Elk River Municipal Utilities

NOTICE OF PUBLIC MEETING

MEETING OF THE ELK RIVER MUNICIPAL UTILITIES COMMISSION

Tuesday, September 8, 2026, 3:30 p.m.
Elk River City Hall
13069 Orono Parkway
Elk River, Minnesota

Notice is hereby given that the Elk River Municipal Utilities Commission will hold their scheduled monthly meeting on September 8, 2026, at 3:30 p.m., at the Elk River Municipal Utilities Conference Room, 13069 Orono Parkway, Elk River, MN.

One commissioner may participate via interactive television due to being out of the state.

I HEREBY CERTIFY, that this notice has been posted and that I have served this notice upon the members of the Elk River Municipal Utilities Commission by mail at least one day prior to the above-called Elk River Municipal Utilities Commission meeting.

Mark Hanson, General Manager

9/4/2026
Date

Elk River Municipal Utilities

REGULAR MEETING OF THE UTILITIES COMMISSION
September 8, 2026, 3:30 P.M.
Utilities Conference Room

AGENDA

1.0 GOVERNANCE
1.1 Call Meeting to Order
1.2 Pledge of Allegiance
1.3 Consider the Agenda
1.4 Resolution Recognizing 2026 Public Power Week
1.5 Resolution Recognizing 2026 Customer Service Week

2.0 CONSENT (Routine items. No discussion. Approved by one motion.)
2.1 Check Register – August 2026
2.2 Regular Meeting Minutes – August 11, 2026

3.0 OPEN FORUM (Non-agenda items for discussion. No action. Presenters must adhere to a time limit of 3 minutes.)

4.0 POLICY & COMPLIANCE (Policy review, policy development, and compliance monitoring.)
4.1 Commission Policy Review – G.4i1 – Investments
4.2 Commission Policy Update – G.4i6 – Public Purpose Expenditures

5.0 BUSINESS ACTION (Current business action requests and performance monitoring reports.)
5.1 Financial Report – July 2026
5.2 2027 Annual Business Plan: Capital Projects & Equipment Purchases and 20-Year Capital Projections
5.3 County State Aid Highway 44 Cost Share Agreement

6.0 BUSINESS DISCUSSION (Future business planning, general updates, and informational reports.)
6.1 Staff Updates
6.2 City Council Update
6.3 Minnesota Municipal Utilities Association Summer Conference Discussion
6.4 Future Planning (Announce the next regular meeting, special meeting, or planned quorum.)
a. Regular Commission Meeting – October 13, 2026
b. 2026 Governance Agenda
6.5 Other Business (Items added during agenda approval.)

7.0 ADJOURN REGULAR MEETING

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	**FROM:** Chris Sumstad – Electric Superintendent
MEETING DATE: September 8, 2026	**AGENDA ITEM NUMBER:** 1.4
SUBJECT: Resolution Recognizing 2026 Public Power Week	
ACTION REQUESTED: Adopt Resolution 26-9 Recognizing Public Power Week, October 4-10, 2026	

DISCUSSION:
Elk River Municipal Utilities, now in its 81st year operating as a municipally owned public power utility, will be celebrating Public Power Week 2026.

This national event is sponsored in conjunction with the American Public Power Association. There are approximately 2,000 community-owned electric utilities that collectively provide electricity on a not-for-profit basis to 49 million Americans. They are operated by local governments as a public service with the mission of providing electricity in a reliable manner, at a reasonable cost, and with proper protection of the environment. Public power companies exist to serve our fellow citizens, friends, and neighbors. Elk River Municipal Utilities' loyalty is to our customers and our community, not stockholders. We are proud to be a public power utility and to help make our community a great place to live and work. Every year we recognize Public Power Week as a reminder of the responsibility we have to our consumer-owners.

ATTACHMENTS:
- Resolution No. 26-9 - Recognizing 2026 Public Power Week

RESOLUTION No. 26-9

BOARD OF COMMISSIONERS
ELK RIVER MUNICIPAL UTILITIES

A RESOLUTION OF BOARD OF COMMISSIONERS OF ELK RIVER MUNICIPAL UTILITIES RECOGNIZING PUBLIC POWER WEEK, OCTOBER 4-10, 2026

WHEREAS, we, the citizens of Elk River, place high value on local control over community services and therefore have chosen to operate a community-owned, locally controlled, not-for-profit electric utility and, as consumers and owners of our electric utility, have a direct say in utility operations and policies; and

WHEREAS, ERMU provides our homes, businesses, farms, social service, and local government agencies with safe, reliable, efficient, and cost-effective electricity employing sound business practices designed to ensure the best possible service at not-for-profit rates; and

WHEREAS, ERMU is a valuable community asset that contributes substantially to the well-being of local citizens through energy efficiency, customer service, environmental protection, economic development, and safety awareness;

NOW, THEREFORE BE IT RESOLVED that ERMU will continue to work to bring lower-cost, safe, reliable electricity (and water services) to community homes and businesses just as it has since the utility was created; and

BE IT FURTHER RESOLVED that the week of October 4-10 be designated Public Power Week in order to honor ERMU for its contributions to the community and to make its consumer-owners, policy makers, and employees more aware of its contributions to their well-being; and

BE IT FURTHER RESOLVED that our community joins hands with more than 2,000 other public power systems in the United States in this celebration of PUBLIC POWER.

This Resolution Passed and Adopted on this 8th day of September 2026.

John J. Dietz, Chair

Mark Hanson, General Manager

UTILITIES COMMISSION MEETING

TO: ERMU Commission	FROM: Sara Youngs – Administrations Director
MEETING DATE: September 8, 2026	**AGENDA ITEM NUMBER:** 1.5
SUBJECT: Resolution Recognizing 2026 Customer Service Week	
ACTION REQUESTED: Adopt Resolution 26-10 Recognizing Customer Service Week, October 5-9, 2026	

BACKGROUND:
In 1992 the U.S. Congress, by Senate joint resolution, designated the first week of October as National Customer Service Week and requested the President issue a proclamation in support. On October 8, 1992, President George Bush issued Proclamation 6485 recognizing the first week of October as National Customer Service Week.

In President Bush's proclamation he notes, "…businesses will do a better job of providing high quality goods and services by listening to its employees and by empowering them with opportunities to make a difference. Customer service professionals work in the front lines where a firm meets its customers; where supply meets demand. With responsive policies and procedures and with simple courtesy, customer service professionals can go a long way toward ensuring customer satisfaction…"

DISCUSSION:
Elk River Municipal Utilities' (ERMU) mission statement commits us to "Serving Our Community: Every Home, Every Business, Every Day." To be successful in our mission, it is essential that ERMU provide excellent customer service while providing safe, reliable, and cost-effective utility services.

At ERMU, we value our employees, who provide excellent customer service. We respectfully ask the Commission to support these employees, and our organization, by adopting this resolution recognizing Customer Service Week.

ATTACHMENTS:
- Resolution No. 26-10 - Recognizing 2026 Customer Service Week

RESOLUTION No. 26-10

BOARD OF COMMISSIONERS
ELK RIVER MUNICIPAL UTILITIES

A RESOLUTION OF BOARD OF COMMISSIONERS OF ELK RIVER MUNICIPAL UTILITIES RECOGNIZING CUSTOMER SERVICE WEEK, OCTOBER 5-9, 2026

WHEREAS, Elk River Municipal Utilities (ERMU) provides electric and water utility services within the City of Elk River, the City of Otsego, the City of Dayton, and Big Lake Township; and

WHEREAS, the ERMU mission statement commits the organization to “Serving Our Community; Every Home, Every Business, Every Day”; and

WHEREAS, providing excellent customer service is an essential component of successfully operating in accordance with the ERMU mission statement and an expectation of our customers;

NOW, THEREFORE, BE IT RESOLVED that ERMU will continue to work to bring lower-cost, safe, reliable electricity and water services to community homes and businesses just as it has since the utility was created; and

BE IT FURTHER RESOLVED that ERMU will encourage their employees to take initiative and continue to provide new and more efficient ways of providing excellent customer service; and

BE IT FURTHER RESOLVED that the week of October 5-9 be designated Customer Service Week in order to honor ERMU and its staff for the continued commitment to providing excellent customer service.

This Resolution Passed and Adopted on this 8th day of September 2026.

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John J. Dietz, Chair

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Mark Hanson, General Manager

CHECK REGISTER

August 2026

APPROVED BY:

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John Dietz

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Jill Larson-Vito

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Mary Stewart

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Matt Westgaard

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Nick Zerwas

Payroll/Labor
Check Register Totals

08/14/2026 To 08/14/2026

Pays		Job	Amount	Hours
Gross Pay				
2	Reg Hours		196,071.75	3,552.50
3	Overtime		2,275.95	34.00
4	Double Time		799.15	6.75
5	On-Call/Stand-by		3,433.08	56.00
24	FLSA		190.13	0.00
25	Rest Time		0.00	0.00
10	Bonus Pay		457.52	7.00
18	Commissioner Reimb - Electric		0.00	0.00
104	Commission Stipend		1,472.00	0.00
105	Perf. Metr. Distr.		0.00	0.00
VAC	Vacation Pay		20,955.58	345.75
SICK	Sick Pay		5,045.90	105.00
HOL	Holiday Pay		0.00	0.00
78	Retro Earnings		0.00	0.00
5-2	On-Call/Stand-by/OT		1,173.47	12.00
18A	Commissioner Reimb. - Water		0.00	0.00
10-3	Bonus Pay Overtime		0.00	0.00
10-4	Bonus Pay Double Time		0.00	0.00
104A	Commission Stipend - Water		368.00	0.00
PTOY	Personal Day - Year		667.68	8.00
3C	Overtime-Comp Time		140.20	1.50
4C	Double Time-Comp Time		0.00	0.00
CM3C	Overtime-Comp Time Adjusted		-140.20	-1.50
CM4C	Double Time-Comp Time Adjusted		0.00	0.00
COMP	Comp Time Taken		97.79	1.75
106	Longevity Pay		0.00	0.00
MIL	Military Pay - Calendar Year		0.00	0.00
ESST	Earned Safe & Sick Time		24.49	1.00
	Gross Pay Total:		233,032.49	4,129.75
	Total Pays:		233,032.49	4,129.75

Payroll/Labor
Check Register Totals

08/28/2026 To 08/28/2026

Pays		Job	Amount	Hours
Gross Pay				
2	Reg Hours		205,065.43	3,712.75
3	Overtime		3,590.21	52.50
4	Double Time		1,056.68	8.75
5	On-Call/Stand-by		3,057.18	56.00
24	FLSA		140.18	0.00
25	Rest Time		32.53	0.75
10	Bonus Pay		0.00	0.00
18	Commissioner Reimb - Electric		0.00	0.00
104	Commission Stipend		680.00	0.00
105	Perf. Metr. Distr.		0.00	0.00
VAC	Vacation Pay		13,519.58	218.00
SICK	Sick Pay		4,747.50	86.75
HOL	Holiday Pay		0.00	0.00
78	Retro Earnings		0.00	0.00
5-2	On-Call/Stand-by/OT		691.44	7.50
18A	Commissioner Reimb. - Water		0.00	0.00
10-3	Bonus Pay Overtime		0.00	0.00
10-4	Bonus Pay Double Time		0.00	0.00
104A	Commission Stipend - Water		170.00	0.00
PTOY	Personal Day - Year		958.37	17.75
3C	Overtime-Comp Time		622.43	7.00
4C	Double Time-Comp Time		0.00	0.00
CM3C	Overtime-Comp Time Adjusted		-622.43	-7.00
CM4C	Double Time-Comp Time Adjusted		0.00	0.00
COMP	Comp Time Taken		975.30	16.00
106	Longevity Pay		0.00	0.00
MIL	Military Pay - Calendar Year		0.00	0.00
ESST	Earned Safe & Sick Time		413.34	15.43
	Gross Pay Total:		235,097.74	4,192.18
	Total Pays:		235,097.74	4,192.18

Accounts Payable
Check Register

08/01/2026 To 08/31/2026

Bank Account: 1 - GENERAL FUND

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
2394	8/4/26	WIRE	5655	FISERV	CC FEES - JULY 2026		2,511.46
					CC FEES - JULY 2026		627.87
					CC FEES - JULY 2026		1,162.56
					CC FEES - JULY 2026		290.64
					CC FEES - JULY 2026		7,176.38
					CC FEES - JULY 2026		1,794.10
					CC FEES - JULY 2026		74.38
					CC FEES - JULY 2026		18.60
					CC FEES - JULY 2026		863.84
					CC FEES - JULY 2026		215.96
					CC FEES - JULY 2026		2,357.62
					CC FEES - JULY 2026		589.41
						Total for Check/Tran - 2394:	17,682.82
						Total for Bank Account - 1 : (1)	17,682.82

Accounts Payable
Check Register

08/01/2026 To 08/31/2026

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
5342	8/4/26	WIRE	153	PERA (ELECTRONIC)	PERA EMPLOYEE CONTRIBUTION	11,942.04
					PERA CONTRIBUTIONS	13,779.32
					PERA EMPLOYEE CONTRIBUTION	2,318.51
					PERA CONTRIBUTIONS	2,675.19
					Total for Check/Tran - 5342:	30,715.06
5343	8/4/26	WIRE	160	VOYA INSTITUTIONAL TRUST COMPAN	HCSP EMPLOYEE CONTRIBUTIONS	2,680.56
					HCSP EMPLOYEE CONTRIBUTIONS	438.96
					Total for Check/Tran - 5343:	3,119.52
5344	8/4/26	WIRE	161	VOYA INSTITUTIONAL TRUST COMPAN	MNDCP EE MANAGER CONTRIBUTIONS	368.37
					MNDCP EMPLOYEE CONTRIBUTIONS	4,224.11
					MNDCP EMPLOYER CONTRIBUTION	1,576.45
					MNDCP EMPLOYER MGR CONTRIBUTION	619.54
					MNDCP EE ROTH CONTRIBUTIONS	1,891.38
					MNDCP EE ROTH MGR CONTRIBUTIONS	251.17
					MNDCP EE MANAGER CONTRIBUTIONS	51.74
					MNDCP EMPLOYEE CONTRIBUTIONS	350.65
					MNDCP EMPLOYER CONTRIBUTION	301.25
					MNDCP EMPLOYER MGR CONTRIBUTION	85.52
					MNDCP EE ROTH CONTRIBUTIONS	411.56
					MNDCP EE ROTH MGR CONTRIBUTIONS	33.78
					Total for Check/Tran - 5344:	10,165.52
5345	8/4/26	WIRE	285	JOHN HANCOCK	W&A EMPLOYER CONTRIBUTION	156.93
					W&A MANAGER CONTRIBUTION	436.88
					WENZEL EMPLOYEE CONTRIBUTIONS	1,866.18
					WENZEL MANAGER CONTRIBUTIONS	136.43
					DEF COMP ROTH CONTRIBUTIONS W&A	1,025.04
					WENZEL EE ROTH MGR CONTRIBUTIONS	300.45
					W&A EMPLOYER CONTRIBUTION	39.23
					W&A MANAGER CONTRIBUTION	67.50
					WENZEL EMPLOYEE CONTRIBUTIONS	654.21

Accounts Payable
Check Register

08/01/2026 To 08/31/2026

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
					WENZEL MANAGER CONTRIBUTIONS	34.11
					DEF COMP ROTH CONTRIBUTIONS W&A	69.96
					WENZEL EE ROTH MGR CONTRIBUTIONS	33.39
					Total for Check/Tran - 5345:	4,820.31
5346	8/4/26	WIRE	598	MINNESOTA CHILD SUPPORT PAYMEN	CHILD SUPPORT	304.10
5347	8/4/26	WIRE	738	HEALTHEQUITY, INC	HSA EMPLOYEE CONTRIBUTION	3,186.22
					HSA EMPLOYEE CONTRIBUTION	580.22
					Total for Check/Tran - 5347:	3,766.44
5348	8/5/26	WIRE	152	IRS - USA TAX PMT (ELECTRONIC)	PAYROLL TAXES - FEDERAL & FICA	20,783.79
					PAYROLL TAXES - FEDERAL & FICA	28,591.86
					PAYROLL TAXES - FEDERAL & FICA	3,897.56
					PAYROLL TAXES - FEDERAL & FICA	5,819.00
					Total for Check/Tran - 5348:	59,092.21
5350	8/6/26	WIRE	154	MINNESOTA REVENUE (ELECTRONIC)	PAYROLL TAXES - STATE	9,288.75
					PAYROLL TAXES - STATE	1,798.74
					Total for Check/Tran - 5350:	11,087.49
5351	8/6/26	WIRE	738	HEALTHEQUITY, INC	FSA CLAIM REIMBURSEMENTS - 164	222.22
					FSA CLAIM REIMBURSEMENTS - 164	55.55
					Total for Check/Tran - 5351:	277.77
5352	8/6/26	WIRE	849	CASEY'S BUSINESS MASTERCARD	CASEY'S	35.22
5353	8/6/26	WIRE	1008	AMERICAN EXPRESS	AMERICAN EXPRESS	1,381.04
					AMERICAN EXPRESS	1,329.92
					Total for Check/Tran - 5353:	2,710.96
5354	8/6/26	WIRE	166	ONLINE UTILITY EXCHANGE (ELECTR	UTILITY EXCHANGE REPORT	410.64
					UTILITY EXCHANGE REPORT	102.66
					Total for Check/Tran - 5354:	513.30
5355	8/7/26	WIRE	8605	MARCO TECHNOLOGIES, LLC	Copier	151.53

Accounts Payable
Check Register

08/01/2026 To 08/31/2026

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
5356	8/10/26	WIRE	738	HEALTHEQUITY, INC	ADMINISTRATIVE FEE INVOICE - AUG 2026	132.90
					ADMINISTRATIVE FEE INVOICE - AUG 2026	26.10
					Total for Check/Tran - 5356:	159.00
5360	8/12/26	WIRE	549	CHARTER COMMUNICATIONS	OFFICE TELEPHONE & CABLE	217.46
					OFFICE TELEPHONE & CABLE	54.37
					Total for Check/Tran - 5360:	271.83
5361	8/12/26	WIRE	8708	MEDICA	MEDICAL EE INSURANCE - AUG 2026	11,629.80
					MEDICAL ER INSURANCE - AUG 2026	66,763.09
					MEDICAL COBRA INSURANCE - AUG 2026	1,374.88
					MEDICAL EE INSURANCE - AUG 2026	2,712.20
					MEDICAL ER INSURANCE - AUG 2026	16,575.96
					Total for Check/Tran - 5361:	99,055.93
5362	8/12/26	WIRE	738	HEALTHEQUITY, INC	FSA CLAIM REIMBURSEMENTS - 147	247.20
					FSA CLAIM REIMBURSEMENTS - 147	61.80
					Total for Check/Tran - 5362:	309.00
5363	8/17/26	WIRE	153	PERA (ELECTRONIC)	PERA EMPLOYEE CONTRIBUTION	11,982.58
					PERA CONTRIBUTIONS	13,826.07
					PERA EMPLOYEE CONTRIBUTION	2,197.78
					PERA CONTRIBUTIONS	2,535.90
					Total for Check/Tran - 5363:	30,542.33
5364	8/17/26	WIRE	160	VOYA INSTITUTIONAL TRUST COMPAN	HCSP EMPLOYEE CONTRIBUTIONS	2,767.02
					HCSP EMPLOYEE CONTRIBUTIONS	434.29
					Total for Check/Tran - 5364:	3,201.31
5365	8/17/26	WIRE	161	VOYA INSTITUTIONAL TRUST COMPAN	MNDCP EE MANAGER CONTRIBUTIONS	368.37
					MNDCP EMPLOYEE CONTRIBUTIONS	4,211.74
					MNDCP EMPLOYER CONTRIBUTION	1,460.17
					MNDCP EMPLOYER MGR CONTRIBUTION	619.54
					MNDCP EE ROTH CONTRIBUTIONS	1,891.38
					MNDCP EE ROTH MGR CONTRIBUTIONS	251.17

08/01/2026 To 08/31/2026

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
					MNDCP EE MANAGER CONTRIBUTIONS	51.74
					MNDCP EMPLOYEE CONTRIBUTIONS	363.02
					MNDCP EMPLOYER CONTRIBUTION	249.53
					MNDCP EMPLOYER MGR CONTRIBUTION	85.52
					MNDCP EE ROTH CONTRIBUTIONS	411.56
					MNDCP EE ROTH MGR CONTRIBUTIONS	33.78
					Total for Check/Tran - 5365:	9,997.52
5366	8/17/26	WIRE	285	JOHN HANCOCK	W&A EMPLOYER CONTRIBUTION	156.93
					W&A MANAGER CONTRIBUTION	436.88
					WENZEL EMPLOYEE CONTRIBUTIONS	1,644.76
					WENZEL MANAGER CONTRIBUTIONS	136.43
					DEF COMP ROTH CONTRIBUTIONS W&A	1,025.00
					WENZEL EE ROTH MGR CONTRIBUTIONS	300.45
					W&A EMPLOYER CONTRIBUTION	39.23
					W&A MANAGER CONTRIBUTION	67.50
					WENZEL EMPLOYEE CONTRIBUTIONS	654.21
					WENZEL MANAGER CONTRIBUTIONS	34.11
					DEF COMP ROTH CONTRIBUTIONS W&A	70.00
					WENZEL EE ROTH MGR CONTRIBUTIONS	33.39
					Total for Check/Tran - 5366:	4,598.89
5367	8/17/26	WIRE	598	MINNESOTA CHILD SUPPORT PAYMEN	CHILD SUPPORT	304.10
5368	8/17/26	WIRE	738	HEALTHEQUITY, INC	HSA EMPLOYEE CONTRIBUTION	3,222.62
					HSA EMPLOYEE CONTRIBUTION	593.82
					Total for Check/Tran - 5368:	3,816.44
5370	8/20/26	WIRE	154	MINNESOTA REVENUE (ELECTRONIC)	PAYROLL TAXES - STATE	8,921.14
					PAYROLL TAXES - STATE	1,699.41
					Total for Check/Tran - 5370:	10,620.55
5371	8/20/26	WIRE	738	HEALTHEQUITY, INC	FSA CLAIM REIMBURSEMENTS - 164	222.22
					FSA CLAIM REIMBURSEMENTS - 164	55.55

Accounts Payable
Check Register

08/01/2026 To 08/31/2026

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
						Total for Check/Tran - 5371:	277.77
5372	8/19/26	WIRE	152	IRS - USA TAX PMT (ELECTRONIC)	PAYROLL TAXES - FEDERAL & FICA		19,826.66
					PAYROLL TAXES - FEDERAL & FICA		27,962.40
					PAYROLL TAXES - FEDERAL & FICA		3,684.10
					PAYROLL TAXES - FEDERAL & FICA		5,533.46
						Total for Check/Tran - 5372:	57,006.62
5373	8/14/26	WIRE	9654	CARDMEMBER SERVICE	FIRST NATIONAL BANK VISA		6,123.74
					FIRST NATIONAL BANK VISA		882.14
						Total for Check/Tran - 5373:	7,005.88
5374	8/21/26	WIRE	174	MINNESOTA REVENUE SALES TX (ELE	SALES AND USE TAX - JULY 2026		373,250.17
					SALES AND USE TAX - JULY 2026		-1.78
					SALES AND USE TAX - JULY 2026		10,285.61
						Total for Check/Tran - 5374:	383,534.00
5375	8/26/26	WIRE	8141	SPEEDCUTTERS OUTDOOR MAINTENA	LAWN MOWING SERVICES		954.31
					LAWN MOWING SERVICES		2,375.59
						Total for Check/Tran - 5375:	3,329.90
5376	8/26/26	WIRE	738	HEALTHEQUITY, INC	FSA CLAIM REIMBURSEMENTS - 147		254.40
					FSA CLAIM REIMBURSEMENTS - 147		63.60
						Total for Check/Tran - 5376:	318.00
5379	8/27/26	WIRE	8605	MARCO TECHNOLOGIES, LLC	PRINTER MTC CONTRACT - 8/1 to 9/1/26		227.52
					PRINTER MTC CONTRACT - 8/1 to 9/1/26		56.89
						Total for Check/Tran - 5379:	284.41
5380	8/28/26	WIRE	8605	MARCO TECHNOLOGIES, LLC	Copier		151.53
5382	8/31/26	WIRE	574	REPUBLIC SERVICES, INC	TRASH & RECYCLING SERVICE		1,485.13
					TRASH & RECYCLING SERVICE		212.16
						Total for Check/Tran - 5382:	1,697.29
5383	8/31/26	WIRE	574	REPUBLIC SERVICES, INC	TRASH SERVICE - AUG 2026		523.93
					TRASH & RECYCLING SERVICE - AUG 2026		87.43

Accounts Payable
Check Register

08/01/2026 To 08/31/2026

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
					TRASH & RECYCLING SERVICE - AUG 2026	12.50
					Total for Check/Tran - 5383:	623.86
5390	8/28/26	WIRE	824	HOME DEPOT CREDIT SERVICES	HOME DEPOT	36.59
					HOME DEPOT	268.10
					MISC PARTS & SUPPLIES	-0.24
					MISC PARTS & SUPPLIES	-0.34
					Total for Check/Tran - 5390:	304.11
24164	8/6/26	DD	728	ARCHER PLUMBING LLC	BACKFLOW TRAINING	300.00
24165	8/6/26	DD	11	CITY OF ELK RIVER	PARTS & LABOR FOR UNIT #10	322.21
					LABOR FOR UNIT #6	32.50
					PARTS & LABOR FOR UNIT #6	-1.42
					PARTS & LABOR FOR UNIT #6	84.40
					PARTS & LABOR FOR UNIT #17	-1.05
					PARTS & LABOR FOR UNIT #17	29.77
					PARTS & LABOR FOR UNIT #17	-0.05
					PARTS & LABOR FOR UNIT #17	1.56
					PARTS & LABOR FOR UNIT #8	-4.76
					PARTS & LABOR FOR UNIT #8	292.82
					PARTS & LABOR FOR UNIT #24	-0.13
					PARTS & LABOR FOR UNIT #24	66.68
					PARTS & LABOR FOR UNIT #33	-18.68
					PARTS & LABOR FOR UNIT #33	471.90
					PARTS & LABOR FOR UNIT #33	-0.98
					PARTS & LABOR FOR UNIT #33	24.83
					YARD WASTE - JUNE 2026	40.00
					FUEL USAGE - JUNE 2026	2,181.10
					FUEL USAGE - JUNE 2026	995.68
					INSURANCE - 07/26 to 06/27	3,248.00
					INSURANCE - 07/26 to 06/27	812.00

