeast Substation (NE Substation) Project and consists of building a new substation to replace and relocate the existing NE Substation. Task Order No. 13, approved by the Commission on April 22, 2025, pertains to engineering services for the Southeast Substation (SE Substation) Project, which involves the construction of a new control building and the installation of a capacitor bank.

DGR prepared specifications for furnishing 15 kV indoor metalclad switchgear for the new control buildings to be located at the NE Substation and SE Substation in Moorhead. On June 2, 2026, MPS received two qualified bids. The lowest, qualified bidder was Harold K. Scholz Company (HK Scholz) in the amount of \$1.92 million. Attached are DGR's recommendation letter and Bid Summary. The bid amount is approximately 26 percent less than the engineer's estimate of \$2.6 million. MPS has included the 15 kV indoor metalclad switchgear in its annual and future budgets.

Due to long lead times, the 15 kV indoor metalclad switchgear is expected to arrive between June 2028 and August 2028.

KEY ISSUES:

- DGR prepared specifications for furnishing 15 kV indoor metalclad switchgear for the new control buildings that will be located at the NE Substation and SE Substation in Moorhead.
- On June 2, 2026, MPS received two qualified bids.
- Due to long lead times, the 15 kV indoor metalclad switchgear is expected to arrive between June 2028 and August 2028.

FINANCIAL CONSIDERATIONS:

- The lowest, qualified bidder was HK Scholz in the amount of \$1.92 million.
- HK Scholz's bid is approximately 26 percent less than the engineer's estimate of \$2.6 million.
- MPS has included the 15 kV indoor metalclad switchgear in its annual and future budgets.

Respectfully submitted,

Travis L. Schmidt
General Manager

Division/Response Person: Taylor Holte, Electric Project Engineer.

Attachments: Recommendation Letter and Bid Summary



June 12, 2026

Moorhead Public Service
Attn: Travis Schmidt, P.E., M.B.A., General Manager
PO Box 779
Moorhead, MN 56561-0779

RE: **Recommendation of Award of Contract
Furnishing 15kV Indoor Metalclad Switchgear– Northeast & Southeast
Substations**
DGR Project No. 417024

Dear Travis:

We have reviewed the bids received on June 2, 2026 for the above-referenced project. A bid summary form of the bid results is enclosed. We have checked the bids for mathematical accuracy and compliance with the bid specifications. We are hereby prepared to offer the following recommendation.

There were two (2) responsive bids received ranging in price from \$1,920,000.00 to \$2,204,601.00. The apparent low bid was received from Harold K. Scholz Company (HKS), who submitted a total price of \$1,920,000.00 for switchgear manufactured by HKS. MPS elected to go with the breakers that are manufactured by ABB, which more closely match the Centennial Substation. We are familiar with HKS and see no reason why they would not perform well on this project. MPS elected not to add the additional 12 month warranty coverage. We recommend that you award the contract to HKS for a total price of \$1,920,000.00, contingent upon legal review.

Please review our recommendation and feel free to contact us with any questions you or the Commission may have. Please let us know when an award has been made, and we will proceed with preparing the Contract Documents for signatures. We will be sending a copy of the bid summary to all bidders and plan holders.

Best Regards,
DGR Engineering

A handwritten signature in black ink that reads 'Paul Davis'.

Paul Davis, P.E.
Enclosure: Bid Summary
PAD:ste

BID SUMMARY

**Furnishing 15 kV Indoor Metalclad Switchgear - Northeast & Southeast Substations
Moorhead Public Service
Moorhead, Minnesota**