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Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
						Total for Check/Tran - 24165:	8,576.38
24166	8/6/26	DD	36	CROW RIVER FARM EQUIP CO	REPAIR VALVE KEY		19.33
24167	8/6/26	DD	23	ELK RIVER MUNICIPAL UTILITIES	CYCLE 1 - INV GRP 101 - JUNE 2026		4,720.72
					CYCLE 1 - INV GRP 101 - JUNE 2026		31.59
					CYCLE 1 - INV GRP 101 - JUNE 2026		1,619.16
					CYCLE 1 - INV GRP 101 - JUNE 2026		712.82
					CYCLE 1 - INV GRP 101 - JUNE 2026		404.79
					CYCLE 1 - ACCT 183 - JUNE 2026		642.15
					CYCLE 1 - INV GRP 421 - JUNE 2026		9,938.76
					CYCLE 2 - ACCT 41038 - JUNE 2026		115.02
					CYCLE 2 - ACCT 41038 - JUNE 2026		6.05
					CYCLE 2 - INV GRP 436 - JUNE 2026		4,248.39
						Total for Check/Tran - 24167:	22,439.45
24168	8/6/26	DD	671	FASTENAL COMPANY	MISC PARTS & SUPPLIES		-0.11
					MISC PARTS & SUPPLIES		23.42
						Total for Check/Tran - 24168:	23.31
24169	8/6/26	DD	404	GARAGE DOOR STORE	FSB DOOR 8 REPAIR		-20.81
					FSB DOOR 8 REPAIR		880.06
					FSB DOOR 8 REPAIR		-2.97
					FSB DOOR 8 REPAIR		125.72
						Total for Check/Tran - 24169:	982.00
24170	8/6/26	DD	749	JACK GEBHARDT	MEALS & GAS MMUA POLES - 190 195		291.59
24171	8/6/26	DD	809	HAWKINS, INC.	CHLORINE CYLINDER RENTAL		120.00
					Water Chemicals		2,323.89
						Total for Check/Tran - 24171:	2,443.89
24172	8/6/26	DD	826	JILL LARSON-VITO	APPA NAT'L CONF EXPENSES - 201		1,213.77
24173	8/6/26	DD	417	LOCATORS & SUPPLIES INC.	Fiber Locate Flag		394.91
					Locate Flag		740.46

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Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
					Fiber Locate Flag	98.73
					Total for Check/Tran - 24173:	1,234.10
24174	8/6/26	DD	828	MARILU INC	MONTHLY CLEANING FOR THE PLANT-JUL 2026	2,982.74
					MONTHLY CLEANING FOR THE PLANT-JUL 2026	426.11
					Total for Check/Tran - 24174:	3,408.85
24175	8/6/26	DD	39	MMUA	DRUG SCREENING- 204 205 206 207	187.50
					DRUG SCREENING- 194 206 207	62.50
					Total for Check/Tran - 24175:	250.00
24176	8/6/26	DD	573	NCPERS MINNESOTA	EXTRA LIFE INSURANCE - AUG 2026	297.60
					EXTRA LIFE INSURANCE - AUG 2026	38.40
					Total for Check/Tran - 24176:	336.00
24177	8/6/26	DD	712	NEGSTAD CONSULTING, LLC	PROFESSIONAL SERVICES - JULY 2026	220.00
					PROFESSIONAL SERVICES - JULY 2026	55.00
					Total for Check/Tran - 24177:	275.00
24178	8/6/26	DD	130	RESCO	TRANSFORMER BOX PAD	21,183.00
					Discount	-10.59
					WIRE	1,888.81
					Discount	-0.83
					Total for Check/Tran - 24178:	23,060.39
24179	8/6/26	DD	603	ROYAL SUPPLY INC	OFFICE SUPPLIES	884.58
					OFFICE SUPPLIES	221.14
					Total for Check/Tran - 24179:	1,105.72
24180	8/6/26	DD	817	SPENCER FANE LLP	LEGAL SERVICES - JUNE 2026	3,002.00
24181	8/6/26	DD	135	WATER LABORATORIES INC	WATER SAMPLING - JULY 2026	380.00
24182	8/6/26	DD	610	WRIGHT HENNEPIN COOPERATIVE ELE	SECURITY - 1435 & 1705 MAIN	155.17
					SECURITY - 1435 & 1705 MAIN	22.17
					Total for Check/Tran - 24182:	177.34

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24240	8/12/26	DD	11	CITY OF ELK RIVER	RP3 & CONTRACTOR # DECALS	-0.76
					RP3 & CONTRACTOR # DECALS	166.26
					RP3 & CONTRACTOR # DECALS	-0.18
					RP3 & CONTRACTOR # DECALS	41.56
					Total for Check/Tran - 24240:	206.88
24241	8/12/26	DD	842	EFI MID-AMERICA INC	Booster	135,459.18
24242	8/12/26	DD	23	ELK RIVER MUNICIPAL UTILITIES	CYCLE 3 - INV GRP 395 - JUNE 2026	19,505.74
24243	8/12/26	DD	671	FASTENAL COMPANY	Locate Paint	7,439.28
					BOLTS	-84.10
					Total for Check/Tran - 24243:	7,355.18
24244	8/12/26	DD	664	FRONTIER ENERGY, INC	CIP PROFESSIONAL SERVICES - JUNE 2026	12,643.87
24245	8/12/26	DD	846	HACH COMPANY	SAMPLING SUPPLIES	716.33
24246	8/12/26	DD	809	HAWKINS, INC.	Water Chemicals	1,922.50
24247	8/12/26	DD	417	LOCATORS & SUPPLIES INC.	Red Locate Flags	2,191.46
24248	8/12/26	DD	1001	MINNESOTA MUNICIPAL POWER AGEN	PURCHASED POWER - JULY 2026	2,971,095.15
					PURCHASED POWER - JULY 2026	962,781.44
					Total for Check/Tran - 24248:	3,933,876.59
24249	8/12/26	DD	39	MMUA	DUEL LEADERSHIP - 139 10.2026	3,656.00
					DUEL LEADERSHIP - 139 10.2026	914.00
					Total for Check/Tran - 24249:	4,570.00
24250	8/12/26	DD	130	RESCO	WIRE	1,170.23
					Mtce of OH Primary	41.25
					Discount	-0.02
					Total for Check/Tran - 24250:	1,211.46
24251	8/12/26	DD	603	ROYAL SUPPLY INC	SHOP SUPPLIES	184.68
					SHOP SUPPLIES	46.17

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						Total for Check/Tran - 24251:	230.85
24252	8/12/26	DD	8808	WATER CONSERVATION SERVICE, INC.	Survey		8,788.00
24253	8/13/26	DD	11	CITY OF ELK RIVER	TRASH BILLED - JULY 2026		176,824.98
24254	8/19/26	DD	6	BEAUDRY OIL COMPANY	DIESEL FUEL		4,057.05
24255	8/19/26	DD	9	BORDER STATES ELECTRIC SUPPLY	Mtce of OH Primary		211.44
					Hard Hat		218.78
					Hard Hat		54.69
					Spring Washers		92.77
					Ground Strap		576.96
						Total for Check/Tran - 24255:	1,154.64
24256	8/19/26	DD	8843	CAMPBELL KNUTSON	LEGAL SERVICES - JULY 2026		440.80
					LEGAL SERVICES - JULY 2026		110.20
						Total for Check/Tran - 24256:	551.00
24257	8/19/26	DD	7448	CRC	CUSTOMER SERVICE AFTER HOURS		2,748.10
					CUSTOMER SERVICE AFTER HOURS		687.03
						Total for Check/Tran - 24257:	3,435.13
24258	8/19/26	DD	23	ELK RIVER MUNICIPAL UTILITIES	CYCLE 4 - INV GRP 396		366.91
					CYCLE 1 - INV GRP 421 - AUG 2026		9,711.60
					CYCLE 1 - ACCT 183 - AUG 2026		423.08
					CYCLE 1 - INV GRP 101 - AUG 2026		5,050.31
					CYCLE 1 - INV GRP 101 - AUG 2026		33.30
					CYCLE 1 - INV GRP 101 - AUG 2026		1,833.22
					CYCLE 1 - INV GRP 101 - AUG 2026		777.14
					CYCLE 1 - INV GRP 101 - AUG 2026		458.31
						Total for Check/Tran - 24258:	18,653.87
24259	8/19/26	DD	671	FASTENAL COMPANY	Locate Paint		1,686.24
					Locate Paint		4,628.03
						Total for Check/Tran - 24259:	6,314.27

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24260	8/19/26	DD	91	GOPHER STATE ONE-CALL	LOCATES FOR - JULY 2026	801.56
					LOCATES FOR - JULY 2026	42.19
					Total for Check/Tran - 24260:	843.75
24261	8/19/26	DD	8469	KATHY A GREENBERG	NORTHSTAR MTG MILEAGE - 144	55.70
					NORTHSTAR MTG MILEAGE - 144	13.92
					Total for Check/Tran - 24261:	69.62
24262	8/19/26	DD	809	HAWKINS, INC.	Water Chemicals	1,394.72
24263	8/19/26	DD	8083	JT SERVICES OF MINNESOTA	Wipes	2,799.37
24264	8/19/26	DD	417	LOCATORS & SUPPLIES INC.	Fee	0.61
					Locate Flags	759.38
					Total for Check/Tran - 24264:	759.99
24265	8/19/26	DD	573	NCPERS MINNESOTA	EXTRA LIFE INSURANCE - SEPT 2026	297.60
					EXTRA LIFE INSURANCE - SEPT 2026	38.40
					Total for Check/Tran - 24265:	336.00
24266	8/19/26	DD	9300	NISC	MISC BILLING - JULY 2026	744.40
					MISC BILLING - JULY 2026	186.11
					AGREEMENTS INVOICE - JULY 2026	53.94
					AGREEMENTS INVOICE - JULY 2026	797.02
					AGREEMENTS INVOICE - JULY 2026	11,809.43
					AGREEMENTS INVOICE - JULY 2026	260.00
					AGREEMENTS INVOICE - JULY 2026	3,009.18
					AGREEMENTS INVOICE - JULY 2026	65.00
					PRINT SERVICES - JULY 2026	7,630.14
					PRINT SERVICES - JULY 2026	748.40
					PRINT SERVICES - JULY 2026	1,907.53
					Total for Check/Tran - 24266:	27,211.15
24267	8/19/26	DD	43	NORTHERN TOOL	PARTS FOR UNIT #61	35.88

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24268	8/19/26	DD	358	OLSEN CHAIN & CABLE, INC.	MISC PARTS & SUPPLIES	-8.00
					MISC PARTS & SUPPLIES	109.55
					Total for Check/Tran - 24268:	101.55
24269	8/19/26	DD	618	PARKER THEISEN	E-ISAC Meeting - 172	59.05
					Mileage for Cyber Workshop	33.06
					Mileage for Cyber Workshop	8.26
					Total for Check/Tran - 24269:	100.37
24325	8/27/26	DD	11	CITY OF ELK RIVER	SEWER BILLED - JULY 2026	173,256.11
					REVENUE TRANSFER - JULY 2026	245,373.27
					REVENUE TRANSFER - JULY 2026	8,620.26
					STORMWATER BILLED - JULY 2026	59,292.18
					Total for Check/Tran - 24325:	486,541.82
24326	8/27/26	DD	3599	JOHN J DIETZ	MMUA SUMMER MTG - 20	54.56
					MMUA SUMMER MTG - 20	13.64
					Total for Check/Tran - 24326:	68.20
24327	8/27/26	DD	8469	KATHY A GREENBERG	Office Supplies	26.61
					Office Supplies	6.65
					Total for Check/Tran - 24327:	33.26
24328	8/27/26	DD	7583	ANTHONY HUBBARD	UMMA SUMMER MTG MEAL - 106	40.58
24329	8/27/26	DD	130	RESCO	BUSHING COVER	4,056.00
					Discount	-2.03
					Total for Check/Tran - 24329:	4,053.97
24330	8/27/26	DD	423	MARY E STEWART	MMPA & MMUA MTGS MEALS & MILEAGE - 151	131.98
					MMPA & MMUA MTGS MEALS & MILEAGE - 151	23.11
					Total for Check/Tran - 24330:	155.09
24331	8/27/26	DD	5312	MATTHEW T WESTGAARD	MMUA SUMMER MTG MILEAGE - 150	49.25
					MMUA SUMMER MTG MILEAGE - 150	12.31
					Total for Check/Tran - 24331:	61.56

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91200	8/6/26	CHK	9997	507 MANAGEMENT LLC	INACTIVE REFUND	273.16
91201	8/6/26	CHK	4531	AT & T MOBILITY	CELL PHONES & iPAD BILLING	41.07
					CELL PHONES & iPAD BILLING	2,650.39
					CELL PHONES & iPAD BILLING	17.60
					CELL PHONES & iPAD BILLING	715.74
					Total for Check/Tran - 91201:	3,424.80
91202	8/6/26	CHK	9997	NANCY BARNES	INACTIVE REFUND	7.90
91203	8/6/26	CHK	9997	GINA BARTHEL	INACTIVE REFUND	284.47
91204	8/6/26	CHK	9997	PAULA BATCHELDER	INACTIVE REFUND	555.08
91205	8/6/26	CHK	9997	MEGGAN BEEHLER	INACTIVE REFUND	205.34
91206	8/6/26	CHK	5224	BLUE CROSS BLUE SHIELD OF MINNES	VISION INSURANCE - SEPT 2026	318.37
					VISION INSURANCE - SEPT 2026	91.14
					Total for Check/Tran - 91206:	409.51
91207	8/6/26	CHK	9997	LINDSAY BONNEMA	INACTIVE REFUND	101.15
91208	8/6/26	CHK	9997	MADISANN BRADFORD	INACTIVE REFUND	262.47
91209	8/6/26	CHK	9997	BLAKE BREDESON	INACTIVE REFUND	222.32
91210	8/6/26	CHK	9997	JOSHUA BREHMER	INACTIVE REFUND	20.63
91211	8/6/26	CHK	9997	JENNA BROOME	Credit Balance Refund	217.43
91212	8/6/26	CHK	9997	CHARLES BROWN	INACTIVE REFUND	263.36
91213	8/6/26	CHK	9997	SARA BROWNE-DOLO	INACTIVE REFUND	401.41
91214	8/6/26	CHK	9997	RICH CARLSON	INACTIVE REFUND	477.99
91215	8/6/26	CHK	28	CINTAS	MATS & TOWELS	529.75
					MATS & TOWELS	75.67
					MATS & TOWELS	529.75

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Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
					MATS & TOWELS		75.67
						Total for Check/Tran - 91215:	1,210.84
91216	8/6/26	CHK	858	CIRCLE K	CIP REBATE		3,924.66
91217	8/6/26	CHK	3498	CITY OF OTSEGO	UTILITY PERMIT		200.00
91218	8/6/26	CHK	3498	CITY OF OTSEGO	ESCROW - 26-061 FIBER to OTSEGO SUB		1,500.00
91219	8/6/26	CHK	54	CORE & MAIN LP	METERS & PARTS		4,883.30
					Meter parts		318.64
					WATER METER ADAPTER - RETURN		-4,800.00
					Meter		2,675.30
					ELEC METERS		-195.30
						Total for Check/Tran - 91219:	2,881.94
91220	8/6/26	CHK	9997	CROW RIVER PROPERTIES	INACTIVE REFUND		68.52
91221	8/6/26	CHK	9997	THOMAS L DAVIS	INACTIVE REFUND		230.71
91222	8/6/26	CHK	9997	DEGREEFF PROPERTIES LLC III	INACTIVE REFUND		267.81
91223	8/6/26	CHK	3173	DELL MARKETING LP	Laptop		2,399.93
					Laptop		599.98
						Total for Check/Tran - 91223:	2,999.91
91224	8/6/26	CHK	9997	DAVID DEROSSETTE	INACTIVE REFUND		135.90
91225	8/6/26	CHK	656	DGR ENGINEERING	ELEC SYSTEM STUDY - JUNE 2026		7,327.00
					ARC FLASH ASSESSMENT - JUNE 2026		3,000.00
						Total for Check/Tran - 91225:	10,327.00
91226	8/6/26	CHK	8247	FERGUSON WATERWORKS #3325	Locator		1,502.70
91227	8/6/26	CHK	8949	FS3 INC.	PARTS FOR UNIT #56		1,357.76
					Mtce of URD Primary		6,084.41
					Mtce of URD Secondary		5,609.74

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						Total for Check/Tran - 91227:	13,051.91
91228	8/6/26	CHK	5550	GEARED UP APPAREL	EMPLOYEE RECOGNITION - 192		20.00
					EMPLOYEE RECOGNITION - 192		5.00
						Total for Check/Tran - 91228:	25.00
91229	8/6/26	CHK	9997	LYUBOV GEDZ	INACTIVE REFUND		35.21
91230	8/6/26	CHK	9997	GRACELAND OTSEGO HOLDINGS LLC	Credit Balance Refund		250.00
91231	8/6/26	CHK	80	GRAINGER	BLOWER		-20.43
					BLOWER		279.81
						Total for Check/Tran - 91231:	259.38
91232	8/6/26	CHK	53	GREAT RIVER ENERGY	2026 QTR 2 INTERCONNECTION SERVICES		900.00
91233	8/6/26	CHK	9997	TA HER	Credit Balance Refund		104.50
91234	8/6/26	CHK	9997	RACHAEL HILL	INACTIVE REFUND		245.74
91235	8/6/26	CHK	9997	SARAH JACOBSON	INACTIVE REFUND		412.96
91236	8/6/26	CHK	9997	REBEKAH JUDISCH	INACTIVE REFUND		61.31
91237	8/6/26	CHK	9997	KALU DAYTON RIVER RD, LLC	INACTIVE REFUND		136.39
91238	8/6/26	CHK	9997	LENNAR HOMES	Credit Balance Refund		111.95
91239	8/6/26	CHK	9997	LEWIS CUSTOM HOMES, INC	Credit Balance Refund		146.45
91241	8/6/26	CHK	9997	DELORES MELTON	INACTIVE REFUND		137.37
91242	8/6/26	CHK	145	MENARDS	PVC PIPE - UNIT #50		18.33
					ROOFING NAILS		26.86
					ROPE RATCHET - UNIT #5		42.01
					MISC PARTS & SUPPLIES		25.28
					MISC PARTS & SUPPLIES - UNIT #33		15.09
					MISC PARTS & SUPPLIES		8.92

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					MISC PARTS & SUPPLIES - UNIT #33	9.20
					MISC PARTS & SUPPLIES - UNIT #33	0.49
					SPRINKLER KIT	-53.92
					SPRINKLER & RISER	55.80
					REBATE	-3.91
					REBATE	-25.88
					REBATE	-29.32
					Total for Check/Tran - 91242:	88.95
91243	8/6/26	CHK	9997	ROCIO MEZA BARAJAS	INACTIVE REFUND	70.44
91244	8/6/26	CHK	857	MINNESOTA BOARD OF ACCOUNTANC	CPA LICENSE RENEWAL - 147	120.00
					CPA LICENSE RENEWAL - 147	30.00
					Total for Check/Tran - 91244:	150.00
91245	8/6/26	CHK	16	MINNESOTA DEPT OF HEALTH	CLASS C WATER OP - 191	23.00
91246	8/6/26	CHK	16	MINNESOTA DEPT OF HEALTH	CLASS D WATER OP - 194	23.00
91247	8/6/26	CHK	9997	MINNESOTA REVENUE	DEP To AP	254.62
91248	8/6/26	CHK	40	MINNESOTA RURAL WATER ASSOC	2026 OPERATOR EXPO - 157	150.00
					2026 OPERATOR EXPO - 63	150.00
					Total for Check/Tran - 91248:	300.00
91249	8/6/26	CHK	9997	MICHAEL MULLINS	INACTIVE REFUND	32.79
91250	8/6/26	CHK	120	NAPA AUTO PARTS	SPRAY ADHESIVE	11.24
					BATTERIES - UNIT #54	180.55
					Total for Check/Tran - 91250:	191.79
91251	8/6/26	CHK	9997	IHOR NELHA	INACTIVE REFUND	80.94
91252	8/6/26	CHK	9997	MICHAEL A OSTLUND	INACTIVE REFUND	64.81
91253	8/6/26	CHK	9997	PEARSON MONROE, LLC	INACTIVE REFUND	138.48

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91254	8/6/26	CHK	9997	PEARSON POLK LLC	INACTIVE REFUND		64.35
91255	8/6/26	CHK	9997	BRYANA PETRY	INACTIVE REFUND		73.28
91256	8/6/26	CHK	811	PRIME ADVERTISING & DESIGN, INC.	MONTHLY HOSTING OF WEBSITE		60.00
					MONTHLY HOSTING OF WEBSITE		60.00
					MONTHLY HOSTING OF WEBSITE		30.00
					Marketing		1,500.00
						Total for Check/Tran - 91256:	1,650.00
91257	8/6/26	CHK	3218	RDO EQUIPMENT CO.	PARTS FOR UNIT #56		307.20
					PARTS UNIT #61		-5.86
					PARTS UNIT #61		74.70
					PARTS FOR UNIT #61		-15.22
					PARTS FOR UNIT #61		193.72
						Total for Check/Tran - 91257:	554.54
91258	8/6/26	CHK	9997	KIMBERLY SANDSTROM	Credit Balance Refund		193.37
91260	8/6/26	CHK	9997	DEREK SEIDEL	INACTIVE REFUND		710.35
91261	8/6/26	CHK	159	SHORT ELLIOTT HENDRICKSON INC	AWIA RRA & ERP - JUNE 2026		5,654.00
					Well 7/9 WTP Improvements for Well 8		1,478.42
						Total for Check/Tran - 91261:	7,132.42
91262	8/6/26	CHK	9997	ABBY SININGER	INACTIVE REFUND		88.24
91263	8/6/26	CHK	9997	JOSE SOTO	INACTIVE REFUND		101.86
91264	8/6/26	CHK	463	ST LOUIS MRO, INC	DRUG SCREENING - 206 207		43.75
					DRUG SCREENING - 194 206 207		31.25
						Total for Check/Tran - 91264:	75.00
91265	8/6/26	CHK	9997	JOSHUA STARR	INACTIVE REFUND		11.31
91266	8/6/26	CHK	9997	JONATHAN STIMMLER	INACTIVE REFUND		206.63

08/01/2026 To 08/31/2026

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
91267	8/6/26	CHK	6107	STUART C. IRBY CO.	PEDESTALS		26,291.83
					Staples		506.29
					BOX PAD		4,940.00
					GLOVES & TESTING		-67.68
					GLOVES & TESTING		2,157.07
					Lug		492.50
					Tools		332.26
						Total for Check/Tran - 91267:	34,652.27
91268	8/6/26	CHK	3360	THE UPS STORE 5093	SHIPPING - PMI #40727		23.78
91269	8/6/26	CHK	6206	TIMRON PRECISION GEAR, INC.	CIP REBATE		251.35
91270	8/6/26	CHK	9999	TOP SPOT COMPANY LLC	Statement of Work Material Refund		1,125.94
91271	8/6/26	CHK	4532	TRACTOR SUPPLY CREDIT PLAN	TRACTOR SUPPLY		388.32
					TRACTOR SUPPLY		129.44
						Total for Check/Tran - 91271:	517.76
91272	8/6/26	CHK	375	VIKING ELECTRIC	Mtce of OH Primary		254.64
					REDUCER		-2.18
					REDUCER		29.88
					CONDUIT REPAIR KIT		-12.49
					CONDUIT REPAIR KIT		171.21
						Total for Check/Tran - 91272:	441.06
91273	8/6/26	CHK	9997	RACHEL WALDER	INACTIVE REFUND		45.03
91274	8/6/26	CHK	9997	MAX WELTON	INACTIVE REFUND		26.99
91275	8/6/26	CHK	55	WESCO RECEIVABLES CORP.	JUNCTION & BUSHING INSERT		4,145.30
					FEED THRU & ELBOWS		11,172.00
					Mtce of URD Primary		2,194.00
					TERMINATOR & SPLICE		1,074.12
					Mtce of URD Primary		623.52

Accounts Payable
Check Register

08/01/2026 To 08/31/2026

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
					CUTOUT	507.84
					Mtce of URD Primary	2,664.08
					Total for Check/Tran - 91275:	22,380.86
91276	8/6/26	CHK	9997	NEIL WILKINSON	INACTIVE REFUND	175.51
91277	8/6/26	CHK	9997	NAOMIE WILLIAMS	INACTIVE REFUND	5.25
91278	8/6/26	CHK	9997	MARK WILSON	INACTIVE REFUND	414.78
91279	8/6/26	CHK	9997	DONALD WIMPERIS	INACTIVE REFUND	71.03
91280	8/6/26	CHK	9997	MARGARET WOLD	INACTIVE REFUND	86.27
91281	8/12/26	CHK	328	1ST AYD CORPORATION	Wipes	716.59
					Wipes	179.15
					Total for Check/Tran - 91281:	895.74
91282	8/12/26	CHK	9997	CAPSTONE HOMES	Credit Balance Refund	151.61
91283	8/12/26	CHK	9997	CAPSTONE HOMES	Credit Balance Refund	109.59
91284	8/12/26	CHK	9997	CAPSTONE HOMES	Credit Balance Refund	109.56
91285	8/12/26	CHK	9997	CAPSTONE HOMES	Credit Balance Refund	34.25
91286	8/12/26	CHK	9997	CAPSTONE HOMES	Credit Balance Refund	77.26
91287	8/12/26	CHK	54	CORE & MAIN LP	Meter	2,666.67
					METERS	-194.67
					Total for Check/Tran - 91287:	2,472.00
91288	8/12/26	CHK	767	DAVE PERKINS CONTRACTING, INC	REPAIR WATER LEAK & REPLACE HARD SURFACE	7,928.00
91289	8/12/26	CHK	8709	FAIRVIEW HEALTH SERVICES	RANDOM DRUG SCREENING - 106 111 187 195	387.75
					RANDOM DRUG SCREENING - 106 111 187 195	2.25
					Total for Check/Tran - 91289:	390.00
91290	8/12/26	CHK	453	FORCE FLOW	Leveler	2,905.35

Accounts Payable
Check Register

08/01/2026 To 08/31/2026

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
91291	8/12/26	CHK	8949	FS3 INC.	TRAFFIC CONES	1,055.47
					Mtce of URD Secondary	4,822.36
					Total for Check/Tran - 91291:	5,877.83
91292	8/12/26	CHK	474	GATEWAY INFRASTRUCTURE, LLC	MR Refund - Remaining Escrow MR Inv 2586	650.00
91293	8/12/26	CHK	80	GRAINGER	FIRE HOSE ADAPTOR - FREEPORT TOWER	-7.44
					FIRE HOSE ADAPTOR - FREEPORT TOWER	101.96
					Total for Check/Tran - 91293:	94.52
91294	8/12/26	CHK	730	GREATAMERICA FINANCIAL SERVICES	LEASE FOR COPIER AT PLANT	105.01
					LEASE FOR COPIER AT PLANT	26.26
					Total for Check/Tran - 91294:	131.27
91295	8/12/26	CHK	631	HEALTHPARTNERS	DENTAL EE INSURANCE - SEPT 2026	1,138.31
					DENTAL ER INSURANCE - SEPT 2026	3,092.06
					DENTAL EE INSURANCE - SEPT 2026	182.09
					DENTAL ER INSURANCE - SEPT 2026	869.12
					Total for Check/Tran - 91295:	5,281.58
91296	8/12/26	CHK	709	HUMERATECH	FSB AC SERVICE	2,515.63
					FSB AC SERVICE	359.37
					Total for Check/Tran - 91296:	2,875.00
91297	8/12/26	CHK	8605	MARCO TECHNOLOGIES, LLC	CLOUD RECOVERY ACCT USAGE - JUNE 2026	2.43
					CLOUD RECOVERY ACCT USAGE - JUNE 2026	0.61
					ACE PROGRAM - 6/29 to 7/28/26	1,513.99
					ACE PROGRAM - 6/29 to 7/28/26	378.50
					MICROSOFT LICENSE -194 203 206 7.26-3.27	364.54
					MICROSOFT LICENSE -194 203 206 7.26-3.27	243.02
					Security	763.76
					Total for Check/Tran - 91297:	3,266.85
91298	8/12/26	CHK	145	MENARDS	SUPER GLUE	5.38