**DGR Project No. 417024
Bid Letting: June 2, 2026 - 2:00 PM
MPS Dispatch Operations Center
Page 1 of 1**

Bidder and Address	Bid Security	Bid	Bid Price	Warranty Adder	Switchgear Mftr	Swgr Mftr Location	Circuit Brkr Mftr	Guaranteed Delivery Date	Comments	
Harold K. Scholz Company 7800 Serum Avenue Ralston, NE 68127	10% Bid Bond	Base	\$1,920,000.00	\$60,000.00	HKS	Ralston, NE	ABB	June 1, 2028	Non-Firm Pricing Exception to Liquidated Damages Exception to Payment Terms	
		Alt #1	\$2,080,000.00	\$60,000.00	HKS	Ralston, NE	GE	June 1, 2028		
		Alt #2	\$1,975,000.00	\$60,000.00	HKS	Ralston, NE	Eaton	June 1, 2028		
Border States Industries 605 25th Street Fargo, ND 58104	10% Bid Bond	Base	\$2,204,601.00	\$42,328.28	ABB	Mexico	ABB	Est. 58 Wks	Installation not included Non-Firm Pricing	
		Alt #1	No Bid							
		Alt #2	No Bid							

Award Bid for 2026 Lead Service Line Replacement Project

RECOMMENDATION:

The General Manager respectfully requests the Commission award the bid for the 2026 Lead Service Line Replacement Project to Precision Dirtworks, LLC, in the amount of \$636,199.25 and authorize the General Manager to execute the Water Service Replacement Agreements with the property owners.

BACKGROUND:

Moorhead Public Service's (MPS') Water Division proposes completing a project to replace 30 lead service lines. The 2026 Lead Service Line Replacement Project (2026 Project) will continue to lay the foundation for future lead service line replacement projects and support budget planning for year-round projects. MPS completed a pilot project in 2024 and is nearing completion of the 2025 project, which included replacing approximately 40 lead service lines.

MPS has submitted applications to be included on the Project Priority List for funding through the Minnesota Public Facilities Authority (MPFA) Drinking Water Revolving Fund. Funding for lead service line replacements became available through the Bipartisan Infrastructure Law and the State of Minnesota's matching funds. MPFA requires a loan/grant agreement for the 2026 Project to be funded as MPS works to remove lead service lines as a part of the Lead and Copper Rule Revision requirements. The agreement with MPFA will ultimately result in a reimbursable grant for 100 percent of the 2026 Project costs. These costs include construction, administrative, and engineering expenses required to complete the 2026 Project. The contracts, agreements, and award of the bid for the 2026 Project are contingent upon MPFA's final approval.

On June 4, 2026, MPS received two qualified bids for the 2026 Project. MPS staff and Apex Engineering Group (Apex) staff reviewed the bids and recommend that the bid be awarded to the lowest, qualified bidder, Precision Dirtworks, LLC (Precision Dirtworks), in the amount of \$636,199.25 (see attached recommendation letter and Bid Tabulation). Precision Dirtworks has successfully completed similar work and has demonstrated its ability to complete this project as specified.

To begin the 2026 Project, MPS and the property owner will enter into the Water Service Replacement Agreement. Attorney John Boulger collaborated with staff to develop this agreement, which outlines the terms and conditions under which MPS and the City of Moorhead will provide a new private water service to the owner's property. This new private water service will replace the existing lead service line as part of the Lead Service Line Replacement Program (Minn. Stat. § 446A.077).

KEY ISSUES:

- MPS' Water Division proposes completing a project to replace 30 lead service lines.
- MPS has submitted applications to be included on the Project Priority List for funding through the MPFA Drinking Water Revolving Fund.
- MPFA requires a loan/grant agreement for the 2026 Project to be funded as MPS works to remove lead service lines as a part of the Lead and Copper Rule Revision requirements.
- On June 4, 2026, MPS received two qualified bids for the 2026 Project.

FINANCIAL CONSIDERATIONS:

- MPS staff and Apex staff reviewed the bids and recommend that the bid be awarded to the lowest, qualified bidder, Precision Dirtworks, in the amount of \$636,199.25.
- The agreement with MPFA will ultimately result in a reimbursable grant for 100 percent of the 2026 Project costs.
- The contracts, agreements, and award of the bid for the 2026 Project are contingent upon MPFA's final approval.

Respectfully submitted,



Travis L. Schmidt
General Manager

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

Attachments:

Recommendation Letter and Bid Tabulation from Apex Engineering Group

June 8, 2026

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

via email: jlong@mpsutility.com

RE: 2026 Service Line Replacement
Lead Service Line Replacement Project (WT-00-01)
Moorhead, Minnesota
Apex Project No. 26.109.0027

Dear Mr. Long:

Bids for the above referenced project were received and opened on Thursday, June 4, 2026, at 2:00 PM. Two (2) bids were received for the proposed lead service line replacement. The bids received were from the contractors listed below:

- Randall's Excavating Inc.
- Precision Dirtworks, LLC

The bids received have been outlined in the table below:

Bidder	Bid
Precision Dirtworks, LLC	\$636,199.25
Randall's Excavating, Inc.	\$694,393.90

Precision Dirtworks has a long history of service installation and repair throughout the Fargo-Moorhead area and is currently under contract for a similar service line replacement project within the City of Fargo. The Public Service Commission and City Council can consider award of this contract pending approval of the Public Facilities Authority funding, to Precision Dirtworks, LLC if they wish to proceed with the proposed work.

Please feel free to contact me with any questions.

Sincerely,

Apex Engineering Group, Inc.



Jade A. Berube, PE

Enc: Bid Tabulation



Water | Transportation | Municipal | Facilities

Bid Tabulation

2026 Service Line Replacement

Moorhead Public Service, Moorhead, MN

June 4, 2026 | 2:00 PM | Moorhead Public Service (MPS), Dispatch Operations Center, 215 Highway 75 North, Moorhead, MN 56560

Plan Holder	Bid Bond	Total Bid
Precision Dirtworks, LLC.	x	\$636,199.25
Randall's Excavating, Inc.	x	\$694,393.90

Apex Project No. 26.109.0027

I certify that these bids were received on June 4, 2026, at 2:00 PM, at the office of the Moorhead Public Service (MPS), Dispatch Operations Center, 215 Highway 75 North Moorhead, MN 56560

Jake Long



**Approve Resolution and Declaration of Intent
to Approve Potential Bond Sale in 2027 or 2028**

RECOMMENDATION:

The General Manager respectfully recommends the Commission approve the Resolution and Declaration of Intent Regarding the Intent to Use Tax-Exempt Financing and consider approval of a potential bond sale in 2027 or early 2028 of \$79,965,000 for various Moorhead Public Service capital projects, and authorize General Manager to sign the Declaration of Intent.

BACKGROUND:

Moorhead Public Service’s (MPS’) 2027-2036 capital budget was reviewed by the Commission’s Budget Working Group and approved by the Commission on December 16, 2025. MPS’ 2026 budget tentatively includes an estimated \$66,330,000 in one-time Electric Division capital projects scheduled to occur from 2026 through 2030 that may potentially be funded through bonding proceeds. Listed below are the projects and related estimated costs:

Project Description	Estimated Costs to be Incurred in 2026 (Operations)	Estimated Costs to be Incurred in 2027-2030 (Bonding)	Grand Total Estimated Costs
Future Growth/Capacity Projects (Capacitor Banks)	\$ 50,000	\$ 5,180,000	\$ 5,230,000
Master Plan - Northeast Substation Land and Generation Plant	0	24,200,000	24,200,000
Master Plan - Northeast Substation Feeders	0	800,000	800,000
Master Plan - Northeast Substation Control Building and Switchgear	200,000	19,200,000	19,400,000
Master Plan - Northeast Substation Transformer Replacement	1,500,000	4,700,000	6,200,000
Master Plan - Southeast Substation Control Building and Switchgear	0	4,500,000	4,500,000
Moorhead DOE Substation Transformer Upgrade (KV1A)	0	6,000,000	6,000,000
TOTAL	\$ 1,750,000	\$ 64,580,000	\$ 66,330,000