Accounts Payable
Check Register

08/01/2026 To 08/31/2026

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
91299	8/12/26	CHK	119	MINNESOTA COMPUTER SYSTEMS INC	FSB COPIER MTC CONTRACT-7/12 to 8/11/26	200.24
					FSB COPIER MTC CONTRACT-7/12 to 8/11/26	50.06
					Total for Check/Tran - 91299:	250.30
91300	8/12/26	CHK	3218	RDO EQUIPMENT CO.	PARTS FOR UNIT #56	827.40
91301	8/12/26	CHK	6107	STUART C. IRBY CO.	COVER & TESTING	-19.69
					COVER & TESTING	291.44
					FUSE	622.50
					Mtce of URD Primary	1,334.95
					Mtce of URD Primary	1,390.00
					ANCHOR POLE KEY	960.00
					Total for Check/Tran - 91301:	4,579.20
91302	8/12/26	CHK	3360	THE UPS STORE 5093	SHIPPING	88.28
91303	8/12/26	CHK	8523	TRI CAP	CIP LOW INCOME - #1197751 ITMAN	584.61
91304	8/12/26	CHK	55	WESCO RECEIVABLES CORP.	Mtce of OH Primary	156.15
					Mtce of URD Primary	149.95
					Sterling Locks	1,894.29
					Connector	1,039.56
					ARRESTER BRACKET	1,184.96
					Total for Check/Tran - 91304:	4,424.91
91305	8/12/26	CHK	5451	WRUCK SEWER AND PORTABLE RENT	PORTABLE TOILET RENTAL SERVICE	41.89
91306	8/19/26	CHK	766	ACE HARDWARE	PARTS FOR UNIT #61	13.51
					PARTS FOR UNIT #61	20.38
					PARTS FOR UNIT #8	42.23
					Total for Check/Tran - 91306:	76.12
91307	8/19/26	CHK	398	ALTEC INDUSTRIES, INC	PARTS FOR UNIT #21	154.57
91308	8/19/26	CHK	662	BENEFIT EXTRAS, INC	COBRA ADMIN - JULY 2026	15.00

Accounts Payable
Check Register

08/01/2026 To 08/31/2026

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
91309	8/19/26	CHK	9997	MICHAEL BRISBIN	INACTIVE REFUND		90.09
91310	8/19/26	CHK	3982	CENTERPOINT ENERGY	NATURAL GAS & IRON REMOVAL		255.69
					NATURAL GAS & IRON REMOVAL		98.72
						Total for Check/Tran - 91310:	354.41
91311	8/19/26	CHK	9997	DAVE CHRISTENSEN	INACTIVE REFUND		109.23
91312	8/19/26	CHK	54	CORE & MAIN LP	Meter parts		351.50
					Meter		19,890.00
						Total for Check/Tran - 91312:	20,241.50
91313	8/19/26	CHK	122	ELK RIVER WINLECTRIC	CONDUIT		117.32
					CONDUIT		-19.72
					Mtce of OH Primary		152.84
					MEADOWVALE BOOSTER FAN PARTS		-0.10
					MEADOWVALE BOOSTER FAN PARTS		1.31
					WASHER		-1.43
					WASHER		19.61
					CONDUIT		268.58
						Total for Check/Tran - 91313:	538.41
91314	8/19/26	CHK	572	EVERSPRING INN AND SUITES-MARSH	MMUA POLE TAKE DOWN HOTEL - 190		205.86
					MMUA POLE TAKE DOWN - 195		205.86
						Total for Check/Tran - 91314:	411.72
91315	8/19/26	CHK	8949	FS3 INC.	CLEAR-LOCK		237.67
					Truck 80		190.07
						Total for Check/Tran - 91315:	427.74
91316	8/19/26	CHK	9997	JEREMIAH GAEBEL	INACTIVE REFUND		148.73
91317	8/19/26	CHK	9997	DAVID HETRICK	INACTIVE REFUND		50.62
91318	8/19/26	CHK	5341	HUBBARD ELECTRIC	METER REPLACE - 13750 196TH		986.99
					METER REPLACE - 13750 196TH		-27.53

08/01/2026 To 08/31/2026

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
					REPLACE SERVICE - 13713 196TH	939.43
					REPLACE SERVICE - 13713 196TH	-41.57
					REPLACE SERVICE - 13975 196TH	691.34
					REPLACE SERVICE - 13975 196TH	-23.46
					Total for Check/Tran - 91318:	2,525.20
91319	8/19/26	CHK	709	HUMERATECH	FSB AC SYSTEM TRAINING	1,027.69
					FSB AC SYSTEM TRAINING	146.81
					Total for Check/Tran - 91319:	1,174.50
91320	8/19/26	CHK	9997	ZACHARY KNEALING	INACTIVE REFUND	11.30
91321	8/19/26	CHK	9997	PATRICIA LARSON	INACTIVE REFUND	148.19
91322	8/19/26	CHK	145	MENARDS	MISC PARTS & SUPPLIES	31.93
					MISC PARTS & SUPPLIES	7.98
					POST	37.75
					BLACK SPRAY PAINT - DERBA	6.43
					MISC PARTS & SUPPLIES	21.81
					Total for Check/Tran - 91322:	105.90
91323	8/19/26	CHK	9997	BIONCA PETERSON	INACTIVE REFUND	244.99
91324	8/19/26	CHK	9997	PEGGY SAMMONS	INACTIVE REFUND	266.20
91325	8/19/26	CHK	9997	SAWBILL OUTSTATE INC	INACTIVE REFUND	249.87
91326	8/19/26	CHK	9997	JEFF SMITH	INACTIVE REFUND	118.62
91327	8/19/26	CHK	463	ST LOUIS MRO, INC	FORMS	8.00
					FORMS and DRUG SCREENING-208	27.00
					Total for Check/Tran - 91327:	35.00
91328	8/19/26	CHK	6107	STUART C. IRBY CO.	Warning Tag	647.25
					GLOVE	69.41
					GLOVE	13.45

08/01/2026 To 08/31/2026

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
					BUSHING INSERT	2,985.00
					BUSHING INSERT & GROUNDING LUGS	1,492.50
					Mtce of URD Primary	1,260.00
					Mtce of URD Primary	264.29
					Mtce of OH Primary	94.93
					Total for Check/Tran - 91328:	6,826.83
91329	8/19/26	CHK	9997	SW WOLD CONSTRUCTION	INACTIVE REFUND	282.86
91330	8/19/26	CHK	3360	THE UPS STORE 5093	SHIPPING - RETURN ANCHORS	202.40
91331	8/19/26	CHK	331	TRANSUNION	SKIP TRACING - JULY 2026	80.00
					SKIP TRACING - JULY 2026	20.00
					Total for Check/Tran - 91331:	100.00
91332	8/19/26	CHK	222	UC LABORATORY	PHOSPHORUS TESTING	46.84
91333	8/19/26	CHK	8381	VERIFIED CREDENTIALS, LLC	BACKGROUND SCREENING - 208	67.50
91334	8/19/26	CHK	9997	CHARLES WEBER	INACTIVE REFUND	54.96
91335	8/19/26	CHK	55	WESCO RECEIVABLES CORP.	WIRE	1,094.93
					CLEVIS & THIMBLE EYE	273.60
					ANCHOR	537.28
					ELBOW ARRESTER	3,723.00
					Total for Check/Tran - 91335:	5,628.81
91336	8/19/26	CHK	9997	TRENT WILLARD	INACTIVE REFUND	152.76
91337	8/19/26	CHK	9997	TRACY YURICH	INACTIVE REFUND	422.32
91338	8/27/26	CHK	5341	HUBBARD ELECTRIC	BOOSTER PANEL FINAL INSPECTION	250.00
					GROUND IT CABINET - GARY ST TOWER	-27.43
					GROUND IT CABINET - GARY ST TOWER	1,035.74
					GROUND IT CABINET - JOHNSON TOWER	-17.39
					GROUND IT CABINET - JOHNSON TOWER	598.32

08/01/2026 To 08/31/2026

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
					GROUND IT CABINET - AUBURN TOWER		-13.16
					GROUND IT CABINET - AUBURN TOWER		540.18
					REPLACED FSB DRIVERS FOR LIGHTS		472.50
					REPLACED FSB DRIVERS FOR LIGHTS		67.50
					Total for Check/Tran - 91338:		2,906.26
91339	8/27/26	CHK	8605	MARCO TECHNOLOGIES, LLC	CLOUD RECOVERY ACCT USAGE - JULY 2026		2.50
					CLOUD RECOVERY ACCT USAGE - JULY 2026		0.63
					ACE PROGRAM - 7/29 to 8/28/26		1,531.39
					ACE PROGRAM - 7/29 to 8/28/26		382.85
					Total for Check/Tran - 91339:		1,917.37
91340	8/27/26	CHK	40	MINNESOTA RURAL WATER ASSOC	MEMBERSHIP RENEWAL - 10/26 to 9/27		425.00
91341	8/27/26	CHK	633	MUTUAL OF OMAHA	ELEC LIFE INSURANCE - SEPT 2026		299.32
					LIFE & LTD INSURANCE - SEPT 2026		1,881.57
					ELEC LIFE INSURANCE - SEPT 2026		218.28
					LIFE & LTD INSURANCE - SEPT 2026		465.06
					PFML - 2026 QTR 2		9,454.92
					PFML - 2026 QTR 2		-0.49
					PFML - 2026 QTR 2		2,025.39
					Total for Check/Tran - 91341:		14,344.05
91342	8/27/26	CHK	8606	QUADIENT FINANCE USA, INC	POSTAGE & INK		974.98
					POSTAGE & INK		243.74
					Total for Check/Tran - 91342:		1,218.72
					Total for Bank Account - 5 :	(232)	5,904,864.88
					Grand Total :	(233)	5,922,547.70

Accounts Payable
Check Register

PARAMETERS ENTERED:

Check Date:	08/01/2026 To 08/31/2026
Bank:	All
Vendor:	All
Check:	
Journal:	All
Format:	All GL References/Amounts
Extended Reference:	No
Sort By:	Check/Transaction
Voids:	None
Payment Type:	All
Group By Payment Type:	No
Minimum Amount:	0.00
Authorization Listing:	No
Credit Card Charges:	No

ELK RIVER MUNICIPAL UTILITIES
REGULAR MEETING OF THE UTILITIES COMMISSION
HELD AT THE UTILITIES CONFERENCE ROOM

August 11, 2026

Members Present:	Chair John Dietz, Vice Chair Mary Stewart, Commissioners Matt Westgaard, and Nick Zerwas
Members Remote:	Commissioner Jill Larson-Vito
ERMU Staff Present:	Mark Hanson, General Manager Sara Youngs, Administrations Director Melissa Karpinski, Finance Manager Tony Mauren, Governance & Communications Manager Tom Geiser, Operations Director Chris Sumstad, Electric Superintendent Mike Tietz, Technical Services Superintendent Dave Ninow, Water Superintendent Jenny Foss, Communications & Administrative Coordinator Alex Skoog, Electrical Distribution System Engineer
Others Present:	Jared Shepherd, Attorney

1.0 GOVERNANCE

1.1 Call Meeting to Order

The regular meeting of the Utilities Commission was called to order at 3:30 p.m. by Chair Dietz.

1.2 Pledge of Allegiance

The Pledge of Allegiance was recited.

1.3 Consider the Agenda

Commissioner Jill Larson-Vito attended the meeting remotely. To ensure an accurate record, all votes were conducted in a roll call.

There were no recommended changes to the agenda.

Moved by Commissioner Westgaard and seconded by Commissioner Zerwas to approve the August 11, 2026, agenda. Motion carried 5-0 in a roll call vote.

2.0 CONSENT AGENDA (Approved By One Motion)

Chair Dietz raised a question regarding the level of detail captured in meeting minutes and the retention of meeting recordings. Mr. Mauren explained that minutes are intended to capture key discussions and items not already included in the meeting packets. Individual commissioner comments are generally not transcribed verbatim. Mr. Mauren noted that currently staff retains the recordings for three years, while official minutes are kept permanently.

Moved by Commissioner Stewart and seconded by Commissioner Westgaard to approve the Consent Agenda as follows:

2.1 Check Register – July 2026
2.2 Regular Meeting Minutes – July 14, 2026
2.3 2026 Second Quarter Utilities Performance Metrics Score Card Statistics
2.4 2026 Second Quarter Delinquent Items
2.5 Commission Policy Update – G.4h – Financial Planning and Budgeting

Motion carried 5-0 in a roll call vote.

3.0 OPEN FORUM

No one appeared for open forum.

4.0 POLICY & COMPLIANCE

4.1 Commission Policy Review – G.4i – Financial Condition and Transactions

Mr. Mauren presented the next policy in the Commission's routine review. Commissioners found the policy fitting. No changes were recommended; no formal action was required.

4.2 Annual Strategic Plan Review

Mr. Hanson presented the review of the 2026-2028 Strategic Plan. He explained that of the 13 initiatives from the 2025-2027 plan, six had been completed, six would be completed by the end of the year, and one (Volt/VAR Control) would carry over to the 2026-2028 plan, which consists of 15 initiatives.

Mr. Hanson went on to explain that the 2026-2028 plan had items which were effectively topics entering a second phase from the last plan. Staff was shifting their focus from creating a preparedness plan to putting that plan into practice through tabletop exercises. Also, the water department was moving from a feasibility study to active engagement with a property owner on the potential siting of a water treatment plant and well.

Mr. Hanson explained that a previous review of Outage Management System needs indicated a preference to remain aligned with National Information Solutions Cooperative's (NISC) system as they are a current solution provider. With new engineering capacity made possible through the hiring of Mr. Skoog, staff will compare in-house capabilities against the services provided by NISC.

In response to a question about how staff prioritizes initiatives, Mr. Hanson explained that management has an annual strategic planning session and subsequently reviews dashboard progress in biweekly meetings. Each initiative has a designated lead or champion. Priorities are adjusted as needed based on operational demands, and all initiative progress is tracked in meeting notes.

The Commission provided consensus on high level strategic themes and dashboard initiatives.

5.0 BUSINESS ACTION

5.1 Financial Report – June 2026

Ms. Karpinski presented the financial statements for June 2026. The combined year-to-date net margin position is $216,000 (0.9%), a decrease from the prior month. The billing lag was noted, as June revenue largely reflects energy used in May when the weather is cooler than it had been recently.

Electric year-to-date is a net margin position of $752,000 (3.36%). June was the first month this year that electric revenue came in below budget, driven by lower-than-expected sales and higher purchased power costs, as well as an unfavorable investment dividend. Ms. Karpinski noted that July performance was strong and is expected to improve the overall position. Through June, electric sales were unfavorable to budget by $1.1 million; by the time of this meeting, strong July results had narrowed that gap to approximately $113,000.

Water year-to-date is at -$536,000 (-35% margin), an improvement from the prior month. For the first time this year, both budgeted and actual water results were above zero, reflecting seasonal usage increases.

A notable decrease was observed in interest and dividend income compared to the prior year ($21,000 in 2026 versus $234,000 in 2025). Ms. Karpinski explained this is due to a required accounting practice under Government Accounting Standards Board (GASB) rules, which mandates recording changes in the fair market value of investments. While the underlying investments and earned interest remain stable, the recorded value must reflect current market conditions, which were less favorable than the prior year.

The aging of receivables remains strong, with only approximately 3% in the 90-day past-due category. Staff recognized the collections team for their effective work in this area. Overall expenses increased approximately 1% from last year; kilowatt-hours purchased increased approximately 3%.

Energy Adjustment Clause charges were approximately 14% lower than the prior year.

Chair Dietz asked about apparent offsets between Operating, Miscellaneous, and Distribution expense accounts. Ms. Karpinski noted this relates to how certain items were recorded between accounts.

There was further discussion about the decreased investment dividend. Staff explained this reflects the change in fair market value and the intent of the GASB requirement is to provide an accurate, transparent reporting on investment values.

Moved by Commissioner Westgaard and seconded by Commissioner Stewart to receive the June 2026 Financial Report. Motion carried 5-0 in a roll call vote.

5.2 **2027 Annual Business Plan: Travel and Training; Dues, Subscriptions - Fees Budget**

Ms. Karpinski presented this portion of the budget with final approval of the complete budget to take place later in the year.

For the Travel and Training budget there is a proposed 3% increase over 2026. Key additions are funding for two apprentices to attend the lineworker rodeo, enrollment in a leadership program, and additional IT training.

For Dues, Subscriptions - Fees an initial 12% increase was presented in the packet; however, this figure is expected to decrease significantly following the discovery of a billing discrepancy with the Minnesota Municipal Utilities Association (MMUA). Prior to the meeting staff noticed MMUA was still billing the Utilities at the joint rate that applied when the City was also a client.

The Commission reached consensus to reduce the number of attendees of the Legislative Rally in Washington, D.C. to maximize value. The group discussed sending one staff member and one commissioner. Commissioner Zerwas was identified as a valuable attendee given his elected and professional experience. There was discussion about other commissioners who may have the interest and ability to attend in the future, in particular Commissioner Larson-Vito who has not yet had the opportunity. Staff and commissioners will review schedules to plan for the event in 2027.

5.3 **IT Capital Projects**

Per policy G.4i - Financial Condition and Transactions, the Commission was provided notice from staff that an individual project expenditure would exceed 10% of its budgeted amount. Whereas ERMU had budgeted $33,000 for its portion of a server upgrade in collaboration with the City, market conditions pushed costs for ERMU to $213,860.

Ms. Youngs also explained that the training room will be upgraded to a Microsoft Teams Room which is approximately $2,000 higher than the original budgeted amount of $8,000.

Funds for these items are to come from budgeted 2026 capital projects that will not be completed.

Staff added that unused 2026 funds will also be used to do a needed update on furniture in the conference room.

5.4 **Data Center Update and Lessons Learned**

Mr. Hanson presented a summary of outcomes from the recent data center topic, with the intent to ensure ERMU is prepared for the end of the moratorium, and to share opportunities for improvement identified through the process. Key takeaways were the importance of engaging with Great River Energy (GRE), independent consultants on system analysis, legal staff, and the public. Mr. Hanson noted a standing annual meeting with GRE was planned to begin in August or September 2026.

In response to Chair Dietz's question, Mr. Hanson explained that the proposed 23 MW data center was specific to the property identified by the developer and does not mean that a data center of the same size could be accommodated elsewhere in ERMU's service territory. He noted that the ability to serve a data center depends on several factors, including substation and feeder configuration.

Regarding partnership with GRE for transmission access, Mr. Hanson explained that capacity is allocated on a first-come, first-served basis. Although ERMU is not a GRE member, it is treated as a customer and is not subordinated to member utilities. He went on to clarify that the service agreement, letter of intent, and ordinance all stipulated that approval of the project was contingent upon GRE's ability to deliver the power.

Staff stated they would continue to remain informed on data center issues in the industry, using that knowledge to develop energy service agreements, tariffs, and fees that protect ERMU and its customers.

There was discussion about the City's method for approving data centers should they ever intend to site them in the future.

There was discussion about formal action on data centers taken by other nearby municipalities.

This topic will be addressed during a planned joint meeting with the Elk River Planning Commission and City Council in 2027.

5.5 Midwest Municipal Transmission Group Update

Ms. Youngs provided an update on the Midwest Municipal Transmission Group, an organization ERMU participates in that gives municipalities a voice in transmission markets. She shared that the board determined that the organization has fulfilled its original purpose and voted to dissolve.

Upon dissolution, ERMU anticipates receiving a refund of approximately $75,000 to $80,000, based on its historical dues payments. It was also clarified that this will not change ERMU's investment in transmission systems, which is still monitored regularly and managed by Central Minnesota Power Agency/Services.

Chair Dietz was asked to sign the form attached to the memo to process the refund.

6.0 BUSINESS DISCUSSION

6.1 Staff Updates

Mr. Hanson notified the Commission that he would be out of the office on August 13 and August 14 and will attend the MMUA Annual Conference the following week.

Ms. Youngs elaborated on her staff update bullet regarding a letter received from the Minnesota Attorney General, involving a customer who was disputing a charge. Ms. Youngs has submitted a detailed response to the Attorney General's office including all relevant policies and documentation. ERMU is awaiting a response.

Mr. Tietz provided an update on the Advanced Metering Infrastructure project. A shipment of 24 model 2S meters has been received and will be installed during the next week. The project is nearing completion; an estimated 300 model 3S meters remain to be installed.

6.2 City Council Update

Chair Dietz provided a City Council Update.

6.4 **Future Planning**

Chair Dietz announced the following:
a. Quorum – MMUA Summer Conference, August 17-19, 2026 – St. Cloud, MN
b. Regular Commission Meeting – September 8, 2026
c. 2026 Governance Agenda

6.5 **Other Business**

There was no other business.

7.0 ADJOURN REGULAR MEETING

Moved by Commissioner Westgaard and seconded by Commissioner Stewart to adjourn the regular meeting of the Elk River Municipal Utilities Commission at 4:57 p.m. Motion carried 5-0 in a roll call vote.

Minutes prepared by Tony Mauren.

____
John J. Dietz, ERMU Commission Chair

____
Justin Dunford, City Clerk

UTILITIES COMMISSION MEETING

TO: ERMU Commission	FROM: Tony Mauren – Governance & Communications Manager
MEETING DATE: September 8, 2026	**AGENDA ITEM NUMBER:** 4.1
SUBJECT: Commission Policy Review – G.4i1 - Investments	
ACTION REQUESTED: None	

BACKGROUND/DISCUSSION:
This month commissioners are reviewing policy G.4i1 - Investments to make comments, ask questions, or recommend updates.

With policy G.4i1, the Commission sets forth its expectations for the General Manager concerning the investment of ERMU funds.

Staff is not recommending any updates to the policy.

ATTACHMENTS:
- ERMU Policy – G.4i1 - Investments

Elk River Municipal Utilities

COMMISSION POLICY

Section:	Category:
Governance	Delegation to Management Policies
Policy Reference:	Policy Title:
G.4i1	**Investments**

PURPOSE:

With this policy, the Commission sets forth its expectations for the General Manager concerning the investment of ERMU funds.

POLICY:

The General Manager shall not allow investments of ERMU funds that conflict with the requirements of applicable federal, state, and local laws and regulations governing the investment of public funds (Including Minnesota Statutes Chapter 118A. Deposit and Investment of Local Public Funds). Management responsibility for the investment program is hereby delegated to the General Manager, acting under the guidance of the Financial Reserves and Investment Committee Charter.

The General Manager shall implement a Management Investment Policy that sets forth ERMU's policy, standard of prudence, objectives, delegation of authority, suitable investments, internal controls, performance standards and reporting requirements for ERMU investments.

In addition, the General Manager shall inform the Commission routinely about ERMU's investment performance, the content and application of the Management Investment Policy, and other investment matters that support the Commission in meeting its fiduciary requirements.

POLICY HISTORY:

Adopted	December 12, 2017
Revised	July 14, 2020

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	**FROM:** Sara Youngs – Administrations Director
MEETING DATE: September 8, 2026	**AGENDA ITEM NUMBER:** 4.2
SUBJECT: Commission Policy Update – G.4i6 – Public Purpose Expenditures	
ACTION REQUESTED: Approve changes to Public Purpose Expenditures policy	

BACKGROUND/DISCUSSION:
The proposed Public Purpose Expenditures policy revisions are intended to align the policy with ERMU's current business practices, clarify allowable public purpose expenditures, and ensure the policy reflects how these expenditures are currently administered.

The proposed Employee Engagement Program combines and updates ERMU's existing Employee Recognition and Employee Wellness programs into one program. Both the Employee Engagement Program and Safety Program are part of ERMU's Management Policy Manual.

Approving the changes to the Public Purpose Expenditures policy will provide consistency with current practices and create a clear framework for administering employee programs going forward.

ATTACHMENTS:
- Redlined - ERMU Policy – G.4i6 – Public Purpose Expenditures
- Revised - ERMU Policy – G.4i6 – Public Purpose Expenditures

Elk River Municipal Utilities

COMMISSION POLICY

Section: Governance	Category: Delegation to Management Policies
Policy Reference: **G.4i6**	Policy Title: **Public Purpose Expenditures**

1.0 POLICY

Pursuant to the statutes and laws of the State of Minnesota which regulate the expenditure of public funds for public purposes, Elk River Municipal Utilities (ERMU) believes it is necessary and appropriate to provide assistance and guidance to officials, employees, and representatives of ERMU to aid in the determination of when public funds may be spent for a public purpose.

To provide that assistance and guidance, the ERMU Board of Commissioners has adopted this Public Purpose Expenditure Policy establishing operating policies and procedures for the appropriate expenditure of public funds. The Utility Commission authorizes the General Manager to establish administrative policies and procedures that are consistent with this Policy.

Definition: A public purpose expenditure is one which relates to the purpose for which Elk River Municipal Utilities exists.

2.0 PUBLIC PURPOSE GUIDELINES

A. Training and development programs for ERMU employees serve a public purpose when those training and development programs are directly related to the performance of the employees' job-related duties and are directly related to the programs/services for which ERMU is responsible.

B. Payment of employee work-related expenses, including travel, lodging and meal expenses, serves a public purpose when those expenses are necessarily incurred by ERMU employees in connection with their actual work assignments or official duties, and those expenses are directly related to the performance of the governmental functions for which Elk River has responsibility.

C. Appropriate safety and employee engagement ~~health~~ programs for ERMU employees serve a public purpose because they result in healthier and more productive employees and reduce certain costs to ERMU customers, including various costs associated with workers compensation and disability benefit claims, insurance premiums, and lost time from employee absences.

D. Employee recognition and achievement awards for ERMU employees are appropriate public expenditures and serve a public purpose because formally recognizing employees who make significant contributions and demonstrate their commitment during the performance of their duties results in higher morale and productivity among all ERMU employees, and therefore helps ERMU to fulfill its responsibilities efficiently and more cost effectively.

E. Public expenditures for food and refreshments associated with official ERMU functions and meetings serve a public purpose when the provision of food or refreshments is an integral part of an official ERMU function, or the meeting or event occurs over a meal time and the provision of food or refreshment is reasonably necessary to promote timely attendance and meaningful participation by the participants.

F. Public expenditures for appropriate community and customer outreach and similar activities serve a public purpose when those expenditures are necessary for ERMU to ensure the efficient operation of its programs/services, promote the availability and use of ERMU resources, and promote coordinated, cooperative planning activities among and between the public and the private sectors.

3.0 SPECIFIC PROGRAMS AND EXPENDITURES

Every ERMU expenditure must be valid based upon the public purpose for which it is expended. These line-items are approved annually by the ERMU Commission as part of the overall budget approval process.

The following items are deemed to meet the ERMU Commission’s definition of public purpose expenditures:

A. Meetings - Food/Meals/Refreshments

ERMU recognizes that situations in which ERMU business needs to be discussed can and do occur during meal hours (i.e. luncheon meetings). In addition, there are public and employee meetings and events in which reasonable refreshments may add to the success of the meeting and/or event and create a more productive workforce. Meals are allowed at training or meetings only when they are part of a meeting or training involving official ERMU business, and are reasonably necessary or productive to conduct the meeting over those meal periods.

The following items are deemed to meet the ERMU Commission’s definition of public purpose expenditures in regards to food/meals/refreshments:

1. Allowed at ERMU meetings and events that have the purpose of discussing official ERMU business.

2. Allowed when they are part of the structured agenda for an offsite conference, workshop, seminar, training session, or meeting which the General Manager or a

department head has authorized the employee to attend for training and development purposes. This does not include routine staff meetings.

3. Allowed when they are part of a breakfast/lunch/dinner meeting for official ERMU business when it is the only practical time to meet and when it involves non-ERMU employee participants (i.e. business developers or business representatives). Payment for fees relating to a special event, such as a Chamber of Commerce event, may also be allowed when approved by the General Manager and when attendance is deemed to meet the public purpose guidelines for community or customer outreach and marketing of ERMU.

4. Allowed during official meetings of the Utility Commission, utility committees, advisory boards/commissions, and taskforces.

5. Allowed where employees are participating in an ERMU sponsored or authorized special event, or in an outside event as an official representative of ERMU.

6. Allowed for department sponsored meetings, conferences or workshops where the majority of invited participants are not ERMU employees.

7. ~~Cookies and coffee~~ A~~a~~llowed for ERMU employees' monthly safety meetings sponsored by the Safety Committee.

8. Allowed for ERMU's a~~A~~nnual safety training lunch where lunch is provided at a minimal cost while safety training is being held.

9. Allowed for ~~C~~offee ~~is~~ provided by ERMU for employees and guests at ERMU buildings.

~~9.~~ Allowed for electrolyte supplements, including single-serve electrolyte packets and sports drinks, to be purchased and provided to employees performing outdoor or physically demanding work during periods of extreme heat. ERMU will adhere to the guidelines outlined in the Extreme Heat and Hydration Policy.

B. Alcoholic Beverages

ERMU will not purchase or reimburse any employee, Commission Member, volunteer, or agent for the purchase of alcoholic beverages.

C. Employee Engagement ~~Recognition~~ Program

~~ERMU recognizes the hard work and service performed by ERMU employees through a formal Employee Recognition Program. The ERMU Commission believes the benefits of attracting, retaining and motivating employees through an Employee Recognition Program support employee job satisfaction, which in turn impacts cooperation and productivity. The~~

~~result is to provide excellent public and customer service to better serve the interests of the citizens of the community.~~

ERMU is committed to fostering a positive workplace culture that values employee health, well-being, engagement, and professional contributions. The Employee Engagement Program is designed to support employees throughout their careers by promoting physical and mental wellness, recognizing accomplishments and service milestones, and encouraging a collaborative and engaged workforce. ERMU will adhere to the guidelines outlined in the Employee Engagement Program Charter.

~~The Program will include:~~

1. ~~Annual Employee Customer Service Appreciation, in conjunction with the national Customer Service Week recognition. Annually ERMU will sponsor an Employee Customer Service Appreciation for ERMU employees. Appreciation tokens will be distributed and a lunch or breakfast will be provided, at a modest expense with prior General Manager approval.~~

2. ~~ERMU supports recognizing years of service. The Employee Recognition Workgroup has identified the following milestones for recognition:~~

   - ~~1 Year~~
   - ~~3 Years~~
   - ~~5 Years~~
   - ~~10 Years~~
   - ~~15 Years~~
   - ~~20 Years~~
   - ~~25 Years~~
   - ~~30 Years~~
   - ~~35 Years~~

   ~~Annually, the Employee Recognition Workgroup will review all upcoming anniversaries and recognition items that will be available for employee selection. The Workgroup will then include a program line item in the budget for ERMU Commission review and approval.~~

3. ~~Recognition Lamp. ERMU supports recognition of long term employees retiring after a minimum of 20 years of service. ERMU employees shall receive a novelty meter lamp with an engraved plate noting years of service.~~

D. Other Events

ERMU supports other events that are planned and paid for by employees. Examples of such events include holiday gatherings and monthly birthday recognition.

E. Refreshments and Food for Emergency Response Staff

Because emergency personnel are often called to perform for extended periods of time where refreshments are important to duty performance, ERMU personnel may be provided refreshments or food when it is deemed appropriate by the General Manager or Director of Operations to assure the delivery of quality emergency response service.

F. Employee Training

ERMU supports employee training and provides for reasonable reimbursement of registration, tuition and travel expense for conferences, seminars, workshops, and approved ERMU employment-related course work in accordance with the ERMU Personnel Policy. The Personnel Policy also contains guidelines for an education reimbursement program. Job related advanced education meets the public purpose guidelines of this Policy.

~~G. Employee Wellness Program~~

~~ERMU recognizes the importance of employee fitness and health as it relates to the overall work and life satisfaction of the employee and the impact on the ERMU health insurance program. As such, ERMU supports the Employee Wellness Program, which has been designed to educate employees on fitness/health issues. Also, in an effort to promote wellness, the city maintains a fitness room equipped with exercise equipment that is available to all ERMU staff 24/7.~~

H. Employee Safety Program

ERMU is dedicated to maintaining a safe and secure work environment for all employees. the Employee Safety Program is a formal initiative designed to prevent workplace injuries, foster a culture of safety awareness, and ensure compliance with regulatory standards. ERMU will adhere to the guidelines outlined in the Employee Safety Program Charter.

~~Programs created by the Safety Committee to promote and retain a safe work environment are supported by ERMU.~~ *Refer to Meetings: Food/Meals/Refreshments*

I. Membership and Dues

The ERMU Board of Commissioners has determined that ERMU will fund memberships and dues for ERMU Commission Members and employees in professional organizations and social and community organizations when the primary purpose is to promote, advertise, improve or develop the ERMU's resources and advantages and not personal interest or gain. Said memberships shall be approved by the General Manager.

J. Membership in the Local Chamber of Commerce & Rotary

The ERMU Board of Commissioners has determined that it serves a public purpose for ERMU to maintain membership in the Elk River Chamber of Commerce and Rotary as a means of promoting, advertising, improving, and developing the economic resources and advantages of ERMU.

K. Donations to Organizations

The ERMU Board of Commissioners has determined that it serves a public purpose for ERMU to purchase decorations, and candy for distribution at local parades and similar community events.

L. Clothing and Other Sundry Items

ERMU employees may receive T-shirts, and other sundry items of nominal value when these items are made available to the general public, or if these items are determined by the General Manager to be important to the successful involvement of employees in special ERMU sponsored or supported events (i.e. National Night Out, etc.).

M. Marketing Items

The ERMU Board of Commissioners has determined that it serves a public purpose for ERMU to distribute items of a nominal nature for the purpose of educating or promoting ERMU provided programs such as water and energy conservation, and electrical safety.

N. Sympathy Gifts

The cost of flowers or other similar items as a sign of sympathy shall not be paid for with ERMU funds.

O. Gifts for Employees, Consultants and Others

ERMU shall not pay for gifts to employees, consultants, or similar persons working with or for the ERMU.

P. Recognition Plaques for Commissioners

ERMU supports recognition plaques in recognition of years of service. ERMU Commissioners shall receive a plaque thanking them for their dedicated years of service upon completion of their service on the Board.

4.0 CONCLUSION

The ERMU Board of Commissioners reserves the right to not fund any item of expenditure described in this Policy. No provision of this Policy, or its administration, shall be construed as being a benefit or condition of employment by or for any employee of ERMU, nor is any provision of this Policy to be considered a provision of the ERMU's Personnel Policy.

The ERMU Board of Commissioners has determined that the above expenditures are valid expenditures and serve a public purpose.

POLICY HISTORY:

Adopted November 15, 2011
Revised April 10, 2018
Revised November 12, 2019

Revised September , 2026

Elk River Municipal Utilities

COMMISSION POLICY

Section: Governance	Category: Delegation to Management Policies
Policy Reference: **G.4i6**	Policy Title: **Public Purpose Expenditures**

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Refer to Meetings: Food/Meals/Refreshments

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4.0 CONCLUSION

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POLICY HISTORY:

Adopted November 15, 2011
Revised April 10, 2018
Revised November 12, 2019
Revised September 8, 2026

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	**FROM:** Melissa Karpinski – Finance Manager
MEETING DATE: September 8, 2026	**AGENDA ITEM NUMBER:** 5.1
SUBJECT: Financial Report – July 2026	
ACTION REQUESTED: Receive the July 2026 Financial Report	

DISCUSSION:
Please note that these are the preliminary *unaudited* financial statements.

Electric
July year to date (YTD) electric kWh sales are up 7% compared to the prior year. The breakdown is as follows:

- Residential usage increased 7%
- Small Commercial usage increased 3%
- Large Commercial usage increased 7%

For July 2026, the electric department is performing ahead of prior YTD results but is unfavorable to the YTD budget. Additional variance analysis is provided in the attached Summary Electric Statement of Revenues, Expenses and Changes in Net Position.

Water
July YTD gallons of water sold are up 8% compared to the prior year. The breakdown is as follows:

- Residential usage increased 10%
- Commercial usage increased 6%

For July 2026, the water department is performing behind the prior YTD results but is favorable to the YTD budget. Additional variance analysis is provided in the attached Summary Water Statement of Revenues, Expenses and Changes in Net Position.

ATTACHMENTS:

- Financial Statements
- Graphs Prior Year and YTD 2026

Elk River Municipal Utilities
Elk River, Minnesota
Statement of Net Position
July 31, 2026

	Electric	Water	Total
Assets			
Current Assets			
Cash and Investments	9,861,557	11,260,978	21,122,535
Receivables	4,649,240	450,089	5,099,329
Due from Other City Funds	3,863	128,850	132,713
Inventories	2,295,723	67,771	2,363,495
Prepaid Items	218,996	64,516	283,513
Total Current Assets	17,029,380	11,972,204	29,001,584
Non-Current Assets			
Lease Receivable	-	5,622,838	5,622,838
Capital Assets			
Construction In Progress	3,496,907	290,474	3,787,381
Land	697,870	200,714	898,584
Intangible Assets	29,656,945	-	29,656,945
Land Improvements	34,081	-	34,081
Buildings	15,968,600	3,425,450	19,394,050
Machinery and Equipment	5,842,038	789,641	6,631,678
Transmission	2,305,024	-	2,305,024
Production	-	14,725,937	14,725,937
Distribution	62,454,312	31,201,536	93,655,849
Capital Assets, Cost	120,455,776	50,633,752	171,089,528
Less Accumulated Depreciation	(46,035,153)	(26,111,438)	(72,146,591)
Total Capital Assets, Net	74,420,623	24,522,314	98,942,937
Total Non-Current Assets	74,420,623	30,145,152	104,565,775
Other Assets			
Restricted Cash	1,779,016	-	1,779,016
Deferred Outflows of Resources	396,358	82,418	478,776
Total Assets	**93,625,376**	**42,199,774**	**135,825,150**
Liabilities and Fund Equity			
Current Liabilities			
Accounts Payable	4,496,688	303,921	4,800,610
Salaries and Benefits Payable	125,311	24,740	150,051
Accrued Interest Payable	-	-	-
Due to Other City Funds	778,263	12,067	790,330
Due to Other Governments	386,006	10,292	396,298
Customer Deposits Payable	1,260,410	195,459	1,455,870
Unearned Revenue	8,363	491,467	499,830
Compensated Absences	1,104,100	155,997	1,260,097
Bonds Payable-Current Portion	-	-	-
Total Current Liabilities	8,159,142	1,193,944	9,353,085
Non-Current Liabilities			
Bonds Payable, Net - Less Current Portion	26,080,618	1,409,764	27,490,382
Net Pension Liabilities	1,541,981	323,143	1,865,124
Total Non-Current Liabilities	27,622,599	1,732,907	29,355,506
Total Liabilities	35,781,740	2,926,851	38,708,591
Total Deferred Inflows of Resources	1,034,353	5,488,482	6,522,835
Total Net Position	56,809,283	33,784,442	90,593,724
Total Liabilities & Fund Equity	**93,625,376**	**42,199,774**	**135,825,150**

Elk River Municipal Utilities
Elk River, Minnesota
Electric Statement of Net Position

Electric	July 31, 2026	June 30, 2026	Current Month Change from Prior Month
Assets			
Current Assets			
Cash and Investments	9,861,557	11,424,675	(1,563,118)
Receivables	4,649,240	3,251,196	1,398,044
Due from Other City Funds	3,863	4,151	(289)
Inventories	2,295,723	2,581,797	(286,074)
Prepaid Items	218,996	203,352	15,644
Total Current Assets	17,029,380	17,465,172	(435,792)
Non-Current Assets			
Lease Receivable	-	-	-
Capital Assets			
Construction In Progress	3,496,907	3,215,370	281,537
Land	697,870	697,870	-
Intangible Assets	29,656,945	29,656,945	-
Land Improvements	34,081	34,081	-
Buildings	15,968,600	15,832,325	136,275
Machinery and Equipment	5,842,038	6,053,272	(211,234)
Transmission	2,305,024	2,305,024	-
Distribution	62,454,312	62,338,359	115,953
Capital Assets, Cost	120,455,776	120,133,245	322,531
Less Accumulated Depreciation	(46,035,153)	(45,950,754)	(84,400)
Total Capital Assets, Net	74,420,623	74,182,491	238,131
Total Non-Current Assets	74,420,623	74,182,491	238,131
Other Assets			
Restricted Cash	1,779,016	1,779,016	-
Deferred Outflows of Resources	396,358	396,358	-
Total Assets	**93,625,376**	**93,823,037**	**(197,661)**
Liabilities and Fund Equity			
Current Liabilities			
Accounts Payable	4,496,688	3,989,859	506,829
Salaries and Benefits Payable	125,311	292,912	(167,601)
Accrued Interest Payable	-	320,482	(320,482)
Due to Other City Funds	778,263	940,085	(161,822)
Due to Other Governments	386,006	284,038	101,968
Customer Deposits Payable	1,260,410	1,255,642	4,769
Unearned Revenue	8,363	10,035	(1,673)
Compensated Absences	1,104,100	1,092,133	11,967
Bonds Payable-Current Portion	-	510,000	(510,000)
Total Current Liabilities	8,159,142	8,695,186	(536,044)
Non-Current Liabilities			
Bonds Payable, Net - Less Current Portion	26,080,618	26,085,606	(4,989)
Net Pension Liabilities	1,541,981	1,541,981	-
Total Non-Current Liabilities	27,622,599	27,627,587	(4,989)
Total Liabilities	35,781,740	36,322,773	(541,033)
Total Deferred Inflows of Resources	1,034,353	1,034,353	-
Total Net Position	56,809,283	56,465,911	343,372
Total Liabilities & Fund Equity	**93,625,376**	**93,823,037**	**(197,661)**

Elk River Municipal Utilities
Elk River, Minnesota
Water Statement of Net Position

Water	July 31, 2026	June 30, 2026	Current Month Change from Prior Month
Assets			
Current Assets			
Cash and Investments	11,260,978	11,106,830	154,148
Receivables	450,089	378,755	71,333
Due from Other City Funds	128,850	128,850	-
Inventories	67,771	66,170	1,602
Prepaid Items	64,516	55,561	8,956
Total Current Assets	11,972,204	11,736,166	236,039
Non-Current Assets			
Lease Receivable	5,622,838	5,622,838	-
Capital Assets			
Construction In Progress	290,474	154,988	135,486
Land	200,714	200,714	-
Intangible Assets	-	-	-
Land Improvements	-	-	-
Buildings	3,425,450	3,425,450	-
Machinery and Equipment	789,641	789,641	-
Production	14,725,937	14,725,937	-
Distribution	31,201,536	31,201,536	-
Capital Assets, Cost	50,633,752	50,498,266	135,486
Less Accumulated Depreciation	(26,111,438)	(25,994,994)	(116,443)
Total Capital Assets, Net	24,522,314	24,503,271	19,043
Total Non-Current Assets	30,145,152	30,126,109	19,043
Other Assets			
Restricted Cash	-	-	-
Deferred Outflows of Resources	82,418	82,418	-
Total Assets	**42,199,774**	**41,944,693**	**255,081**
Liabilities and Fund Equity			
Current Liabilities			
Accounts Payable	303,921	135,597	168,324
Salaries and Benefits Payable	24,740	57,113	(32,373)
Accrued Interest Payable	-	15,250	(15,250)
Due to Other City Funds	12,067	9,541	2,526
Due to Other Governments	10,292	7,129	3,162
Customer Deposits Payable	195,459	195,415	45
Unearned Revenue	491,467	443,436	48,031
Compensated Absences	155,997	158,271	(2,274)
Bonds Payable-Current Portion	-	70,000	(70,000)
Total Current Liabilities	1,193,944	1,091,752	102,192
Non-Current Liabilities			
Bonds Payable, Net - Less Current Portion	1,409,764	1,410,318	(554)
Net Pension Liabilities	323,143	323,143	-
Total Non-Current Liabilities	1,732,907	1,733,461	(554)
Total Liabilities	2,926,851	2,825,213	101,638
Total Deferred Inflows of Resources	5,488,482	5,488,482	-
Total Net Position	33,784,442	33,630,998	153,444
Total Liabilities & Fund Equity	**42,199,774**	**41,944,693**	**255,081**

Elk River Municipal Utilities

Elk River, Minnesota

Statement of Revenues, Expenses and Changes in Net Position

For Period Ending July 31, 2026

Electric	Actual July 2026	Budget July 2026	Year-To-Date Actual 2026	Year-To-Date Budget 2026	Year-To-Date Budget Variance	Year-To-Date Budget Var%	Budget 2026	Actual July 2025	Year-To-Date Actual 2025	Year-To-Date Prior Yr Variance	Year-To-Date PY Var%	Variance
Revenue												
Operating Revenue												
Elk River	4,888,736	4,001,106	23,509,451	23,612,946	(103,495)	0%	43,306,594	3,763,579	22,594,900	914,551	4%	
Otsego	518,993	409,936	2,433,995	2,436,751	(2,756)	0%	4,454,313	382,202	2,329,159	104,836	5%	
Big Lake	24,890	22,526	127,881	133,905	(6,024)	-4%	241,665	18,245	122,663	5,217	4%	
Dayton	32,136	27,119	159,118	163,203	(4,085)	-3%	294,054	23,774	155,848	3,269	2%	
Public St & Hwy Lighting	23,891	23,333	166,913	163,331	3,582	2%	280,000	23,900	165,202	1,711	1%	
Other Electric Sales	400	400	2,800	2,800	-	0%	4,800	400	2,800	-	0%	
Total Operating Revenue	**5,489,045**	**4,484,419**	**26,400,157**	**26,512,935**	**(112,778)**	**0%**	**48,581,426**	**4,212,098**	**25,370,572**	**1,029,585**	**4%**	
Other Operating Revenue												
Interest/Dividend Income	(49,002)	29,167	(27,411)	204,169	(231,580)	-113%	350,000	18,521	253,371	(280,782)	-111%	(1)
Customer Penalties	26,034	25,417	148,545	177,919	(29,374)	-17%	305,000	28,142	157,662	(9,117)	-6%	(2)
Connection Fees	30,529	21,250	319,592	148,750	170,842	115%	255,000	24,875	149,796	169,795	113%	(3)
Misc Revenue	79,771	97,751	1,140,205	706,757	433,448	61%	1,193,000	173,299	1,022,548	117,657	12%	(4)
Total Operating Revenue	**87,332**	**173,585**	**1,580,931**	**1,237,595**	**343,336**	**28%**	**2,103,000**	**244,837**	**1,583,377**	**(2,446)**	**0%**	
Total Revenue	**5,576,378**	**4,658,004**	**27,981,088**	**27,750,530**	**230,558**	**1%**	**50,684,426**	**4,456,935**	**26,953,949**	**1,027,139**	**4%**	
Expenses												
Purchased Power	3,933,877	3,243,586	18,231,319	17,669,410	561,909	3%	31,659,362	3,536,856	17,668,828	562,491	3%	
Operating & Mtce Expense	88	26,833	1,960	187,831	(185,871)	-99%	321,993	21,538	178,045	(176,085)	-99%	(5)
Transmission Expense	3,728	5,833	24,686	40,831	(16,145)	-40%	70,000	3,558	20,885	3,801	18%	
Distribution Expense	58,977	45,417	507,960	317,919	190,041	60%	545,000	40,776	315,856	192,104	61%	(6)
Maintenance Expense	186,700	153,246	1,076,595	1,150,722	(74,127)	-6%	1,990,000	124,711	1,049,766	26,829	3%	
Depreciation & Amortization	295,634	294,428	2,068,253	2,060,996	7,257	0%	3,533,136	289,078	2,015,438	52,816	3%	
Interest Expense	59,108	59,108	414,630	414,630	0	0%	699,543	61,983	435,155	(20,525)	-5%	
Other Operating Expense	3,725	9,105	45,053	63,735	(18,682)	-29%	414,250	24,144	68,495	(23,443)	-34%	
Customer Accounts Expense	40,404	36,250	258,174	253,750	4,424	2%	435,000	37,454	242,176	15,997	7%	
Administrative Expense	370,629	361,859	2,778,654	2,760,591	18,063	1%	4,617,413	324,373	2,592,097	186,558	7%	
General Expense	38,528	54,774	286,877	383,418	(96,541)	-25%	657,300	77,338	359,472	(72,594)	-20%	(7)
Total Expenses (before Operating Transfers)	**4,991,397**	**4,290,438**	**25,694,161**	**25,303,833**	**390,328**	**2%**	**44,942,997**	**4,541,808**	**24,946,212**	**747,949**	**3%**	
Operating Transfer												
Operating Transfer/Other Funds	245,373	200,055	1,182,010	1,180,647	1,363	0%	2,165,330	151,292	908,989	273,021	30%	(8)
Utilities & Labor Donated	(3,764)	-	9,135	-	9,135	0%	-	20,514	138,879	(129,744)	-93%	(9)
Total Operating Transfer	**241,609**	**200,055**	**1,191,145**	**1,180,647**	**10,498**	**1%**	**2,165,330**	**171,806**	**1,047,869**	**143,277**	**14%**	
Net Income Profit (Loss)	**343,372**	**167,510**	**1,095,781**	**1,266,050**	**(170,268)**	**-13%**	**3,576,100**	**(256,679)**	**959,868**	**135,913**	**14%**	

Item Variance of +/- $25,000 and +/- 15%

(1) Budget and PYTD variance is due to the change in Fair Market Value.

(2) Budget variance is mainly due to an even budget spread throughout year and slightly less than average billed in 2026 YTD.

(3) Budget and PYTD variance is mainly due to a large connection agreement in January and March of 2026.

(4) Budget variance is mainly due to Contributions from Customers having a large SOW for a dedicated feeder in January 2026.

(5) Budget and PYTD variance is due to not using majority of generating g/l accounts in 2026 due to retirement of power plant engines and reclassing to distribution expense.

(6) Budget and PYTD variance is due to reclassing generating g/l accounts in 2026 to distribution expense.

(7) Budget and PYTD variance is mainly due to timing of commercial rebates and low income rebates.

(8) PYTD variance is due to the change to PILOT that was made in 2026.

(9) PYTD variance is due to the change to PILOT that was made in 2026.

Elk River Municipal Utilities

Elk River, Minnesota

Statement of Revenues, Expenses and Changes in Net Position

For Period Ending July 31, 2026

Water	Actual July 2026	Budget July 2026	Year-To-Date Actual 2026	Year-To-Date Budget 2026	Year-To-Date Budget Variance	Year-To-Date Budget Var%	Budget 2026	Actual July 2025	Year-To-Date Actual 2025	Year-To-Date Prior Yr Variance	Year-To-Date PY Var%	Variance
Revenue												
Operating Revenue												
Water Sales	431,013	350,479	1,640,888	1,588,205	52,683	3%	3,226,078	326,213	1,490,586	150,302	10%	
Total Operating Revenue	**431,013**	**350,479**	**1,640,888**	**1,588,205**	**52,683**	**3%**	**3,226,078**	**326,213**	**1,490,586**	**150,302**	**10%**	
Other Operating Revenue												
Interest/Dividend Income	(10,074)	10,500	3,915	73,500	(69,585)	-95%	126,000	6,274	70,934	(67,019)	-94%	(1)
Customer Penalties	2,293	2,917	10,555	20,419	(9,864)	-48%	35,000	2,241	16,794	(6,239)	-37%	
Connection Fees	43,162	37,167	293,390	260,169	33,221	13%	446,000	65,049	474,344	(180,955)	-38%	(2)
Misc Revenue	974	1,008	32,596	11,056	21,540	195%	477,350	975	71,615	(39,019)	-54%	(3)
Total Operating Revenue	**36,354**	**51,592**	**340,455**	**365,144**	**(24,689)**	**-7%**	**1,084,350**	**74,539**	**633,687**	**(293,231)**	**-46%**	
Total Revenue	**467,367**	**402,071**	**1,981,343**	**1,953,349**	**27,994**	**1%**	**4,310,428**	**400,752**	**2,124,273**	**(142,930)**	**-7%**	
Expenses												
Production Expense	10,439	10,417	123,875	72,919	50,956	70%	125,000	12,491	75,987	47,888	63%	(4)
Pumping Expense	27,000	55,668	350,778	389,676	(38,898)	-10%	668,000	60,899	366,538	(15,760)	-4%	
Distribution Expense	44,747	35,041	238,370	272,287	(33,917)	-12%	447,500	35,213	291,427	(53,057)	-18%	(5)
Depreciation & Amortization	116,443	117,917	815,549	825,419	(9,870)	-1%	1,415,000	115,485	807,867	7,682	1%	
Interest Expense	2,496	2,496	17,470	17,470	0	0%	28,782	2,712	18,987	(1,517)	-8%	
Other Operating Expense	175	52	1,434	364	1,070	294%	50,625	225	(15,550)	16,984	109%	(6)
Customer Accounts Expense	9,884	8,688	60,912	60,816	96	0%	104,250	9,218	58,680	2,232	4%	
Administrative Expense	93,823	99,101	721,682	744,455	(22,773)	-3%	1,251,950	80,941	658,359	63,322	10%	
General Expense	295	605	1,153	4,235	(3,082)	-73%	7,250	178	1,956	(802)	-41%	
Total Expenses (before Operating Transfers)	**305,303**	**329,985**	**2,331,224**	**2,387,641**	**(56,417)**	**-2%**	**4,098,357**	**317,361**	**2,264,251**	**66,973**	**3%**	
Operating Transfer												
Operating Transfer/Other Funds	8,620	7,010	32,818	31,765	1,053	3%	64,522	-	-	32,818	0%	
Utilities & Labor Donated	-	167	-	1,169	(1,169)	-100%	2,000	-	-	-	0%	
Total Operating Transfer	**8,620**	**7,177**	**32,818**	**32,934**	**(116)**	**0%**	**66,522**	**-**	**-**	**32,818**	**0%**	
Net Income Profit (Loss)	**153,444**	**64,909**	**(382,699)**	**(467,226)**	**84,527**	**18%**	**145,550**	**83,391**	**(139,979)**	**(242,720)**	**-173%**	

Item Variance of +/- $15,000 and +/- 15%

(1) Budget and PYTD variance is due to the change in Fair Market Value.
(2) PYTD variance is due to a large connection fee in June 2025.
(3) Budget variance is mainly due to Tyco and BASF AFFF settlement. PTYD variance is mainly due to a contribution from a developer.
(4) Budget and PYTD variance is mainly due installation of transformer at Meadowvale Booster Station and labor in 2026.
(5) PYTD variance is due to mtce of water mains (Polk & Business Center Dr), water meter service repairs and water mapping labor.
(6) PYTD variance is due to a credit received in 2025.