MPS’ 2026 budget tentatively includes an estimated \$15,385,000 in one-time Water Division capital projects scheduled to occur from 2026 through 2030 that may potentially be funded through bonding proceeds. Listed below are the projects and related estimated costs:

Project Description	Estimated Costs to be Incurred in 2026 (Operations)	Estimated Costs to be Incurred in 2027-2030 (Bonding)	Grand Total Estimated Costs
Watermain Replacement (2027 and 2028)	\$ 0	\$ 2,885,000	\$ 2,885,000
Highway 10 Raw Water Transmission Line Replacement	0	12,500,000	12,500,000
TOTAL	\$ 0	\$ 15,385,000	\$ 15,385,000

MPS’ intent is to pay for the capital projects through a combination of reserves, operating revenues, and debt issuance/bonding proceeds.

The estimated grand total bond issue, plus an allowance for 10 percent reserves necessary to cover these specific capital projects, totals \$81,715,000, with anticipated costs between 2027 and 2030 of \$79,965,000. However, these estimated costs are subject to change based on the final specifications and bids, as well as on the use of other financing sources for the Water Division's projects.

Baker Tilly US, LLP (Baker Tilly), MPS' financial advisor, will analyze MPS' current outstanding debt to determine potential cost savings realized through refunding, as well as analyze and make recommendations based on the ramifications of issuing additional debt.

The City of Moorhead (City) is also planning annual bond issues during the period from 2026 through 2030. MPS staff and the City's Finance Department staff intend to coordinate bond sales to meet MPS' and the City's needs while realizing cost savings for both by eliminating duplication of effort. MPS and the City will work with Baker Tilly to ensure that any debt issuance does not result in competition for buyers. Attached is the Resolution Regarding the Intent to Use Tax-Exempt Financing to be approved by the Moorhead Public Service Commission on June 16, 2026.

In advance of finalizing plans to issue additional bonds, the attached Declaration of Official Intent will provide the groundwork for MPS to be reimbursed for project costs incurred in 2027 through 2030, which may be paid from operating reserves prior to the official sale of the bonds.

KEY ISSUES:

- MPS' 2027-2036 capital budget was reviewed by the Commission's Budget Working Group and approved by the Commission on December 16, 2025.
- MPS' approved 2026 budget tentatively includes an estimated \$66,330,000 in one-time Electric Division capital projects scheduled to occur from 2026 through 2030 that may potentially be funded through bonding proceeds.
- MPS' approved 2026 budget tentatively includes an estimated \$15,385,000 in one-time Water Division capital projects scheduled to occur from 2026 through 2030 that may potentially be funded through bonding proceeds.
- The estimated grand total bond issue, plus an allowance for 10 percent reserves necessary to cover these specific capital projects, totals \$81,715,000, with anticipated costs between 2027 and 2030 of \$79,965,000. However, these estimated costs are subject to change based on the final specifications and bids, as well as on the use of other financing sources for the Water Division's projects.

FINANCIAL CONSIDERATIONS:

- New bonding was included in MPS' 2026 budget, which included the 10-year schedule for the Electric Division and Water Division capital projects.

Respectfully submitted,



Travis L. Schmidt
General Manager

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

Attachments:

Resolution Regarding the Intent to Use Tax-Exempt Financing
Declaration of Official Intent

Commissioner _____ introduced the following resolution and moved its adoption:

**RESOLUTION REGARDING THE INTENT TO USE
TAX-EXEMPT FINANCING**

WHEREAS, the Moorhead Public Service Commission (MPSC) has commenced or will commence work on the projects described as follows: Moorhead Public Service Electric System Upgrades and Watermain/Transmission Water Line Replacements (the “Projects”); and

WHEREAS, the City of Moorhead, on behalf of the MPSC, intends to issue tax-exempt bonds (the “Bonds”) to provide capital funding for the Projects; and

WHEREAS, the MPSC intends to use other long-term investments (Free Reserves) to provide initial funds for preliminary costs related to the Projects (the “Initial Costs”); and

WHEREAS, the MPSC desires to reimburse these Initial Costs from the proceeds of the Bonds; and

WHEREAS, the governing body of Moorhead Public Service (MPS) desires to authorize the General Manager of MPS and the Finance Director of the City of Moorhead to execute a Declaration of Official Intent on behalf of the MPSC.