Elk River Municipal Utilities
Elk River, Minnesota
Statement of Revenues, Expenses and Changes in Net Position
For Period Ending July 2026

Electric	Actual July 2026	Budget July 2026	Year-To-Date Actual 2026	Year-To-Date Budget 2026	Year-To-Date Budget Variance	Year-To-Date Budget Var%	Budget 2026	Actual July 2025	Year-To-Date Actual 2025	Year-To-Date Prior Yr Variance	Year-To-Date PY Var%
Revenue											
Operating Revenue											
Electric Sales - Elk River											
ELECT SALES - ELK RIVER RESIDENTIAL	1,688,140	1,402,629	8,412,152	8,290,682	121,470	1%	14,974,097	1,326,365	7,732,056	680,096	9%
ELECT SALES - ELK RIVER NON-DEMAND	357,519	309,686	2,067,259	2,091,706	(24,447)	-1%	3,713,891	288,082	1,950,872	116,387	6%
ELECT SALES - ELK RIVER DEMAND	2,098,212	1,826,150	11,223,383	10,508,249	715,134	7%	19,613,601	1,731,319	10,208,880	1,014,503	10%
PCA SALES REVENUE - ELK RIVER RESIDENTIA	262,347	150,524	600,131	889,723	(289,592)	-33%	1,606,960	142,747	853,144	(253,013)	-30%
PCA SALES REVENUE - ELK RIVER NON-DEMAND	54,936	36,573	142,408	247,024	(104,616)	-42%	438,601	30,933	230,791	(88,384)	-38%
PCA SALES REVENUE - ELK RIVER DEMAND	427,582	275,543	1,064,119	1,585,562	(521,443)	-33%	2,959,444	244,133	1,619,157	(555,039)	-34%
Total Electric Sales - Elk River	4,888,736	4,001,106	23,509,451	23,612,946	(103,495)	0%	43,306,594	3,763,579	22,594,900	914,551	4%
Electric Sales - Otsego											
ELECT SALES - OTSEGO RESIDENTIAL	193,593	159,560	959,662	943,127	16,535	2%	1,703,416	140,515	861,220	98,442	11%
ELECT SALES - OTSEGO NON-DEMAND	61,465	46,038	304,407	310,952	(6,546)	-2%	552,105	48,023	290,789	13,618	5%
ELECT SALES - OTSEGO DEMAND	185,548	159,811	985,797	919,605	66,191	7%	1,716,440	152,718	905,744	80,053	9%
PCA SALES REVENUE - OTSEGO RESIDENTIAL	29,638	17,123	67,028	101,212	(34,184)	-34%	182,804	14,787	94,229	(27,201)	-29%
PCA SALES REVENUE - OTSEGO NON-DEMAND	9,871	4,160	23,298	28,100	(4,802)	-17%	49,894	5,387	36,393	(13,095)	-36%
PCA SALES REVENUE - OTSEGO DEMAND	38,879	23,244	93,803	133,754	(39,951)	-30%	249,654	20,771	140,784	(46,981)	-33%
Total Electric Sales - Otsego	518,993	409,936	2,433,995	2,436,751	(2,756)	0%	4,454,313	382,202	2,329,159	104,836	5%
Electric Sales - Big Lake											
ELECT SALES - BIG LAKE RESIDENTIAL	20,893	19,531	117,785	115,443	2,342	2%	208,507	16,062	108,690	9,095	8%
ELECT SALES - BIG LAKE NON-DEMAND	670	390	1,914	2,633	(719)	-27%	4,675	421	1,796	118	7%
PCA SALES REVENUE - BIG LAKE RESIDENTIAL	3,228	2,096	8,036	12,389	(4,353)	-35%	22,376	1,722	12,009	(3,973)	-33%
PCA SALES REVENUE - BIG LAKE NON-DEMAND	99	509	146	3,440	(3,294)	-96%	6,107	40	169	(22)	-13%
Total Electric Sales - Big Lake	24,890	22,526	127,881	133,905	(6,024)	-4%	241,665	18,245	122,663	5,217	4%
Electric Sales - Dayton											
ELECT SALES - DAYTON RESIDENTIAL	23,671	20,824	125,423	123,085	2,338	2%	222,309	18,119	118,057	7,366	6%
ELECT SALES - DAYTON NON-DEMAND	4,246	3,450	23,738	23,304	434	2%	41,376	3,414	22,586	1,152	5%
PCA SALES REVENUE - DAYTON RESIDENTIAL	3,604	2,235	8,414	13,208	(4,794)	-36%	23,857	1,902	12,724	(4,310)	-34%
PCA SALES REVENUE - DAYTON NON-DEMAND	615	610	1,543	3,606	(2,063)	-57%	6,512	338	2,482	(939)	-38%
Total Electric Sales - Dayton	32,136	27,119	159,118	163,203	(4,085)	-3%	294,054	23,774	155,848	3,269	2%
Public St & Hwy Lighting											
ELECT SALES - SEC LTS	23,891	23,333	166,913	163,331	3,582	2%	280,000	23,900	165,202	1,711	1%
Total Public St & Hwy Lighting	23,891	23,333	166,913	163,331	3,582	2%	280,000	23,900	165,202	1,711	1%
Other Electric Sales											
SUB-STATION CREDIT	400	400	2,800	2,800	0	0%	4,800	400	2,800	0	0%
Total Other Electric Sales	400	400	2,800	2,800	0	0%	4,800	400	2,800	0	0%
Total Operating Revenue	5,489,045	4,484,419	26,400,157	26,512,935	(112,778)	0%	48,581,426	4,212,098	25,370,572	1,029,585	4%
Other Operating Revenue											
Interest/Dividend Income											
INTEREST & DIVIDEND INCOME	(49,002)	29,167	(27,411)	204,169	(231,580)	-113%	350,000	18,521	253,371	(280,782)	-111%
Total Interest/Dividend Income	(49,002)	29,167	(27,411)	204,169	(231,580)	-113%	350,000	18,521	253,371	(280,782)	-111%
Customer Penalties											
CUSTOMER DELINQUENT PENALTIES	26,034	25,417	148,545	177,919	(29,374)	-17%	305,000	28,142	157,662	(9,117)	-6%
Total Customer Penalties	26,034	25,417	148,545	177,919	(29,374)	-17%	305,000	28,142	157,662	(9,117)	-6%

Elk River Municipal Utilities

Elk River Municipal Utilities
Elk River, Minnesota
Statement of Revenues, Expenses and Changes in Net Position
For Period Ending July 2026

Electric	Actual July 2026	Budget July 2026	Year-To-Date Actual 2026	Year-To-Date Budget 2026	Year-To-Date Budget Variance	Year-To-Date Budget Var%	Budget 2026	Actual July 2025	Year-To-Date Actual 2025	Year-To-Date Prior Yr Variance	Year-To-Date PY Var%
Connection Fees											
DISCONNECT & RECONNECT CHARGE	30,529	21,250	319,592	148,750	170,842	115%	255,000	24,875	149,796	169,795	113%
Total Connection Fees	30,529	21,250	319,592	148,750	170,842	115%	255,000	24,875	149,796	169,795	113%
Misc Revenue											
MISC ELEC REVENUE - TEMP CHG	-	250	4,160	1,750	2,410	138%	3,000	-	2,640	1,520	58%
STREET LIGHT	-	2,500	29,800	15,000	14,800	99%	25,000	-	13,000	16,800	129%
TRANSMISSION INVESTMENTS	50,111	56,667	382,816	396,669	(13,853)	-3%	680,000	71,653	397,883	(15,067)	-4%
MISC NON-UTILITY	11,395	9,167	105,774	64,169	41,605	65%	110,000	15,279	73,999	31,775	43%
GAIN ON DISPOSITION OF PROPERTY	12,220	-	12,220	25,000	(12,780)	-51%	25,000	-	22,755	(10,535)	-46%
CONTRIBUTIONS FROM CUSTOMERS	6,045	29,167	576,691	204,169	372,522	182%	350,000	86,367	512,270	64,420	13%
CONTRIBUTIONS FROM GRANTS	-	-	28,744	-	28,744	0%	-	-	-	28,744	0%
Total Misc Revenue	79,771	97,751	1,140,205	706,757	433,448	61%	1,193,000	173,299	1,022,548	117,657	12%
	87,332	173,585	1,580,931	1,237,595	343,336	28%	2,103,000	244,837	1,583,377	(2,446)	0%
Total Revenue	**5,576,378**	**4,658,004**	**27,981,088**	**27,750,530**	**230,558**	**1%**	**50,684,426**	**4,456,935**	**26,953,949**	**1,027,139**	**4%**
Expenses											
Purchased Power											
PURCHASED POWER	2,971,095	2,573,568	14,162,763	13,408,108	754,655	6%	24,051,075	2,668,290	13,206,987	955,776	7%
ENERGY ADJUSTMENT CLAUSE	962,781	670,017	4,068,556	4,261,302	(192,746)	-5%	7,608,286	868,566	4,461,841	(393,285)	-9%
Total Purchased Power	3,933,877	3,243,586	18,231,319	17,669,410	561,909	3%	31,659,362	3,536,856	17,668,828	562,491	3%
Operating & Mtce Expense											
OPERATING SUPERVISION - DNU	-	13,399	-	93,793	(93,793)	-100%	160,783	14,479	93,600	(93,600)	-100%
NATURAL GAS	-	2,292	-	16,044	(16,044)	-100%	27,501	436	16,200	(16,200)	-100%
ELECTRIC & WATER CONSUMPTION - PLANT DNU	-	5,434	-	38,038	(38,038)	-100%	65,208	4,993	35,809	(35,809)	-100%
PLANT SUPPLIES & OTHER EXPENSE - DNU	-	1,000	-	7,000	(7,000)	-100%	12,000	699	5,370	(5,370)	-100%
MISC POWER GENERATION EXPENSE	88	83	1,960	581	1,379	237%	1,000	54	783	1,178	150%
MAINTENANCE OF STRUCTURE - PLANT - DNU	-	1,250	-	8,750	(8,750)	-100%	15,000	776	8,190	(8,190)	-100%
MTCE OF PLANT ENGINES/GENERATORS	-	42	-	294	(294)	-100%	500	-	729	(729)	-100%
MTCE OF PLANT/LAND IMPROVEMENT - DNU	-	3,333	-	23,331	(23,331)	-100%	40,000	102	17,363	(17,363)	-100%
Total Operating & Mtce Expense	88	26,833	1,960	187,831	(185,871)	-99%	321,993	21,538	178,045	(176,085)	-99%
Transmission Expense											
TRANSMISSION MTCE AND EXPENSE	3,728	5,833	24,686	40,831	(16,145)	-40%	70,000	3,558	20,885	3,801	18%
Total Transmission Expense	3,728	5,833	24,686	40,831	(16,145)	-40%	70,000	3,558	20,885	3,801	18%
Distribution Expense											
SUPERVISION & ENGINEERING - DISTRIBUTION	11,338	-	97,710	-	97,710	0%	-	-	-	97,710	0%
REMOVE EXISTING SERVICE & METERS	-	167	74	1,169	(1,095)	-94%	2,000	444	937	(862)	-92%
SCADA EXPENSE	5,828	5,417	38,229	37,919	310	1%	65,000	4,488	35,429	2,800	8%
TRANSFORMER EXPENSE OH & URD	1,769	2,083	10,081	14,581	(4,500)	-31%	25,000	1,858	9,692	389	4%
MTCE OF SIGNAL SYSTEMS	948	250	208	1,750	(1,542)	-88%	3,000	312	1,017	(808)	-80%
METER EXPENSE - REMOVE & RESET	-	125	-	875	(875)	-100%	1,500	384	1,111	(1,111)	-100%
TEMP SERVICE - INSTALL & REMOVE	-	708	8,535	4,956	3,579	72%	8,500	360	2,162	6,373	295%
MISC DISTRIBUTION EXPENSE	39,094	36,667	353,123	256,669	96,454	38%	440,000	32,929	265,510	87,613	33%
Total Distribution Expense	58,977	45,417	507,960	317,919	190,041	60%	545,000	40,776	315,856	192,104	61%

Elk River Municipal Utilities
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Electric	Actual July 2026	Budget July 2026	Year-To-Date Actual 2026	Year-To-Date Budget 2026	Year-To-Date Budget Variance	Year-To-Date Budget Var%	Budget 2026	Actual July 2025	Year-To-Date Actual 2025	Year-To-Date Prior Yr Variance	Year-To-Date PY Var%
Maintenance Expense											
MTCE OF STRUCTURES	11,065	7,500	96,258	52,500	43,758	83%	90,000	6,054	57,157	39,101	68%
MTCE OF SUBSTATIONS	3,354	3,333	21,201	23,331	(2,130)	-9%	40,000	826	2,943	18,258	620%
MTCE OF SUBSTATION EQUIPMENT	12,657	9,333	26,431	65,331	(38,900)	-60%	112,000	5,091	30,713	(4,282)	-14%
MTCE OF OH LINES/TREE TRIM	1,665	2,000	88,409	92,000	(3,591)	-4%	175,000	1,717	157,664	(69,255)	-44%
MTCE OF OH LINES/STANDBY	3,713	4,166	27,077	29,162	(2,085)	-7%	50,000	2,693	25,053	2,025	8%
MTCE OF OH PRIMARY	8,198	16,250	99,379	113,750	(14,371)	-13%	195,000	19,772	73,356	26,024	35%
MTCE OF URD PRIMARY	38,069	25,000	133,626	175,000	(41,374)	-24%	300,000	31,012	203,452	(69,826)	-34%
LOCATE ELECTRIC LINES	39,776	10,416	113,929	72,912	41,017	56%	125,000	14,833	62,177	51,753	83%
LOCATE FIBER LINES	457	333	2,494	2,331	163	7%	4,000	647	2,246	248	11%
MTCE OF LINE TRANSFORMERS	2,018	7,916	28,041	55,412	(27,371)	-49%	95,000	(2,878)	29,304	(1,263)	-4%
MTCE OF STREET LIGHTING	7,756	5,833	44,617	40,831	3,786	9%	70,000	4,531	28,400	16,217	57%
MTCE OF SECURITY LIGHTING	408	2,083	9,896	14,581	(4,685)	-32%	25,000	1,460	12,193	(2,297)	-19%
MTCE OF METERS	12,443	5,000	57,619	35,000	22,619	65%	60,000	3,029	11,910	45,710	384%
VOLTAGE COMPLAINTS	655	833	4,930	5,831	(901)	-15%	10,000	-	2,551	2,379	93%
SALARIES TRANSMISSION & DISTRIBUTION	3,489	3,083	24,010	21,581	2,429	11%	37,000	3,126	20,681	3,329	16%
ELECTRIC MAPPING	7,522	13,500	92,609	94,500	(1,891)	-2%	162,000	11,104	92,731	(123)	0%
FIBER MAPPING	-	833	-	5,831	(5,831)	-100%	10,000	-	-	0	0%
MTCE OF OH SECONDARY	3,123	2,500	18,180	17,500	680	4%	30,000	3,357	18,807	(627)	-3%
MTCE OF URD SECONDARY	18,187	6,667	54,443	46,669	7,774	17%	80,000	8,912	49,572	4,871	10%
TRANSPORTATION EXPENSE	12,143	26,667	133,446	186,669	(53,223)	-29%	320,000	9,427	168,857	(35,411)	-21%
Total Maintenance Expense	186,700	153,246	1,076,595	1,150,722	(74,127)	-6%	1,990,000	124,711	1,049,766	26,829	3%
Depreciation & Amortization											
DEPRECIATION	239,956	238,750	1,678,508	1,671,250	7,258	0%	2,865,000	233,400	1,625,692	52,816	3%
AMORTIZATION	55,678	55,678	389,746	389,746	(0)	0%	668,136	55,678	389,746	0	0%
Total Depreciation & Amortization	295,634	294,428	2,068,253	2,060,996	7,257	0%	3,533,136	289,078	2,015,438	52,816	3%
Interest Expense											
INTEREST EXPENSE - BONDS	64,096	64,096	449,550	449,549	0	0%	759,406	66,971	470,075	(20,525)	-4%
AMORTIZATION OF DEBT DISCOUNT/PREMIUM	(4,989)	(4,989)	(34,920)	(34,920)	0	0%	(59,863)	(4,989)	(34,920)	0	0%
Total Interest Expense	59,108	59,108	414,630	414,630	0	0%	699,543	61,983	435,155	(20,525)	-5%
Other Operating Expense											
EV CHARGING EXPENSE	66	104	602	728	(126)	-17%	1,250	113	1,169	(567)	-48%
LOSS ON DISPOSITION OF PROP (CAPITAL)	-	-	-	-	0	0%	25,000	(2,500)	15,759	(15,759)	-100%
LOSS ON DISPOSITION OF PROP (NONCAPITAL)	-	-	-	-	0	0%	-	15,438	15,438	(15,438)	-100%
OTHER DONATIONS	-	167	870	1,169	(299)	-26%	2,000	(106)	217	653	301%
MUTUAL AID	-	-	18,165	-	18,165	0%	-	7,013	7,013	11,152	159%
PENSION EXPENSE	-	-	-	-	0	0%	280,000	-	-	0	0%
OTHER INTEREST EXPENSE	-	4,667	-	32,669	(32,669)	-100%	56,000	-	-	0	0%
INTEREST EXPENSE - METER DEPOSITS	3,659	4,167	25,415	29,169	(3,754)	-13%	50,000	4,186	28,901	(3,485)	-12%
Total Other Operating Expense	3,725	9,105	45,053	63,735	(18,682)	-29%	414,250	24,144	68,495	(23,443)	-34%
Customer Accounts Expense											
METER READING EXPENSE	2,704	2,083	16,110	14,581	1,529	10%	25,000	1,916	19,884	(3,774)	-19%
DISCONNECT/RECONNECT EXPENSE	-	417	248	2,919	(2,671)	-92%	5,000	409	659	(411)	-62%
MISC CUSTOMER ACCOUNTS EXPENSE UTILITY	36,316	31,667	218,154	221,669	(3,515)	-2%	380,000	33,586	215,261	2,893	1%
BAD DEBT EXPENSE & RECOVERY	1,385	2,083	23,662	14,581	9,081	62%	25,000	1,543	6,372	17,289	271%
Total Customer Accounts Expense	40,404	36,250	258,174	253,750	4,424	2%	435,000	37,454	242,176	15,997	7%

Elk River Municipal Utilities

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			Year-To-Date						Year-To-Date		
Electric	**Actual July 2026**	**Budget July 2026**	**Actual 2026**	**Budget 2026**	**Budget Variance**	**Budget Var%**	**Budget 2026**	**Actual July 2025**	**Actual 2025**	**Prior Yr Variance**	**PY Var%**
Administrative Expense											
SALARIES OFFICE & COMMISSION	93,174	90,417	616,474	632,919	(16,445)	-3%	1,085,000	87,624	570,396	46,078	8%
TEMPORARY STAFFING	-	333	-	2,331	(2,331)	-100%	4,000	-	-	0	0%
OFFICE SUPPLIES	6,748	10,417	62,535	72,919	(10,384)	-14%	125,000	7,203	57,859	4,676	8%
ELECTRIC & WATER CONSUMPTION - OFFICE	984	2,379	12,197	16,653	(4,456)	-27%	28,552	2,700	14,387	(2,191)	-15%
BANK FEES	280	250	1,570	1,750	(180)	-10%	3,000	307	1,655	(85)	-5%
LEGAL FEES	441	2,083	15,907	14,581	1,326	9%	25,000	230	8,002	7,906	99%
AUDITING FEES	1,800	1,875	12,600	13,125	(525)	-4%	22,500	1,720	12,040	560	5%
INSURANCE	10,205	11,917	76,158	83,419	(7,261)	-9%	143,000	10,584	99,745	(23,587)	-24%
UTILITY SHARE - DEFERRED COMP	7,550	7,000	86,119	90,000	(3,881)	-4%	125,000	7,149	86,429	(310)	0%
UTILITY SHARE - MEDICAL/DENTAL/DISABIL	72,641	68,600	619,395	602,000	17,395	3%	945,000	66,262	577,821	41,574	7%
UTILITY SHARE - PERA	31,462	29,042	207,649	203,294	4,355	2%	348,500	28,076	195,768	11,880	6%
UTILITY SHARE - FICA	31,488	28,542	202,700	199,794	2,906	1%	342,500	28,766	192,955	9,745	5%
EMPLOYEE SICK PAY	24,777	19,454	152,672	136,178	16,494	12%	233,450	15,687	141,651	11,021	8%
EMPLOYEE HOLIDAY PAY	17,732	17,000	101,715	101,000	715	1%	197,402	16,050	94,602	7,113	8%
EMPLOYEE VACATION & PTO PAY	41,152	25,000	244,890	221,000	23,890	11%	344,308	24,525	212,461	32,429	15%
UPMIC DISTRIBUTION	-	-	26,881	43,000	(16,119)	-37%	86,000	-	40,316	(13,435)	-33%
LONGEVITY PAY	1,620	1,620	5,195	5,118	77	2%	8,040	-	8,245	(3,050)	-37%
CONSULTING FEES	5,734	4,650	87,418	32,550	54,868	169%	55,800	11,173	62,131	25,286	41%
TELEPHONE	3,003	2,583	21,003	18,081	2,922	16%	31,000	2,811	19,842	1,161	6%
ADVERTISING	1,000	1,667	8,278	11,669	(3,391)	-29%	20,000	1,488	8,493	(215)	-3%
DUES & SUBSCRIPTIONS - FEES	13,272	11,823	99,655	82,761	16,894	20%	141,879	5,529	79,990	19,665	25%
SCHOOLS & MEETINGS	5,027	24,290	113,863	170,030	(56,167)	-33%	291,482	5,623	101,252	12,611	12%
MTCE OF GENERAL PLANT & OFFICE HEATING	540	917	3,780	6,419	(2,639)	-41%	11,000	865	6,055	(2,275)	-38%
Total Administrative Expense	370,629	361,859	2,778,654	2,760,591	18,063	1%	4,617,413	324,373	2,592,097	186,558	7%
General Expense											
CIP REBATES - RESIDENTIAL	10,205	7,563	46,606	52,941	(6,335)	-12%	90,758	5,620	45,860	745	2%
CIP REBATES - COMMERCIAL	-	9,333	26,511	65,331	(38,820)	-59%	112,000	27,922	79,762	(53,252)	-67%
CIP - ADMINISTRATION	12,456	15,153	87,944	106,071	(18,127)	-17%	181,840	25,089	113,787	(25,843)	-23%
CIP - MARKETING	3,023	4,572	34,152	32,004	2,148	7%	54,864	6,002	33,843	309	1%
CIP - LABOR	8,767	11,340	66,167	79,380	(13,213)	-17%	136,078	8,886	61,853	4,314	7%
CIP REBATES - LOW INCOME	585	2,480	585	17,360	(16,775)	-97%	29,760	-	-	585	0%
CIP - LOW INCOME LABOR	929	833	6,309	5,831	478	8%	10,000	809	5,941	369	6%
ENVIRONMENTAL COMPLIANCE	2,605	3,083	18,393	21,581	(3,188)	-15%	37,000	3,015	18,194	199	1%
MISC GENERAL EXPENSE	(41)	417	211	2,919	(2,708)	-93%	5,000	(4)	231	(20)	-9%
Total General Expense	38,528	54,774	286,877	383,418	(96,541)	-25%	657,300	77,338	359,472	(72,594)	-20%
Total Expenses (before Operating Transfers)	4,991,397	4,290,438	25,694,161	25,303,833	390,328	2%	44,942,997	4,541,808	24,946,212	747,949	3%
Operating Transfer											
Operating Transfer/Other Funds											
TRANSFER TO CITY ELK RIVER REVENUE	245,373	200,055	1,182,010	1,180,647	1,363	0%	2,165,330	151,292	908,989	273,021	30%
Total Operating Transfer/Other Funds	245,373	200,055	1,182,010	1,180,647	1,363	0%	2,165,330	151,292	908,989	273,021	30%
Utilities & Labor Donated											
UTILITIES & LABOR DONATED TO CITY	(3,764)	-	9,135	-	9,135	0%	-	20,514	138,879	(129,744)	-93%
Total Utilities & Labor Donated	(3,764)	-	9,135	-	9,135	0%	-	20,514	138,879	(129,744)	-93%
Total Operating Transfer	241,609	200,055	1,191,145	1,180,647	10,498	1%	2,165,330	171,806	1,047,869	143,277	14%
Net Income Profit (Loss)	**343,372**	**167,510**	**1,095,781**	**1,266,050**	**(170,268)**	**-13%**	**3,576,100**	**(256,679)**	**959,868**	**135,913**	**14%**

Elk River Municipal Utilities

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Water	Actual July 2026	Budget July 2026	Year-To-Date Actual 2026	Year-To-Date Budget 2026	Year-To-Date Budget Variance	Year-To-Date Budget Var%	Budget 2026	Actual July 2025	Year-To-Date Actual 2025	Year-To-Date Prior Yr Variance	Year-To-Date PY Var%
Revenue											
Operating Revenue											
Water Sales - Elk River											
WATER SALES RESIDENTIAL	250,053	190,956	981,174	950,229	30,945	3%	1,821,516	174,694	869,306	111,868	13%
WATER SALES COMMERCIAL	118,128	100,306	531,320	503,843	27,477	5%	1,039,960	100,825	506,452	24,868	5%
WATER SALES IRRIGATION	62,833	59,217	128,394	134,134	(5,740)	-4%	364,603	50,694	114,828	13,566	12%
Total Water Sales - Elk River	250,053	190,956	981,174	950,229	30,945	3%	1,821,516	174,694	869,306	111,868	13%
Total Operating Revenue	431,013	350,479	1,640,888	1,588,205	52,683	3%	3,226,078	326,213	1,490,586	150,302	10%
Other Operating Revenue											
Interest/Dividend Income											
INTEREST & DIVIDEND INCOME	(10,074)	10,417	3,348	72,919	(69,571)	-95%	125,000	5,707	70,367	(67,019)	-95%
OTHER INTEREST/MISC REVENUE	-	83	567	581	(14)	-2%	1,000	567	567	0	0%
Total Interest/Dividend Income	(10,074)	10,500	3,915	73,500	(69,585)	-95%	126,000	6,274	70,934	(67,019)	-94%
Customer Penalties											
CUSTOMER PENALTIES	2,293	2,917	10,555	20,419	(9,864)	-48%	35,000	2,241	16,794	(6,239)	-37%
Total Customer Penalties	2,293	2,917	10,555	20,419	(9,864)	-48%	35,000	2,241	16,794	(6,239)	-37%
Connection Fees											
WATER/ACCESS/CONNECTION FEES	36,780	30,500	253,452	213,500	39,952	19%	366,000	57,600	426,542	(173,090)	-41%
CUSTOMER CONNECTION FEES	4,873	4,167	28,731	29,169	(438)	-2%	50,000	7,449	37,793	(9,062)	-24%
BULK WATER SALES/HYDRANT RENTAL	1,509	2,500	11,207	17,500	(6,293)	-36%	30,000	-	10,009	1,198	12%
Total Connection Fees	43,162	37,167	293,390	260,169	33,221	13%	446,000	65,049	474,344	(180,955)	-38%
Misc Revenue											
MISC NON-UTILITY	-	8	30	56	(26)	-46%	100	-	311	(281)	-90%
CONTRIBUTIONS FROM GRANTS	-	-	7,186	-	7,186	0%	-	-	-	7,186	0%
GAIN ON DISPOSITION OF PROPERTY	-	-	-	4,000	(4,000)	-100%	4,000	-	-	0	0%
MISCELLANEOUS REVENUE	-	83	16,511	581	15,930	2742%	1,000	-	19,889	(3,379)	-17%
HYDRANT MAINTENANCE PROGRAM - PRIVATE	974	917	8,869	6,419	2,450	38%	11,000	975	6,825	2,044	30%
CONTRIBUTIONS FROM DEVELOPERS	-	-	-	-	0	0%	-	-	44,590	(44,590)	-100%
WATER TOWER LEASE	-	-	-	-	0	0%	386,250	-	-	0	0%
LEASE INTEREST REVENUE	-	-	-	-	0	0%	75,000	-	-	0	0%
Total Misc Revenue	974	1,008	32,596	11,056	21,540	195%	477,350	975	71,615	(39,019)	-54%
Total Other Revenue	36,354	51,592	340,455	365,144	(24,689)	-7%	1,084,350	74,539	633,687	(293,231)	-46%
Total Revenue	**467,367**	**402,071**	**1,981,343**	**1,953,349**	**27,994**	**1%**	**4,310,428**	**400,752**	**2,124,273**	**(142,930)**	**-7%**
Expenses											
Production Expense											
MTCE OF STRUCTURES	10,439	10,417	123,875	72,919	50,956	70%	125,000	12,491	75,987	47,888	63%
Total Production Expense	10,439	10,417	123,875	72,919	50,956	70%	125,000	12,491	75,987	47,888	63%

Elk River Municipal Utilities

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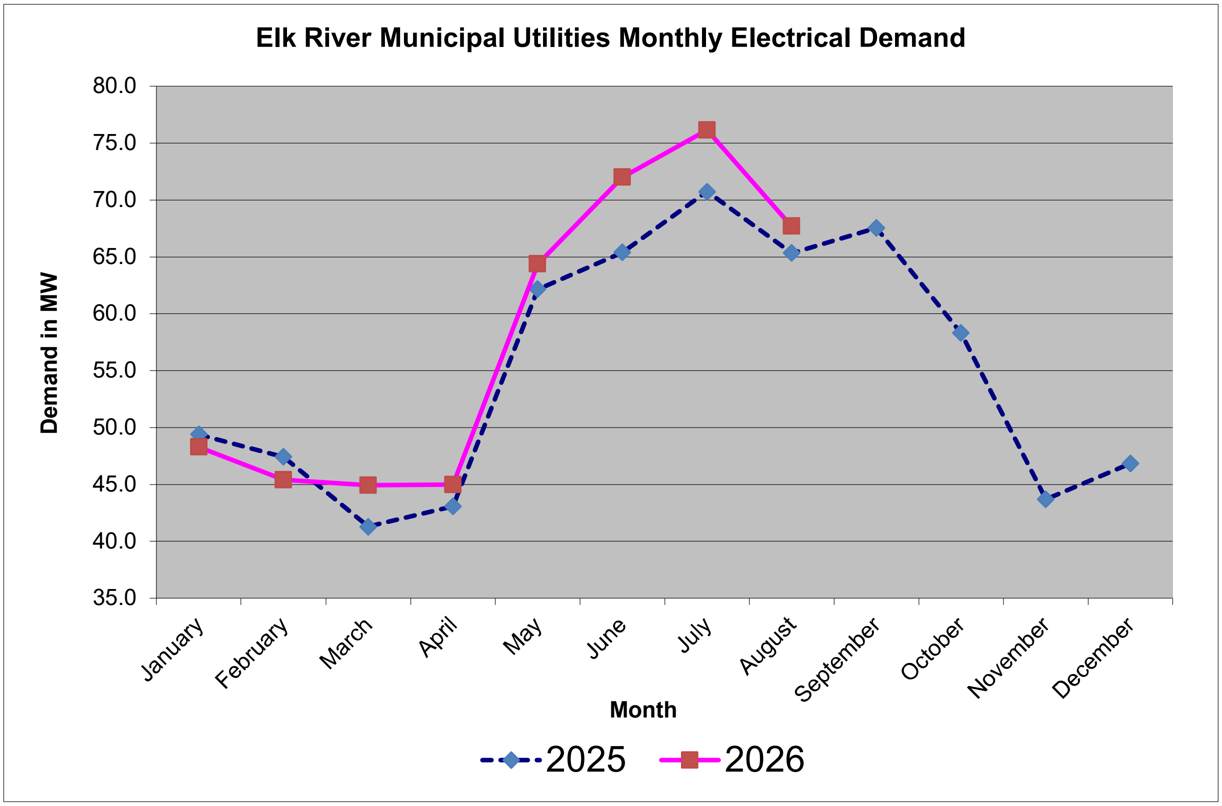
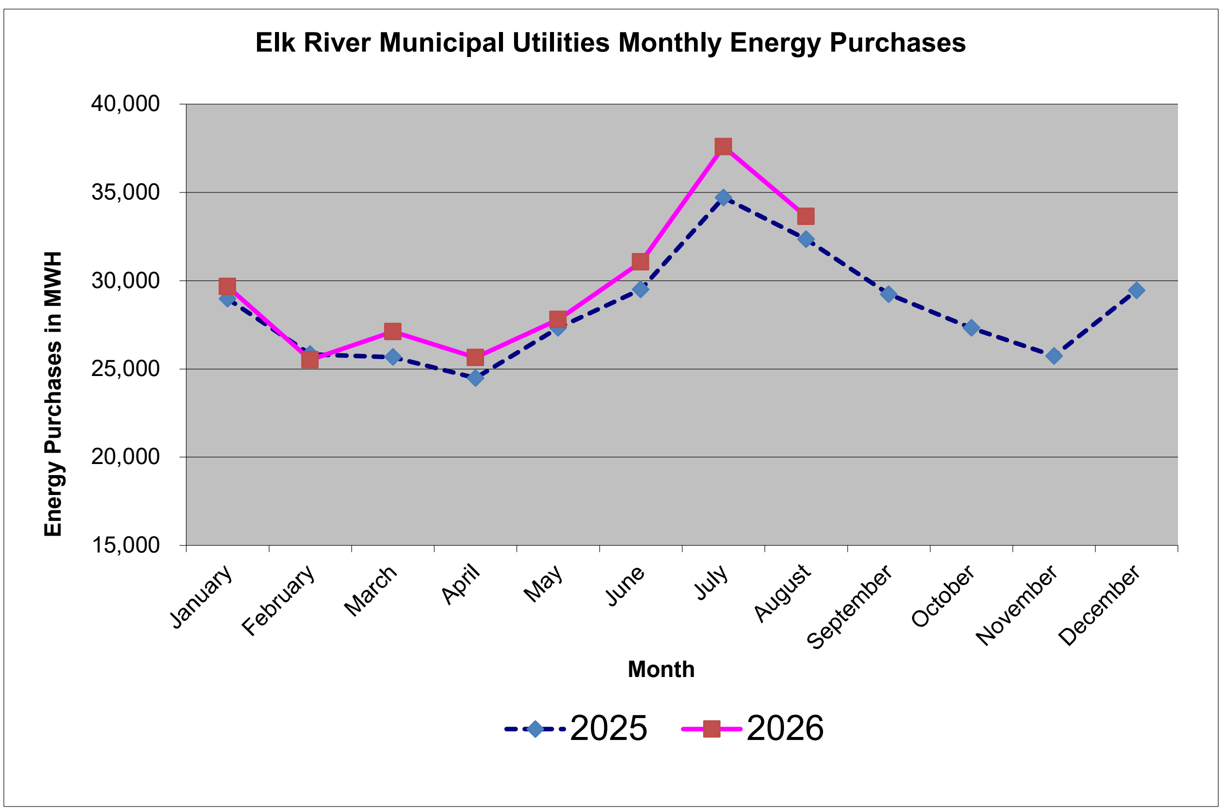
Water	Actual July 2026	Budget July 2026	Year-To-Date Actual 2026	Year-To-Date Budget 2026	Year-To-Date Budget Variance	Year-To-Date Budget Var%	Budget 2026	Actual July 2025	Year-To-Date Actual 2025	Year-To-Date Prior Yr Variance	Year-To-Date PY Var%
Pumping Expense											
SUPERVISION	5,505	6,667	46,466	46,669	(203)	0%	80,000	5,978	45,494	972	2%
ELECTRIC & GAS UTILITIES	318	25,000	144,538	175,000	(30,462)	-17%	300,000	29,936	166,456	(21,918)	-13%
SAMPLING	2,532	2,000	11,047	14,000	(2,953)	-21%	24,000	1,158	12,035	(989)	-8%
CHEMICAL FEED	4,366	4,167	24,903	29,169	(4,266)	-15%	50,000	5,212	27,675	(2,772)	-10%
MTCE OF WELLS	14,052	16,667	120,741	116,669	4,072	3%	200,000	17,676	107,135	13,605	13%
SCADA - PUMPING	227	1,167	3,084	8,169	(5,085)	-62%	14,000	939	7,742	(4,658)	-60%
Total Pumping Expense	27,000	55,668	350,778	389,676	(38,898)	-10%	668,000	60,899	366,538	(15,760)	-4%
Distribution Expense											
MTCE OF WATER MAINS	18,605	14,583	72,837	102,081	(29,244)	-29%	175,000	14,446	109,838	(37,001)	-34%
LOCATE WATER LINES	11,918	2,083	26,978	14,581	12,397	85%	25,000	2,192	17,736	9,242	52%
MTCE OF WATER SERVICES	-	-	485	-	485	0%	-	-	-	485	0%
WATER METER SERVICE	3,234	4,167	30,159	29,169	990	3%	50,000	5,893	50,061	(19,902)	-40%
BACKFLOW DEVICE INSPECTION	2,289	1,917	14,647	13,419	1,228	9%	23,000	3,005	11,450	3,196	28%
MTCE OF CUSTOMERS SERVICE	2,957	3,000	20,685	21,000	(315)	-2%	36,000	2,592	19,557	1,127	6%
WATER MAPPING	521	2,083	3,841	14,581	(10,740)	-74%	25,000	2,634	19,349	(15,509)	-80%
FIBER MAPPING	-	833	-	5,831	(5,831)	-100%	10,000	-	-	0	0%
MTCE OF WATER HYDRANTS - PUBLIC	860	1,833	18,876	12,831	6,045	47%	22,000	830	10,235	8,641	84%
MTCE OF WATER HYDRANTS - PRIVATE	1,955	500	3,582	3,500	82	2%	6,000	2,119	2,605	977	37%
WATER CLOTHING/PPE	261	1,250	8,953	8,750	203	2%	15,000	88	10,844	(1,892)	-17%
WAGES WATER	481	792	5,276	5,544	(268)	-5%	9,500	820	5,243	34	1%
TRANSPORTATION EXPENSE	1,666	2,000	9,814	14,000	(4,186)	-30%	24,000	595	14,126	(4,312)	-31%
WATER PERMIT	-	-	22,238	27,000	(4,762)	-18%	27,000	-	20,382	1,856	9%
Total Distribution Expense	44,747	35,041	238,370	272,287	(33,917)	-12%	447,500	35,213	291,427	(53,057)	-18%
Depreciation & Amortization											
DEPRECIATION	116,443	117,917	815,549	825,419	(9,870)	-1%	1,415,000	115,485	807,867	7,682	1%
Total Depreciation & Amortization	116,443	117,917	815,549	825,419	(9,870)	-1%	1,415,000	115,485	807,867	7,682	1%
Interest Expense											
INTEREST EXPENSE - BONDS	3,050	3,050	21,350	21,350	0	0%	35,433	3,267	22,867	(1,517)	-7%
AMORTIZATION OF DEBT DISCOUNT/PREMIUM	(554)	(554)	(3,880)	(3,880)	0	0%	(6,651)	(554)	(3,880)	0	0%
Total Interest Expense	2,496	2,496	17,470	17,470	0	0%	28,782	2,712	18,987	(1,517)	-8%
Other Operating Expense											
LOSS ON DISPOSITION OF PROP (NONCAPITAL)	-	-	-	-	0	0%	-	-	(16,272)	16,272	100%
DAM MAINTENANCE EXPENSE	130	-	1,121	-	1,121	0%	-	173	358	763	213%
PENSION EXPENSE	-	-	-	-	0	0%	50,000	-	-	0	0%
INTEREST EXPENSE - METER DEPOSITS	45	52	312	364	(52)	-14%	625	52	364	(52)	-14%
Total Other Operating Expense	175	52	1,434	364	1,070	294%	50,625	225	(15,550)	16,984	109%
Customer Accounts Expense											
METER READING EXPENSE	166	417	3,367	2,919	448	15%	5,000	194	3,562	(195)	-5%
MISC CUSTOMER ACCOUNTS EXPENSE UTILITY	9,719	8,250	57,545	57,750	(205)	0%	99,000	9,024	55,118	2,427	4%
BAD DEBT EXPENSE & RECOVERY	-	21	-	147	(147)	-100%	250	-	-	0	0%
Total Customer Accounts Expense	9,884	8,688	60,912	60,816	96	0%	104,250	9,218	58,680	2,232	4%

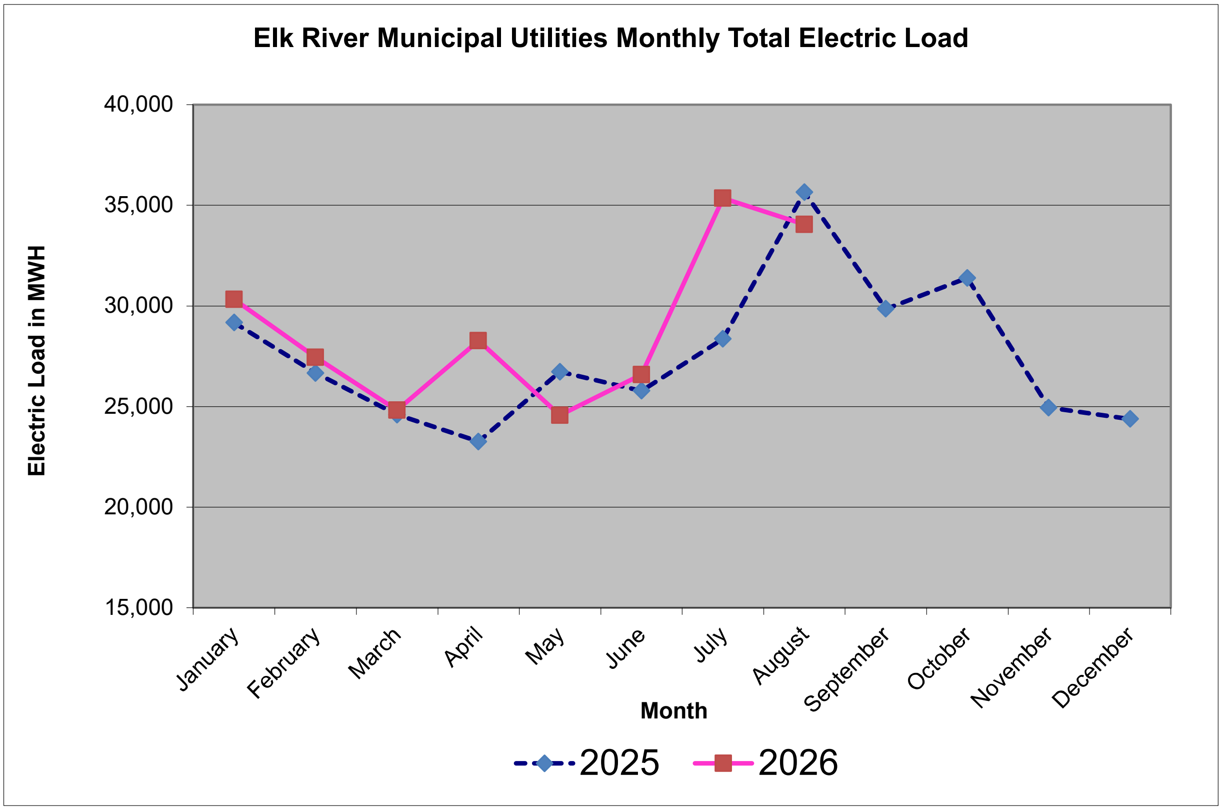
Elk River Municipal Utilities

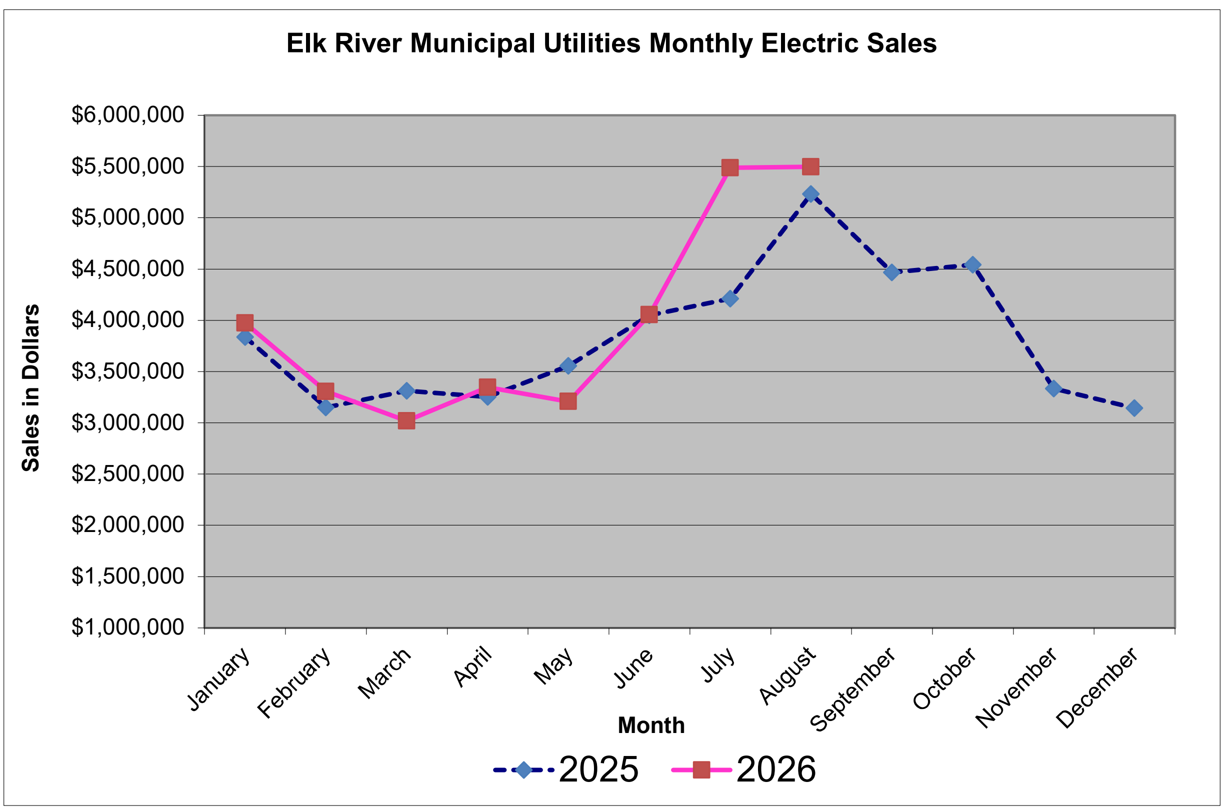
Elk River Municipal Utilities
Elk River, Minnesota
Statement of Revenues, Expenses and Changes in Net Position
For Period Ending July 2026

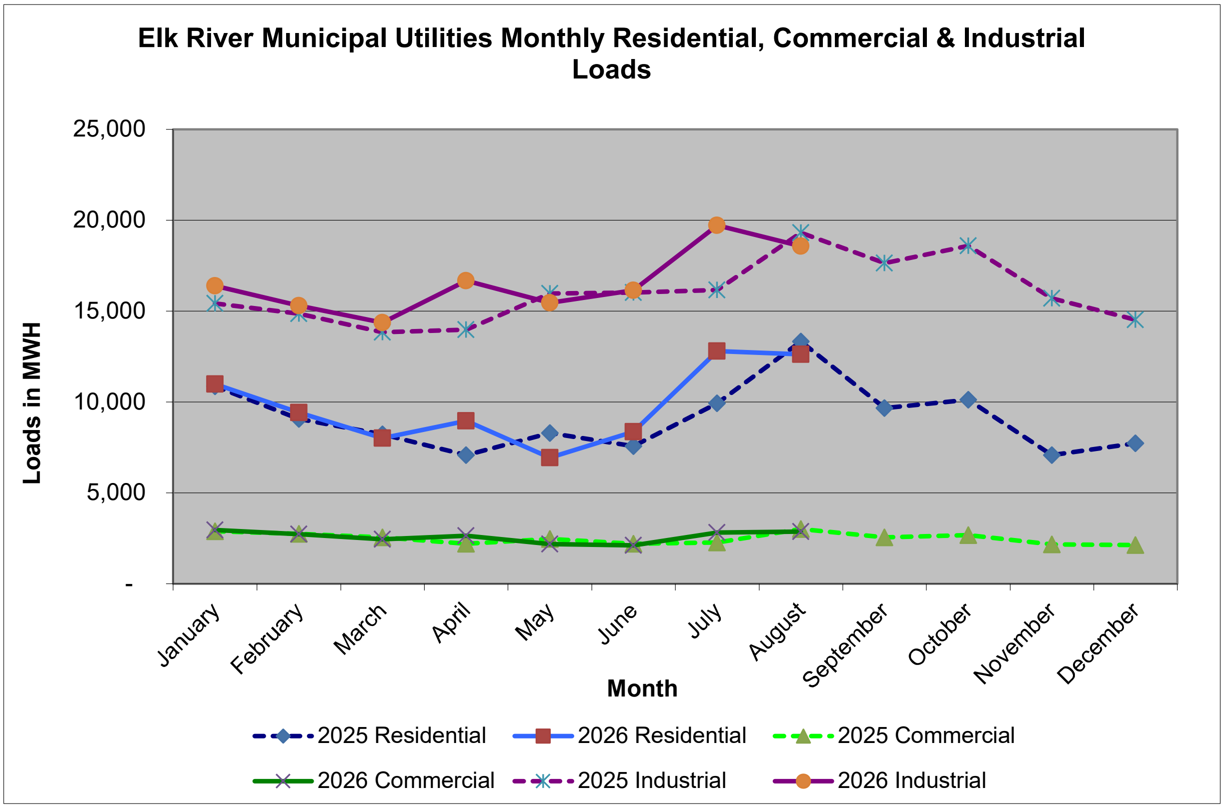
Water	Actual July 2026	Budget July 2026	Year-To-Date Actual 2026	Year-To-Date Budget 2026	Year-To-Date Budget Variance	Year-To-Date Budget Var%	Budget 2026	Actual July 2025	Year-To-Date Actual 2025	Year-To-Date Prior Yr Variance	Year-To-Date PY Var%
Administrative Expense											
SALARIES OFFICE & COMMISSION	26,736	27,750	185,357	194,250	(8,893)	-5%	333,000	25,460	172,210	13,147	8%
TEMPORARY STAFFING	-	83	-	581	(581)	-100%	1,000	-	-	0	0%
OFFICE SUPPLIES	1,698	2,500	16,735	17,500	(765)	-4%	30,000	1,662	13,723	3,011	22%
ELECTRIC & WATER CONSUMPTION - OFFICE	246	540	3,049	3,780	(731)	-19%	6,500	675	3,599	(549)	-15%
BANK FEES	76	59	405	413	(8)	-2%	708	83	425	(20)	-5%
LEGAL FEES	110	500	7,323	3,500	3,823	109%	6,000	58	10,801	(3,478)	-32%
AUDITING FEES	450	583	3,805	4,081	(276)	-7%	7,000	430	3,556	249	7%
INSURANCE	3,371	3,583	25,546	25,081	465	2%	43,000	3,502	24,406	1,141	5%
UTILITY SHARE - DEFERRED COMP	1,354	1,500	15,816	19,250	(3,434)	-18%	25,000	1,311	14,593	1,222	8%
UTILITY SHARE - MEDICAL/DENTAL/DISABIL	18,392	18,500	153,255	157,000	(3,745)	-2%	251,110	17,508	144,583	8,672	6%
UTILITY SHARE - PERA	6,181	5,958	44,427	41,706	2,721	7%	71,500	6,124	39,091	5,336	14%
UTILITY SHARE - FICA	6,451	5,875	43,816	41,125	2,691	7%	70,500	6,515	38,932	4,884	13%
EMPLOYEE SICK PAY	5,024	4,417	31,071	30,919	152	0%	53,000	3,332	25,998	5,074	20%
EMPLOYEE HOLIDAY PAY	3,584	3,650	21,946	21,900	46	0%	43,000	3,478	19,601	2,345	12%
EMPLOYEE VACATION & PTO PAY	8,057	5,000	50,394	46,000	4,394	10%	72,000	4,980	41,007	9,387	23%
UPMIC DISTRIBUTION	-	-	6,142	9,500	(3,358)	-35%	19,000	-	8,506	(2,364)	-28%
WELLHEAD PROTECTION	-	125	-	875	(875)	-100%	1,500	-	-	0	0%
LONGEVITY PAY	405	405	405	483	(78)	-16%	1,260	1,550	1,705	(1,300)	-76%
CONSULTING FEES	6,088	2,183	22,356	15,281	7,075	46%	26,200	2,325	31,382	(9,025)	-29%
TELEPHONE	804	717	5,637	5,019	618	12%	8,600	718	4,774	862	18%
ADVERTISING	250	417	3,634	2,919	715	25%	5,000	372	6,139	(2,504)	-41%
DUES & SUBSCRIPTIONS - FEES	2,009	9,290	60,407	65,030	(4,623)	-7%	111,475	(292)	39,963	20,445	51%
SCHOOLS & MEETINGS	2,403	5,241	19,211	36,687	(17,476)	-48%	62,897	936	11,856	7,355	62%
MTCE OF GENERAL PLANT & OFFICE HEATING	135	225	945	1,575	(630)	-40%	2,700	216	1,512	(567)	-38%
Total Administrative Expense	93,823	99,101	721,682	744,455	(22,773)	-3%	1,251,950	80,941	658,359	63,322	10%
General Expense											
CIP REBATES - RESIDENTIAL	250	167	717	1,169	(452)	-39%	2,000	124	287	430	150%
CIP REBATES - COMMERCIAL	-	83	-	581	(581)	-100%	1,000	-	-	0	0%
CIP - MARKETING	-	125	-	875	(875)	-100%	1,500	-	-	0	0%
CIP - LABOR	-	42	-	294	(294)	-100%	500	-	-	0	0%
ENVIRONMENTAL COMPLIANCE	57	167	449	1,169	(720)	-62%	2,000	54	1,669	(1,220)	-73%
MISC GENERAL EXPENSE	(12)	21	(12)	147	(159)	-108%	250	-	-	(12)	0%
Total General Expense	295	605	1,153	4,235	(3,082)	-73%	7,250	178	1,956	(802)	-41%
Total Expenses (before Operating Transfers)	305,303	329,985	2,331,224	2,387,641	(56,417)	-2%	4,098,357	317,361	2,264,251	66,973	3%
Operating Transfer											
Operating Transfer/Other Funds											
TRANSFER TO CITY ELK RIVER REVENUE	8,620	7,010	32,818	31,765	1,053	3%	64,522	-	-	32,818	0%
Total Operating Transfer/Other Funds	8,620	7,010	32,818	31,765	1,053	3%	64,522	0	0	32,818	0%
Utilities & Labor Donated											
WATER & LABOR DONATED TO CITY	-	167	-	1,169	(1,169)	-100%	2,000	-	-	0	0%
Total Utilities & Labor Donated	-	167	-	1,169	(1,169)	-100%	2,000	-	-	0	0%
Total Operating Transfer	8,620	7,177	32,818	32,934	(116)	0%	66,522	-	-	32,818	0%
Net Income Profit (Loss)	**153,444**	**64,909**	**(382,699)**	**(467,226)**	**84,527**	**18%**	**145,550**	**83,391**	**(139,979)**	**(242,720)**	**-173%**