NOW, THEREFORE, BE IT RESOLVED by the governing body of MPS, that the General Manager of MPS and the Finance Director of the City of Moorhead are hereby authorized to execute a Declaration of Official Intent for and on behalf of the MPSC regarding the Projects.

Dated: _____, 2026.

APPROVED:

Chairperson

ATTEST:

Secretary

The motion for the adoption of the foregoing Resolution was duly seconded by Commissioner _____. On roll call vote, the following Commissioners voted aye: _____. The following Commissioners voted nay: _____. The following Commissioners were absent and not voting: _____. The majority having voted in favor, the motion carried and the Resolution was duly adopted.

DECLARATION OF OFFICIAL INTENT

The undersigned, being the duly appointed General Manager of Moorhead Public Service (“MPS”) and the Finance Director of the City of Moorhead, Minnesota (the “City”), pursuant to and for purposes of compliance with Treasury Regulations, Section 1.150-2 (the “Regulations”), under the Internal Revenue Code of 1986, as amended, hereby state and certify as follows:

1. Pursuant to the Moorhead City Charter Section 12.05, MPS may enter into contracts for construction projects, subject to approval by the City Council (for contracts above the competitive bidding requirement), for the efficient operation of the utilities under MPS control.
2. MPS is undertaking the projects described as follows:

MOORHEAD PUBLIC SERVICE ELECTRIC SYSTEM UPGRADES

WATERMAIN/TRANSMISSION WATER LINE REPLACEMENTS

(the “Projects”)

3. The undersigned General Manager of MPS and the Finance Director of the City have been and are on the date hereof duly authorized by the governing body of MPS to make and execute this Declaration of Official Intent (the “Declaration”) for and on behalf of the governing body of MPS.
4. MPS intends, and reasonably expects, to reimburse itself for the payment of the cost of the Projects out of the proceeds of a tax-exempt bond issue, debt, or similar borrowing (the “Bonds”) to be issued by the City on behalf of MPS at a later date. Such reimbursement will be made no later than eighteen (18) months after the latter of (a) the date of the expenditure, or (b) the date the Projects are placed in service or abandoned, but in no event more than three (3) years after the date of the expenditure. In the meantime, MPS reasonably expects to pay and temporarily finance the costs from the following source or sources of funds: long-term investments (Free Reserves).
5. Pursuant to Moorhead City Charter Section 12.08, the City is the issuer of the above-described debt, and the City Council will be requested by MPS to issue obligations payable from the revenues of MPS to allow MPS to reimburse itself for the payment of the costs of the Projects.
6. The maximum principal amount of Bonds expected to be issued for the payment of the costs of the Projects is: \$66,330,000.
7. No costs of the Projects have heretofore been paid by MPS, except for preliminary or start-up expenditures permitted under Section 1-150-2(f)(2) or an expenditure which occurred within sixty (60) days of the date of this Declaration. MPS will only reimburse itself for capital expenditures and costs of issuance of the Bonds. In addition, the reimbursement allocation will be evidenced by a proper entry on MPS’ books and records.

IN WITNESS WHEREOF, the undersigned have executed this Declaration on the _____ day of _____, 2026.

As to paragraphs 1, 2, 3, 4, 6 and 7.

Moorhead Public Service

By: _____
General Manager

As to paragraphs 1 and 5.

City of Moorhead

By: _____
Finance Director