Elk River Municipal Utilities Monthly Electrical Demand
80.0
75.0
70.0
65.0
60.0
55.0
50.0
45.0
40.0
35.0
Demand in MW
January
February
March
April
May
June
July
August
September
October
November
December
Month
2025
2026

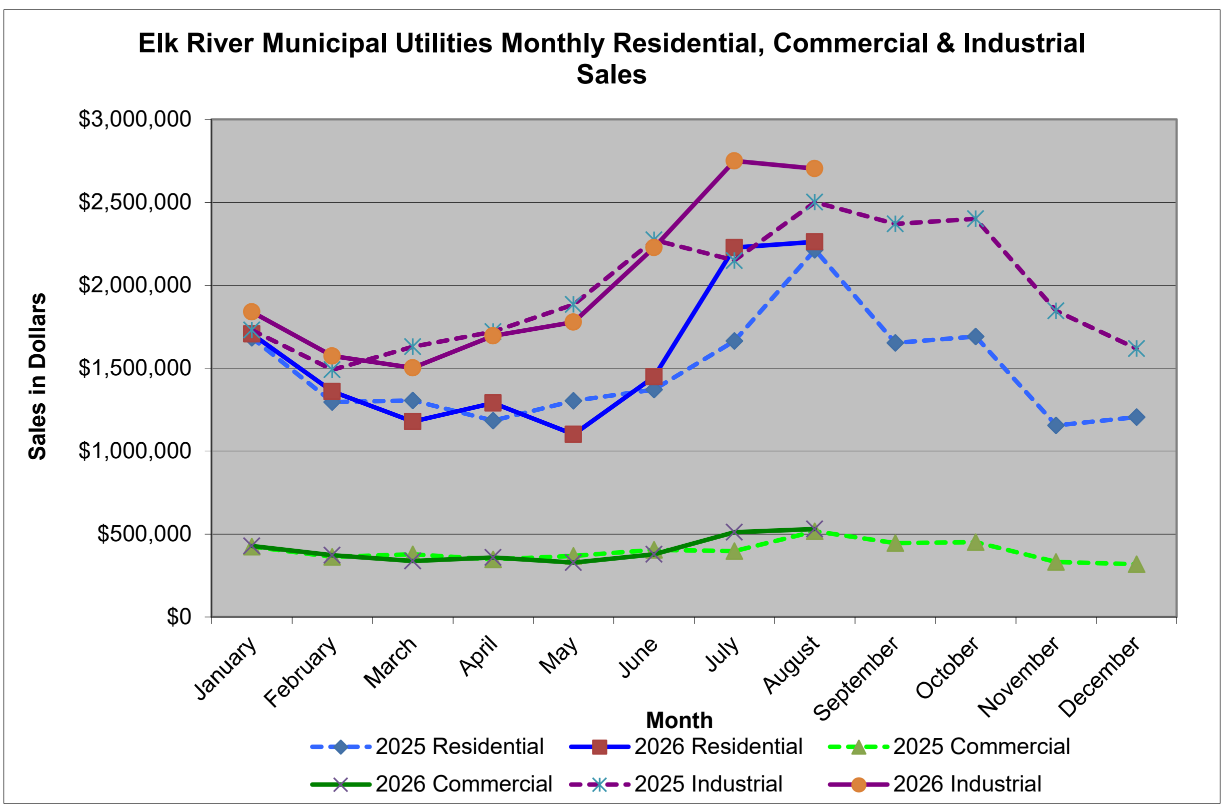

Elk River Municipal Utilities Monthly Energy Purchases
40,000
35,000
30,000
25,000
20,000
15,000
Energy Purchases in MWH
January
February
March
April
May
June
July
August
September
October
November
December
Month
2025
2026


Elk River Municipal Utilities Monthly Total Electric Load
Electric Load in MWH
40,000
35,000
30,000
25,000
20,000
15,000
January
February
March
April
May
June
July
August
September
October
November
December
Month
2025
2026

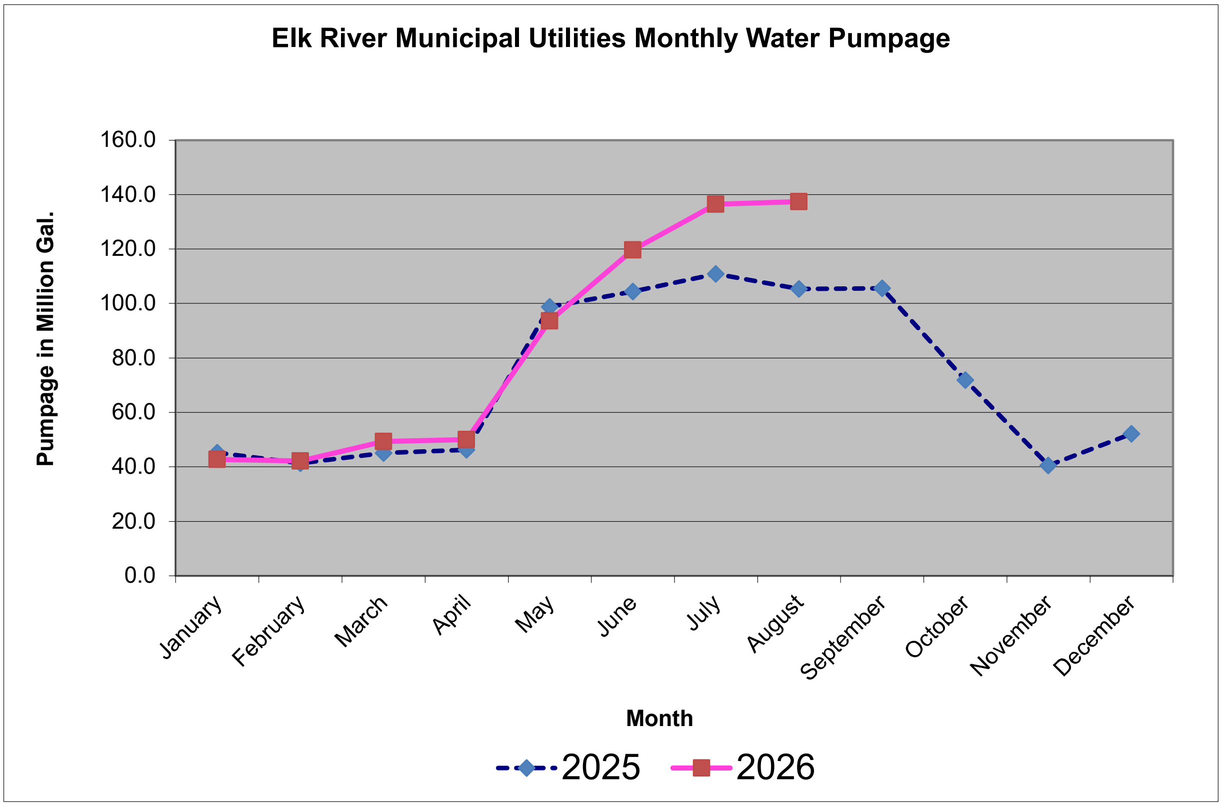

Elk River Municipal Utilities Monthly Electric Sales
Sales in Dollars
$6,000,000
$5,500,000
$5,000,000
$4,500,000
$4,000,000
$3,500,000
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
January
February
March
April
May
June
July
August
September
October
November
December
Month
2025
2026

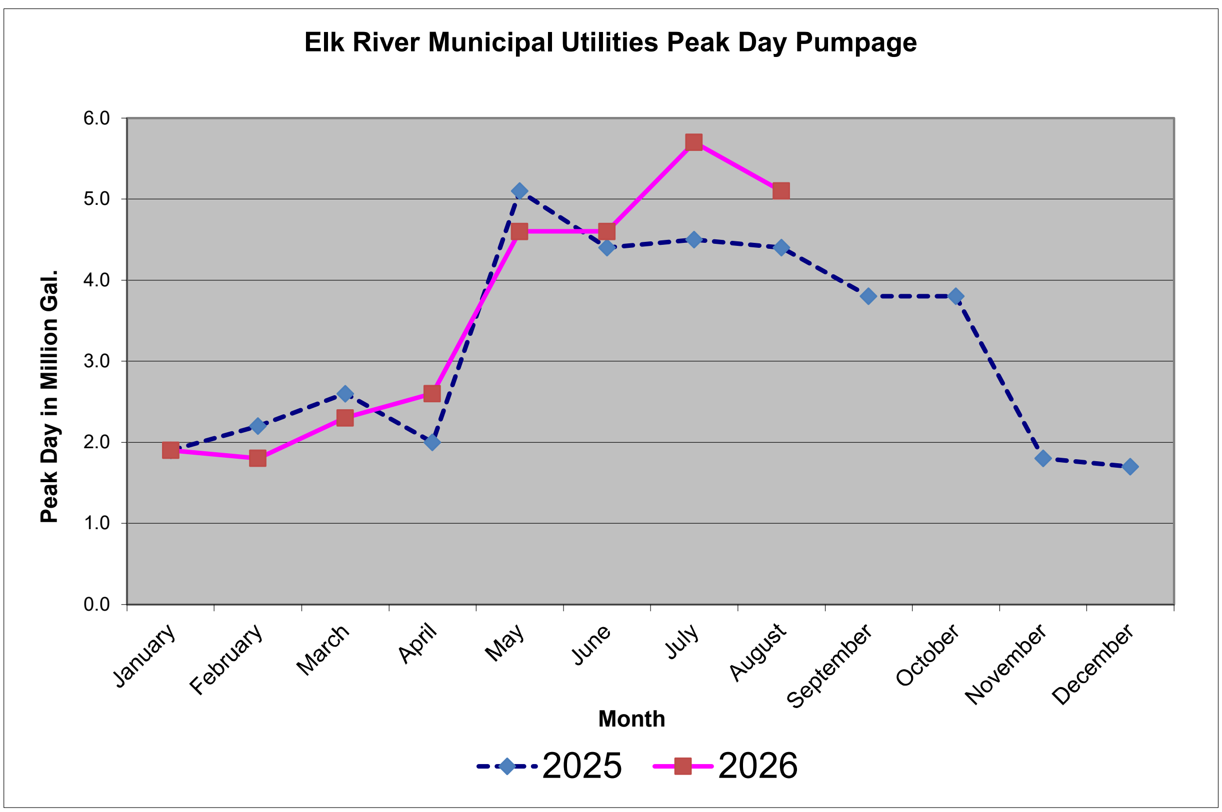


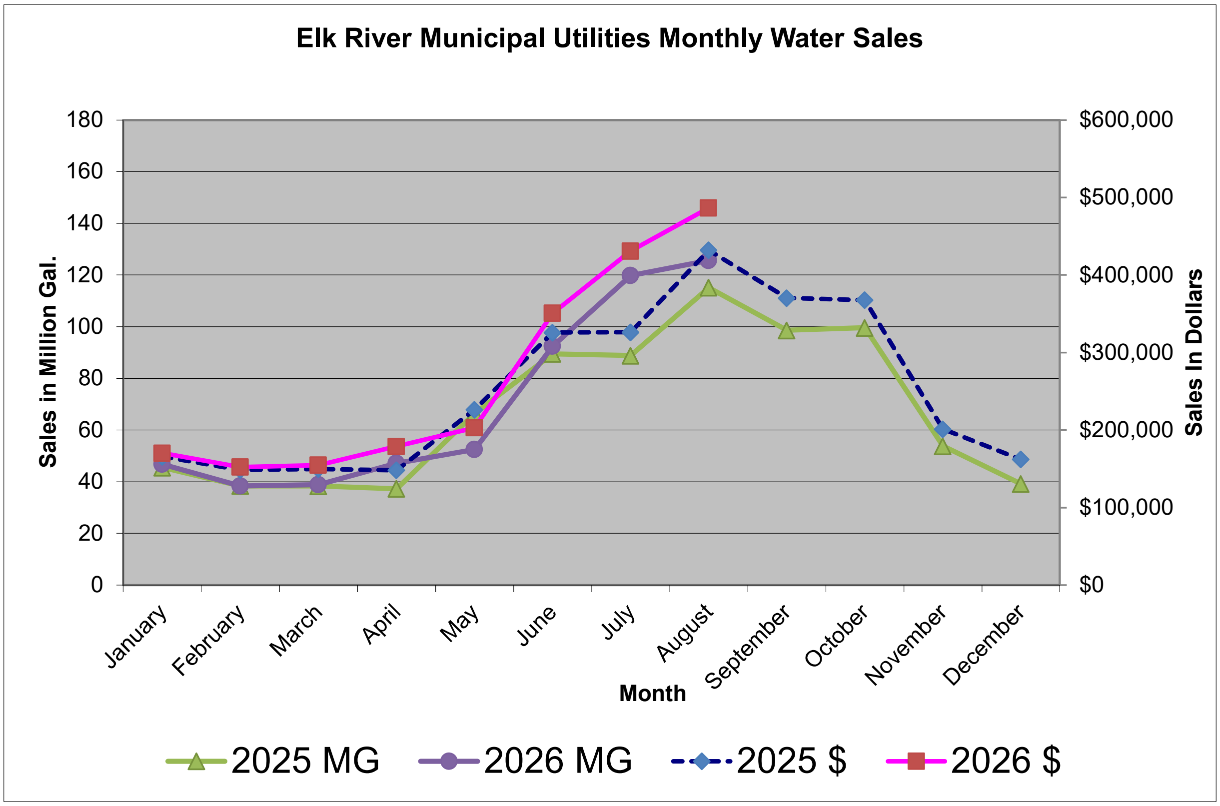
Elk River Municipal Utilities Monthly Residential, Commercial & Industrial Loads
Loads in MWH
25,000
20,000
15,000
10,000
5,000
-
January
February
March
April
May
June
July
August
September
October
November
December
Month
2025 Residential
2026 Residential
2025 Commercial
2026 Commercial
2025 Industrial
2026 Industrial



Elk River Municipal Utilities Monthly Residential, Commercial & Industrial Sales
Sales in Dollars
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$0
January
February
March
April
May
June
July
August
September
October
November
December
Month
2025 Residential
2026 Residential
2025 Commercial
2026 Commercial
2025 Industrial
2026 Industrial


Elk River Municipal Utilities Monthly Water Pumpage
Pumpage in Million Gal.
160.0
140.0
120.0
100.0
80.0
60.0
40.0
20.0
0.0
January
February
March
April
May
June
July
August
September
October
November
December
Month
2025
2026


Elk River Municipal Utilities Peak Day Pumpage
Peak Day in Million Gal.
6.0
5.0
4.0
3.0
2.0
1.0
0.0
January
February
March
April
May
June
July
August
September
October
November
December
Month
2025
2026


Elk River Municipal Utilities Monthly Water Sales
Sales in Million Gal.
Sales In Dollars
180
160
140
120
100
80
60
40
20
0
$600,000
$500,000
$400,000
$300,000
$200,000
$100,000
$0
January
February
March
April
May
June
July
August
September
October
November
December
Month
2025 MG
2026 MG
2025 $
2026 $

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	**FROM:** Melissa Karpinski – Finance Manager
MEETING DATE: September 8, 2026	**AGENDA ITEM NUMBER:** 5.2
SUBJECT: 2027 Annual Business Plan: Capital Projects and Equipment Purchases and 20-Year Capital Projections	
ACTION REQUESTED: No action is required.	

DISCUSSION:
In preparation for the 2027 budget submission in November, staff continue to work through the budget process. The first draft of the capital budget portion of the 2027 budget has been completed for Commission review.

The capital budget may change as the complete 2027 budget is assembled, additional information regarding project timing becomes available, rates are updated, and cash flow projections become more certain. The 20-year capital projections are also included for Commission review. Noteworthy non-capital expenditures are shown separately from the capital budgets at the bottom of the schedules.

The following information is included for review of the capital budgets:

1. Electric Department 2027 Capital Budget – Includes large non-recurring capital construction projects, recurring capital construction projects and asset preservation, and capital equipment purchases. Notable items for 2027 include Underground Residential Distribution equipment replacement, replacement of digger truck #15, replacement of dump truck #29, and electric service territory acquisition loss of revenue payments.
2. Electric Department Capital 20-Year Projections – Highlights anticipated large non-recurring capital construction projects, recurring capital construction projects, and asset preservation projects through 2046.
3. Water Department 2027 Capital Budget – Includes large non-recurring capital construction projects, recurring capital construction projects and asset preservation, and capital equipment purchases. Notable items for 2027 include replacement of the existing water main at County Road 44, replacement of the existing water main associated with the city road project, the Freeport booster station, and well #8 rehabilitation.

4. Water Department Capital 20-Year Projections – Highlights anticipated large non-recurring capital construction projects, recurring capital construction projects, and asset preservation projects through 2046.
5. Administration and Technical Services 2027 Capital Budgets – Includes capital projects and capital equipment purchases. Notable items for 2027 include a fiber extension to Waco Sub, and voltage regulator banks.
6. Administration and Technical Services Capital 20-Year Projections – Highlights anticipated large non-recurring capital construction projects, recurring capital construction projects, and asset preservation projects through 2046.

The utilities utilize a vehicle replacement evaluation system implemented with the city. Additional information on vehicle evaluations is available upon request.

FINANCIAL IMPACT:
The 2027 Electric Department Capital Budget decreased from the prior year, primarily because the new East substation and Otsego transformer replacement projects were completed in 2026.

The 2027 Water Department Capital Budget has increased compared to the prior year. The primary driver is the water main work for the city road projects. Reserves will be used to fund the water main construction projects.

The Administration and Technical Services Departments' Capital Budgets have increased compared to the prior year. These costs are allocated to the Electric and Water Departments and are shown as separate lines within their respective capital budgets.

ATTACHMENTS:
- Capital Projects Budgets and Capital 20-Year Projections

Elk River Municipal Utilities Business Plan/Budget
2027 Electric Department Capital Budget

Capital Construction Projects

		Cost	Description
	$	350,000	OH to URD 208th, Wilson, 207th, single phase on Brook Rd
	$	100,000	198th Ave & Gary St OH to URD
	$	300,000	Cty Rd 33
	$	-	Roundabout 33/1
	$	50,000	Downtown Streetlights
	$	100,000	Open Concentric
	$	250,000	Unidentified Projects
Subtotal	$	1,150,000	

Capital Construction Substations

		Cost	Description
	$	20,000	14-4 Relay Panel Replacement
	$	14,000	West Bank 1 Recloser Controller Replacement
	$	28,000	West Bank 2 Recloser Controller Replacement
	$	60,000	West Bank 2 Recloser Tank Replacement
Subtotal	$	122,000	

Capital Construction Feeders

		Cost	Description
	$	150,000	Feeder 22 OH Rebuild
	$	250,000	Unidentified Feeders
Subtotal	$	400,000	

Capital Construction System

		Cost	Description
	$	425,000	Transformers and Meters
	$	400,000	New Development Distribution Installation
	$	50,000	Street Lighting
	$	75,000	Ongoing OH Equip Replacement (Poles, Switches, Cut-Outs)
	$	900,000	Ongoing URD Equip Replacement (Switches, J-Boxes, Fuse Pads)
Subtotal	$	1,850,000	

Capital Equipment Needs

		Cost	Description	
	$	500,000	Replace Digger Truck	Vehicle #15
	$	110,000	Replace Dump Truck	Vehicle #29
	$	65,000	Replace Truck	Vehicle #30
	$	65,500	Electric share of Administration	
	$	594,500	Electric Share of Technical Services	
Subtotal	$	1,335,000		

Capital Facilities & Misc Needs

		Cost	Description
	$	316,884	Territory Acquisition - Loss of Revenue Pmt (2015 Contract - Area 2, 3&4, 5&6, 7&8)
Subtotal	$	316,884	
Total Capital	**$**	**5,173,884**	

Electric Noteworthy Non-Recurring Expenses

		Cost	Description
	$	10,500	Computers, iPads, Software, Accessories
	$	10,000	Paint Trailer
	$	10,000	Paint Truck
	$	10,000	Paint Transformers/Switchgear
	$	10,000	Paint Street Lights
	$	10,000	Tools
	$	15,000	Contractor Testing and Inspections
	$	20,800	Electric share of Administration
	$	16,625	Electric share of Technical Services
Total	$	112,925	

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V
1	**er Municipal Utilities Business Plan/Budget**																					
2	**Electric Utility**																					
3	**Capital Budget 2027-2046**																					
4	**Description**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**	**2046**
5	**Projects**																					
6	OH to URD 208th, Wilson, 207th, single phase on Brook Rd		$350,000																			
7	Dayton Rebuild 2400V OH to 7200V URD					$376,000	$306,000	$102,000	$80,000	$83,000												
8	Cty Rd 32 single phase OH to three phase UG				$300,000																	
9	198th Ave & Polk St OH to URD			$100,000																		
10	198th Ave & Gary St OH to URD		$100,000																			
11	Otsego Street Lights	$50,000																				
12	3 Phase on Co Rd 1 from Co Rd 33 to 221st				$300,000																	
13	Co Rd 39 O'dean to Nashua - OH to URD						$200,000															
14	Rebuild Parrish						$200,000															
15	Rebuild: Dayton River Road						$200,000	$200,000	$200,000													
16	Rebuild: Zebulon and Xerxes, 190th	$250,000																				
17	Rebuild: Waco Street			$250,000																		
18	Rebuild: Ogden, 196th	$300,000																				
19	Rebuild: 211th			$100,000																		
20	Rebuild: 227th, 223rd			$100,000																		
21	Gravel Mine Development					$250,000	$250,000	$250,000	$250,000	$250,000												
22	Cty Rd 33		$300,000																			
23	Waco Business Center Dr Recon			$125,000																		
24	Cty Rd 44 Rebuild	$125,000																				
25	Roundabout 33/1																					
26	Downtown Streetlights		$50,000																			
27	Open Concentric		$100,000																			
28	Unidentified Projects	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	
30	**Total Projects Budget**	$975,000	$1,150,000	$925,000	$850,000	$876,000	$1,406,000	$802,000	$780,000	$583,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$0
31																						
32	**Substations**																					
33	**East**																					
34	Design																					
35	Construction	$1,655,000																				
36	Recloser Controller	$28,000																				
37	Recloser Tank	$120,000																				
38	Contractor Testing and Inspection	$15,000																				
39	**North**																					
40	Transformer Replacement (Target Date 2053)																					
41	Relay Panel Replacement								$25,000													
42	Recloser Controller Replacement				$6,000	$6,000	$6,000															
43	Recloser Tank Replacement	$150,000						$45,000	$15,000				$15,000									
44	Communication Equipment Replacement											$10,000										
45	Meter Replacement								$7,500													
46	**Orrock (Future)**																					
47	Design														$150,000							
48	Construct															$1,850,000						
49	**Otsego**																					
50	Transformer Replacement (Target Date 2023)	$1,280,120																				
51	Relay Panel Replacement										$25,000											
52	Recloser Controller Replacement	$28,000																				
53	Recloser Tank Replacement	$120,000						$15,000				$45,000										
54	Communication Equipment Replacement							$10,000														
55	Meter Replacement																$7,500					
56	**Otsego East (Future)**																					
57	Design				$150,000																	
58	Construct					$1,850,000																
59	**Station 14-3**																					
60	Transformer Replacement (Target Date 2037)												$1,250,000									
61	Relay Panel Replacement																					
62	Recloser Controller Replacement			$49,000				$30,000														
63	Recloser Tank Replacement			$150,000			$15,000			$15,000												
64	Communication Equipment Replacement												$10,000									
65	Meter Replacement																$7,500					
66	**Station 14-4**																					
67	Transformer Replacement (Target Date 2046)																					$2,500,000
68	Relay Panel Replacement	$20,000	$20,000																			
69	Recloser Controller Replacement			$14,000		$6,000					$6,000											
70	Recloser Tank Replacement			$60,000								$30,000										
71	Communication Equipment Replacement												$10,000									
72	Meter Replacement																$7,500					
73	**Waco Bank #1**																					

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V
1	**er Municipal Utilities Business Plan/Budget**																					
2	**Electric Utility**																					
3	**Capital Budget 2027-2046**																					
4	**Description**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**	**2046**
74	Transformer Replacement (Target Date 2047)																					
75	Relay Panel Replacement								$25,000													
76	Recloser Controller Replacement										$6,000											
77	Recloser Tank Replacement			$60,000									$30,000									
78	Communication Equipment Replacement										$10,000											
79	Meter Replacement												$7,500									
80	**Waco Bank #2**																					
81	Transformer Replacement (Target Date 2057)																					
82	Relay Panel Replacement												$25,000									
83	Recloser Controller Replacement			$21,000									$18,000									
84	Recloser Tank Replacement																					
85	Communication Equipment Replacement										$10,000											
86	Meter Replacement												$7,500									
87	**West Bank #1**																					
88	Transformer Replacement (Target Date 2046)																					$2,500,000
89	Relay Panel Replacement																					
90	Recloser Controller Replacement		$14,000				$12,000			$6,000												
91	Recloser Tank Replacement																$15,000					
92	Communication Equipment Replacement							$10,000														
93	Meter Replacement																$7,500					
94	**West Bank #2**																					
95	Transformer Replacement (Target Date 20..)	~~$800,000~~																				
96	Relay Panel Replacement																					
97	Recloser Controller Replacement		$28,000					$18,000														
98	Recloser Tank Replacement		$60,000						$15,000													
99	Communication Equipment Replacement							$10,000														
100	Meter Replacement																$7,500					
101	Cap and Reg Controllers																					
102	SCADA Network Upgrades	$50,000																				
103	Substations voltage upgrade to 115kV										$2,000,000	$2,000,000	$2,000,000	$2,000,000								
105	**Total Substations Budget**	$4,266,120	$122,000	$354,000	$156,000	$1,862,000	$33,000	$138,000	$87,500	$21,000	$2,057,000	$2,085,000	$3,373,000	$2,000,000	$150,000	$1,850,000	$52,500	$0	$0	$0	$0	$5,000,000
106																						
107	**Feeders**																					
108	Feeder 22 OH Rebuild		$150,000	$150,000	$150,000																	
109	Feeder 66 OH Rebuild					$150,000	$150,000	$150,000	$150,000													
110	Quaday to River Road NE				$500,000																	
111	County Rd 35 Feeder to Waco																					
112	Highway 10 Feeder from 101 to Jarvis			$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000									
113	Rebuild Feeder 46 Substation to Hwy 10			$250,000																		
114	Gravel Mine Feeders					$250,000	$250,000	$250,000	$250,000	$250,000												
115	Feeder 65 Rebuild OH from Landfill to North Sub	$175,000																				
116	East Sub Feeders #11, 13, 14	$200,000																				
117	Unidentified Feeders	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000
119	**Total Feeders Budget**	$625,000	$400,000	$800,000	$1,050,000	$800,000	$800,000	$800,000	$800,000	$650,000	$400,000	$400,000	$400,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000
120																						
121																						
122	**Miscellaneous**																					
123	Territory Acquisition - Loss of Revenue Pmt (2015 C	$472,275	$316,884	$198,046	$100,816	$100,816																
125	**Total Miscellaneous Budget**	$472,275	$316,884	$198,046	$100,816	$100,816	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
126																						
127	**Facilities**																					
128																						
129																						
131	**Total Facilities Budget**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
132																						
133	**System**																					
134	Transformers and Meters	$425,000	$425,000	$425,000	$425,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000
135	AMI	$70,607																				
136	New Development Distribution Installation	$350,000	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000
137	Street Lighting	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000
138	Ongoing OH Equip Replacement (Poles, Switches, C	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000
139	Ongoing URD Equip Replacement (Switches, J-Boxe	$900,000	$900,000	$900,000	$650,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000
140	Fault Indicators Replacements	$50,000																				
142	**Total System Budget**	$1,920,607	$1,850,000	$1,850,000	$1,600,000	$925,000	$925,000	$925,000	$925,000	$925,000	$925,000	$925,000	$925,000	$925,000	$925,000	$925,000	$925,000	$925,000	$925,000	$925,000	$925,000	$925,000
143																						
144	**Inventory/Equipment**																					

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V
1	**er Municipal Utilities Business Plan/Budget**																					
2	**Electric Utility**																					
3	**Capital Budget 2027-2046**																					
4	**Description**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**	**2046**
145	Digger Truck		$500,000								$335,000				$335,000							
146	Bucket Truck				$302,500	$332,750	$332,750		$332,750			$332,750		$332,750		$332,750	$332,750		$332,750			$332,750
147	Dump Truck/Flatbed Truck		$110,000		$50,000		$85,000	$75,000					$75,000	$50,000			$85,000	$75,000				
148	Vactron			$145,000		$145,000			$145,000		$145,000			$145,000		$145,000			$145,000		$145,000	
149	Excavator			$45,000							$45,000		$45,000									
150	Brush Chipper										$30,000											
151	Cable Plow					$200,000					$250,000											
152	Bore Rig				$400,000																	
153	John Deere Tractor																					
154	Trailer			$40,000		$20,000	$20,000		$17,000		$30,000	$20,000	$15,000	$20,000	$20,000	$20,000						
155	Shared Equipment					$21,600			$48,000	$65,000						$16,000						
156	Pickup Trucks	$65,000	$65,000		$195,000			$65,000	$65,000	$65,000		$65,000	$65,000		$195,000			$66,000	$66,000	$66,000		$66,000
157	Chipper Box							$55,000														
158	Dump Trailer																					
159	Hot Arms	$50,000																				
160	Ez Spot																					
161	Tools at Field Services Building																					
163	**Total Inventory/Equipment Budget**	$115,000	$675,000	$230,000	$947,500	$719,350	$437,750	$195,000	$607,750	$130,000	$835,000	$417,750	$200,000	$547,750	$550,000	$513,750	$417,750	$141,000	$543,750	$66,000	$145,000	$398,750
164																						
165	**Total**	$8,374,002	$4,513,884	$4,357,046	$4,704,316	$5,283,166	$3,601,750	$2,860,000	$3,200,250	$2,309,000	$4,467,000	$4,077,750	$5,148,000	$3,972,750	$2,125,000	$3,788,750	$1,895,250	$1,566,000	$1,968,750	$1,491,000	$1,570,000	$6,573,750
166	Reserves	$2,290,275									$2,000,000		$1,250,000			$1,850,000						
167	Bonding																					
168	Grants																					
169	Inter-Fund Borrowing	$1,400,000																				
170	**Total Less Additional Funding**	$4,683,727	$4,513,884	$4,357,046	$4,704,316	$5,283,166	$3,601,750	$2,860,000	$3,200,250	$2,309,000	$2,467,000	$4,077,750	$3,898,000	$3,972,750	$2,125,000	$1,938,750	$1,895,250	$1,566,000	$1,968,750	$1,491,000	$1,570,000	$6,573,750
171																						
172	Difference from Previous Year	$1,066,927	($169,843)	($156,838)	$347,270	$578,850	($1,681,416)	($741,750)	$340,250	($891,250)	$158,000	$1,610,750	($179,750)	$74,750	($1,847,750)	($186,250)	($43,500)	($329,250)	$402,750	-477750	79000	5003750
173																						
174																						
175	**Non-Capital Expenses - Noteworthy**																					
176	Computers/iPads	$3,500	$10,500	$5,500	$1,300	$5,500	$14,000	$3,500	$10,500	$5,500	$1,300	$5,500	$14,000	$3,500	$10,500	$5,500	$1,300	$5,500	$14,000	$3,500	$10,500	$5,500
177	Paint Trailer		$10,000																			
178	Paint Truck		$10,000																			
179	Paint Transformers/Switchgear	$10,000	$10,000																			
180	Paint Street Lights	$10,000	$10,000																			
181	Tools	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000
182	**Highway 10 (Future)**																					
183	Contractor Testing and Inspections (Expense)					$15,000										$15,000						
184	**North**																					
185	Contractor Testing and Inspections (Expense)		$15,000										$15,000									
186	**Otsego**																					
187	Transformer Arrestor Replacement (Expense)																					
188	Contractor Testing and Inspections (Expense)								$15,000													
189	**Otsego East (Future)**																					
190	Contractor Testing and Inspections (Expense)														$15,000							
191	**Station 14-3**																					
192	Transformer Arrestor Replacement (Expense)																					
193	Contractor Testing and Inspections (Expense)						$15,000										$15,000					
194	**Station 14-4**																					
195	Contractor Testing and Inspections (Expense)							$15,000										$15,000	$15,000	$15,000	$15,000	$15,000
196	**Waco Bank #1**																					
197	Contractor Testing and Inspections (Expense)	$15,000										$15,000										
198	**Waco Bank #2**																					
199	Contractor Testing and Inspections (Expense)			$15,000										$15,000								
200	**West Bank #1**																					
201	Contractor Testing and Inspections (Expense)									$15,000												
202	**West Bank #2**																					
203	Transformer Arrestor Replacement and Current Transformers (Expense)																					
204	Contractor Testing and Inspections (Expense)	$15,000									$15,000											
206	**Total Non-Capital Expenses - Noteworthy**	$ 63,500	$ 75,500	$ 30,500	$ 11,300	$ 30,500	$ 39,000	$ 28,500	$ 35,500	$ 30,500	$ 26,300	$ 30,500	$ 39,000	$ 28,500	$ 35,500	$ 30,500	$ 26,300	$ 30,500	$ 39,000	$ 28,500	$ 35,500	$ 30,500

Elk River Municipal Utilities Business Plan/Budget
2027 Water Department Capital Budget

Water Capital Construction Needs

		Cost	Description
	$	134,000	Well #8 Rehabilitation
	$	10,000	Well #9 Roof Replacement
	$	100,000	Catwalks
	$	100,000	Facility Repair (Capital)
	$	400,000	Freeport Booster Station
	$	45,000	Freeport Tower Wash
	$	40,000	SCADA upgrades
	$	47,000	Fiber - Meadowvale Booster station
	$	-	Hwy 169 Redefine
	$	4,300,000	Water Main Construction (City Rd project, Cty Rd 44)
	$	15,000	Placeholder for undetermined projects
Subtotal	$	5,191,000	

Capital Equipment Needs

		Cost	Description
	$	65,000	Replace Truck Vehicle #22
	$	7,500	Air Compressor
	$	14,500	Water share of Administration
	$	6,500	Water Share of Technical Services
Subtotal	$	93,500	
Total Capital	**$**	**5,284,500**	

Water Noteworthy Non-Recurring Expenses

		Cost	Description
	$	-	Computers, iPads
	$	10,000	Meters/ERT
	$	10,000	Tools
	$	5,200	Water share of Administration
	$	875	Water share of Technical Services
Total	$	26,075	

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V
1	**Elk River Municipal Utilities Business Plan/Budget**																					
2	**Water Utility**																					
3	**Capital Budget 2027-2046**																					
4	**Description**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**	**2046**
5	**Wells**																					
6	**Well 2**																					
7	Roof Replacement																					
8	Well Rehabilitation (Last Recondition 2022)				$40,000								$40,000								$40,000	
9	Flood Alarms																					
10	**Well 3**																					
11	Roof Replacement																					
12	Well Rehabilitation (Last Reconditioning 2024)							$40,000								$40,000						
13	Flood Alarms																					
14	Generator																					
15	**Well 4**																					
16	Roof Replacement																					
17	Well Rehabilitation (Last Reconditioning 2023)					$40,000								$40,000								$40,000
18	Media																					
19	**Well 5**																					
20	Roof Replacement																					
21	Well Rehabilitation (Last Reconditioning 2015)	$50,000								$40,000								$40,000				
22	Flood Alarms																					
23	**Well 6**																					
24	Roof Replacement																					
25	Well Rehabilitation (Last Reconditioning 2025)								$40,000								$40,000					
26	**Well 7**																					
27	Roof Replacement																					
28	Well Rehabilitation (Last Reconditioning 2023)						$40,000								$40,000							
29	VFD																					
30	Flood Alarms																					
31	**Well 8**																					
32	Well Rehabilitation (Last Reconditioning 2021)		$134,000								$40,000								$40,000			
33	**Well 9**																					
34	Roof Replacement		$10,000																			
35	Well Rehabilitation (Last Reconditioning 2018)			$40,000								$40,000								$40,000		
36	**Well 10**																					
37	New Well			$1,500,000																		
38	New Treatment Plant			$8,000,000																		
39	**Well 11**																					
40	New Well									$1,500,000												
41	New Treatment Plant									$8,000,000												
42	**All Wells**																					
43	Chlorine Alarms													$25,000								
44	Chlorine Analyzers	$10,000																				
45	Hi-E Dry Dehumidifiers	$12,000													$10,000							
46	Re-route well 8 to treatment plant 7	$434,000																				
47	Catwalks	$100,000	$100,000	$100,000	$50,000																	
48	Facility Repair (Capital)	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
50	**Total Well Budget**	$706,000	$344,000	$9,740,000	$190,000	$140,000	$140,000	$140,000	$140,000	$9,640,000	$140,000	$140,000	$140,000	$165,000	$150,000	$140,000	$140,000	$140,000	$140,000	$140,000	$140,000	$140,000
51																						
52	**Miscellaneous**																					
53	Freeport Booster Station	~~$400,000~~	$400,000															$20,000	$20,000			
54	Meadowvale Booster Station	$150,000																				
56	**Total Miscellaneous Budget**	$550,000	$400,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$20,000	$20,000	$0	$0	$0
57																						
58	**Towers**																					
59	**Gary St. Tower**																					
60	Paint/Sandblast (Capital)																					
61	Wash In/Outside of Tower (Capital)				$45,000				$45,000				$45,000				$45,000				$45,000	
62	Mixer																					
63	**Freeport Tower**																					
64	Paint/Sandblast (Capital)																					
65	Wash In/Outside of Tower (Capital)		$45,000				$45,000				$45,000				$45,000				$45,000			
66	Mixer																					
67	**Auburn Tower**																					
68	Paint/Sandblast (Capital)																					
69	Wash In/Outside of Tower (Capital)			$45,000				$45,000				$45,000				$45,000				$45,000		
70	Mixer																					
71	**Johnson Tower**																					

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V
1	**Elk River Municipal Utilities Business Plan/Budget**																					
2	**Water Utility**																					
3	**Capital Budget 2027-2046**																					
4	**Description**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**	**2046**
72	Paint/Sandblast (Capital)					$2,000,000																
73	Wash In/Outside of Tower (Capital)									$45,000				$45,000				$45,000				$45,000
74	Mixer									$20,000												
75	**New Tower**										$3,500,000											
76	**New Tower**															$4,000,000						
77	Placeholder	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000
79	**Total Tower Budget**	$15,000	$60,000	$60,000	$60,000	$2,015,000	$60,000	$60,000	$60,000	$80,000	$3,560,000	$60,000	$60,000	$60,000	$60,000	$4,060,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000
80																						
81	**System**																					
82	Facilities Building																					
83	SCADA upgrades	$240,000	$40,000	$20,000		$40,000																
84	Well Security	$15,000																				
85	Fiber - Meadowvale Booster station		$47,000																			
86	AMI																					
87	Highway 169 Redefine	$185,000																				
88	Gravel Mine Development					$500,000	$500,000	$500,000	$500,000	$500,000												
89	Water Main Construction (Capital)	$2,100,000	$4,300,000		$750,000		$750,000		$750,000		$750,000		$750,000		$750,000		$750,000		$750,000		$750,000	
91	**Total System Budget**	$2,540,000	$4,387,000	$20,000	$750,000	$540,000	$1,250,000	$500,000	$1,250,000	$500,000	$750,000	$0	$750,000	$0	$750,000	$0	$750,000	$0	$750,000	$0	$750,000	$0
92																						
93	**Inventory/Equipment**																					
94	Equipment			$65,000								$65,000				$6,000						$65,000
95	Shared Equipment					$5,400			$12,000	$22,000						$4,000						
96	Trucks (Capital)	$65,000	$65,000	$65,000	$130,000					$65,000	$65,000	$65,000	$65,000	$65,000	$130,000					$66,000	$66,000	$66,000
97	GPS locating equipment	$15,000																				
98	Air Compressor		$7,500																			
99	Fire Hydrant Flushing Equipment																					
101	**Total Inventory/Equipment Budget**	$80,000	$72,500	$130,000	$130,000	$5,400	$0	$0	$12,000	$87,000	$65,000	$130,000	$65,000	$65,000	$130,000	$10,000	$0	$0	$0	$66,000	$66,000	$131,000
102																						
103	**Total**	**$3,891,000**	**$5,263,500**	**$9,950,000**	**$1,130,000**	**$2,700,400**	**$1,450,000**	**$700,000**	**$1,462,000**	**$10,307,000**	**$4,515,000**	**$330,000**	**$1,015,000**	**$290,000**	**$1,090,000**	**$4,210,000**	**$950,000**	**$220,000**	**$970,000**	**$266,000**	**$1,016,000**	**$331,000**
104	Reserves	$2,435,000	$4,300,000																			
105	Bonding			$8,000,000						$9,500,000	$3,500,000					$4,000,000						
106	Trunk Funds																					
107	**Total Less Additional Funding**	$1,456,000	$963,500	$1,950,000	$1,130,000	$2,700,400	$1,450,000	$700,000	$1,462,000	$807,000	$1,015,000	$330,000	$1,015,000	$290,000	$1,090,000	$210,000	$950,000	$220,000	$970,000	$266,000	$1,016,000	$331,000
108																						
109	Difference from Previous Year	$ 168,300	$ (492,500)	$ 986,500	$ (820,000)	$ 1,570,400	$ (1,250,400)	$ (750,000)	$ 762,000	$ (655,000)	$ 208,000	$ (685,000)	$ 685,000	$ (725,000)	$ 800,000	$ (880,000)	$ 740,000	$ (730,000)	$ 750,000	$ (704,000)	$ 750,000	$ (685,000)
110																						
111																						
112	**Non-Capital Expenses - Noteworthy**																					
113	Computers/iPads	$0	$0	$3,500	$1,300	$6,000	$11,000	$0	$0	$3,500	$1,300	$6,000	$11,000	$0	$0	$3,500	$1,300	$6,000	$11,000	$0	$0	$3,500
114	Meters/ERTs	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000
115	Tools	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000
116	Rate Study					$5,000					$5,000					$5,000						
118	**Total Non-Capital Expenses - Noteworthy**	$ 20,000	$ 20,000	$ 23,500	$ 21,300	$ 31,000	$ 31,000	$ 20,000	$ 20,000	$ 23,500	$ 26,300	$ 26,000	$ 31,000	$ 20,000	$ 20,000	$ 28,500	$ 21,300	$ 26,000	$ 31,000	$ 20,000	$ 20,000	$ 23,500

Elk River Municipal Utilities Business Plan/Budget
2027 Administration and Technical Services Departments Capital Budgets

Administration Capital Needs

		Cost	Description
	$	15,000	Network Switches/Misc (ERMU)
	$	11,500	UPS Upgrades (city shared)
	$	12,500	Security Camera System Replacement - Admin (city shared)
	$	-	Door Controls (city shared)
	$	6,000	Domain Controller
	$	-	OMS
	$	5,000	Office Furniture
	$	5,000	Office Branding
	$	20,000	Field Services Branding
	$	5,000	Misc Office Equipment
Subtotal	$	80,000	

Administration Noteworthy Non-Recurring Expenses

		Cost	Description
	$	26,000	Computers, iPads, Software, Accessories, Scanners, Printers - Upgrades
Subtotal	$	26,000	
Total Administration	**$**	**106,000**	

Technical Services Capital Needs

		Cost	Description	
	$	20,000	VOLT/VAR Implementation	
	$	190,000	Voltage Regulator Banks (2)	
	$	140,000	Fiber Extension - Waco Sub	
	$	28,000	Fiber Cty 77	
	$	68,000	TGB Collector on Siren Pole	
	$	25,000	Substation Security	
	$	130,000	Replace Trucks	Vehicle #35 and #36
Subtotal	$	601,000		

Technical Services Noteworthy Non-Recurring Expenses

		Cost	Description
	$	7,500	Computers, iPads, Software, Accessories - Upgrades
	$	10,000	Tools
Subtotal	$	17,500	
Total Technical Services	**$**	**618,500**	

Total Capital Items	**$**	**681,000**
Total Non-Recuring Expenses	$	43,500

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V
1	**Elk River Municipal Utilities Business Plan/Budget**																					
2	**Administration & Technical Services**																					
3	**Capital Budget 2027-2046**																					
4	**Description**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**	**2046**
5	**Admin**																					
6	**Information Technology**																					
7	Server upgrades (city shared)	$15,000		$12,000	$12,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000
8	Server Backup System (city shared)	$5,000																				
9	Microsoft server upgrade (city shared)	$18,000										$20,000										
10	Network Switch (City main core)					$20,000										$20,000						
11	Network Switches/Misc (ERMU)	$5,000	$15,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000
12	Phone System (city shared)	$10,000																				
13	UPS Upgrades (city shared)		$11,500																			
14	Security Camera System Replacement - Admin (city shared)	~~$10,000~~	$12,500																			
15	Door Controls (city shared)																					
16	Security Camera System Replacement - FSB								$50,000										$50,000			
17	Domain Controller	~~$6,000~~	$6,000				$5,000					$5,000					$5,000					
18	Commission Room AV Upgrade					$15,000																
19	OMS	~~$18,000~~																				
20	Team's Room - FS Building	$8,000																				
21	OT Security	$40,000																				
23	**Total IT Budget**	$135,000	$45,000	$17,000	$17,000	$55,000	$25,000	$20,000	$70,000	$20,000	$20,000	$45,000	$20,000	$20,000	$20,000	$40,000	$25,000	$20,000	$70,000	$20,000	$20,000	$20,000
24																						
25																						
26	Facilities																					
27	Office Furniture	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$20,000	$5,000	$20,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$20,000	$5,000	$20,000
28	Office Branding	$40,000	$5,000																			
29	Field Services Branding		$20,000																			
30	Carpet							$50,000										$50,000				
32	**Total Facilities Budget**	$45,000	$30,000	$5,000	$5,000	$5,000	$5,000	$55,000	$5,000	$20,000	$5,000	$20,000	$5,000	$5,000	$5,000	$5,000	$5,000	$55,000	$5,000	$20,000	$5,000	$20,000
33																						
34																						
35	**Miscellaneous**																					
36	Office Vehicles			$50,000	$30,000				$50,000				$50,000	$30,000					$50,000			
37	Misc. Office Equipment	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000
39	**Total Miscellaneous Budget**	$5,000	$5,000	$55,000	$35,000	$5,000	$5,000	$5,000	$55,000	$5,000	$5,000	$5,000	$55,000	$35,000	$5,000	$5,000	$5,000	$5,000	$55,000	$5,000	$5,000	$5,000
40																						
41																						
42	**Tech Services**																					
43	**Information Technology**																					
45	GIS Enterprise version update	~~$10,000~~																				
47	**Total IT Budget**	$10,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
48																						
49																						
50	**Projects**																					
51	VOLT/VAR Implementation	$20,000	$20,000																			
52	Voltage Regulator Banks (2)		$190,000																			
53	Fiber Extension - Waco Sub		$140,000																			
54	Fiber Extension - Otsego Sub	$125,000																				
55	Fiber Cty 77		$28,000																			
56	TGB Collector on Siren Pole		$68,000																			
57	Substation Security	$25,000	$25,000	$25,000	$25,000	$25,000																
59	**Total Projects**	$170,000	$471,000	$25,000	$25,000	$25,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
60																						
61																						
62	**Inventory/Equipment**																					
63	Substation Meter and SCADA Equipment																					
64	Field Meter Testing Equipment																					
65	Shop Meter Tester																					
66	Acoustic Camera	$20,000																				
67	Locator	$15,000																				
68	Communications Cap Bank VR Controllers	$25,000																				
69	Trucks (Capital)	$65,000	$130,000		$65,000	$65,000	$65,000			$130,000		$65,000	$65,000	$65,000	$65,000	$65,000	$65,000			$132,000		$66,000
71	**Total Inventory/Equipment Budget**	$125,000	$130,000	$0	$65,000	$65,000	$65,000	$0	$0	$130,000	$0	$65,000	$65,000	$65,000	$65,000	$65,000	$65,000	$0	$0	$132,000	$0	$66,000
72																						
73																						
74	**Total**	**$490,000**	**$681,000**	**$102,000**	**$147,000**	**$155,000**	**$100,000**	**$80,000**	**$130,000**	**$175,000**	**$30,000**	**$135,000**	**$145,000**	**$125,000**	**$95,000**	**$115,000**	**$100,000**	**$80,000**	**$130,000**	**$177,000**	**$30,000**	**$111,000**
75	Reserves																					
76	Bonding																					
77																						
78	Total Less Additional Funding	$490,000	$681,000	$102,000	$147,000	$155,000	$100,000	$80,000	$130,000	$175,000	$30,000	$135,000	$145,000	$125,000	$95,000	$115,000	$100,000	$80,000	$130,000	$177,000	$30,000	$111,000
79																						
80	Difference from Previous Year	$ 116,600	$ 191,000	$ (579,000)	$ 45,000	$ 8,000	$ (55,000)	$ (20,000)	$ 50,000	$ 45,000	$ (145,000)	$ 105,000	$ 10,000	$ (20,000)	$ (30,000)	$ 20,000	$ (15,000)	$ (20,000)	$ 50,000	$ 47,000	$ (147,000)	$ 81,000
81																						
82																						
83	**Non-Capital Expenses - Noteworthy**																					
84	Admin - Computers, Software, Accessories, Upgrades	$15,300	$26,000	$24,500	$23,000	$6,500	$24,400	$20,300	$26,000	$24,500	$23,000	$6,500	$24,400	$20,300	$26,000	$24,500	$23,000	$6,500	$24,400	$20,300	$26,000	$24,500
85	Tech Services - Computers, Software, Accessories, Upgrades	$14,500	$7,500	$0	$9,500	$1,000	$6,500	$14,500	$7,500	$0	$9,500	$1,000	$6,500	$14,500	$7,500	$0	$9,500	$1,000	$6,500	$14,500	$7,500	$0
86	Tools	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000
88	**Total Non-Capital Expenses - Noteworthy**	$ 39,800	$ 43,500	$ 34,500	$ 42,500	$ 17,500	$ 40,900	$ 44,800	$ 43,500	$ 34,500	$ 42,500	$ 17,500	$ 40,900	$ 44,800	$ 43,500	$ 34,500	$ 42,500	$ 17,500	$ 40,900	$ 44,800	$ 43,500	$ 34,500

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	FROM: Mark Hanson - General Manager
MEETING DATE: September 8, 2026	**AGENDA ITEM NUMBER:** 5.3
SUBJECT: County State Aid Highway 44 Cost Share Agreement	
ACTION REQUESTED: Approve the County State Aid Highway 44 Cost Share Agreement between Sherburne County, the City of Elk River, and Elk River Municipal Utilities	

BACKGROUND:
Sherburne County has received bids and selected a contractor to perform work on County State Aid Highway 44. The City of Elk River and ERMU have requested additional improvements within the project scope of work as part of the attached cost share agreement. The County has allocated the estimated costs for the improvements based on the attached Sherburne County Cost Participation Policy.

DISCUSSION:
Using the attached bid abstract, the county has estimated the cost of ERMU's requested improvements at $1,368,428.88 (there is an error in the attached County Bid Tab). The estimated cost includes the following efforts:

- 100% of the actual construction costs for ERMU's watermain project components as identified in Exhibit A (estimated $1,315,797.00); and
- 2% of the actual construction costs for the ERMU related project components for Construction Surveying as identified in Exhibit A (estimated $26,315.94); and
- 2% of the actual construction costs for the ERMU related project components for Construction Contract Administration as identified on Exhibit A (estimated $26,315.94).

The final construction costs for the project components identified on the attached bid abstract will be based on the County's actual costs as determined by the County's final project payments to the contractor. The County has proposed all parties sign the attached agreement reflecting the costs, improvements, and other obligations. ERMU's legal counsel has reviewed the agreement and noted no concerns.

Staff request commission approval of the agreement, pending final legal review, as well as provision of authorization to the General Manager and ERMU's attorney to approve any subsequent changes that are not material.

FINANCIAL IMPACT:
These costs are in line with the amounts approved in the 2026 Capital Budget for Water Main Construction. The work will take place in 2026 and 2027. The County anticipates invoicing us for our share of the costs in 2028, after final payment on the contract has been made.

ATTACHMENTS:
- County State Aid Highway 44 Cost Share Agreement
- Exhibit A - County State Aid Highway 44 Low Bid Abstract
- Exhibit B - Sherburne County Cost Participation Policy

COST SHARE AGREEMENT
BETWEEN SHERBURNE COUNTY AND CITY OF ELK RIVER
AND ELK RIVER MUNICIPAL UTILITIES
FOR IMPROVEMENTS TO
COUNTY HIGHWAY 44 FROM US 10 TO CSAH 1

THIS AGREEMENT is made and entered into this _____ day of __________, 2026, (the "Effective Date") by and between the County of Sherburne, a political subdivision of the State of Minnesota, 13880 Business Center Drive NW, Elk River, Minnesota 55330, (the "County"), the City of Elk River, 13065 Orono Parkway, Elk River, MN 55330 (the "City") and Elk River Municipal Utilities, 13069 Orono Pkwy, Elk River, MN 55330 ("ERMU").

WHEREAS, the parties to this Agreement have long exhibited concern for the safety of the public traveling on County Highway 44 between US 10 to CSAH 1; and,

WHEREAS, the County has proposed, the City and ERMU has consented to certain improvements to County Highway (CR) 44 (the "Project"); and

WHEREAS, the parties agree that the County shall cause construction of the Project; and

WHEREAS, the County has prepared plans and specifications for the Project (SP 071-596-011), which plans are consistent with the plans the City and ERMU consented to and which will be on file in the office of the County Engineer, and

WHEREAS, Minn. Stat. § 471.59 authorizes the County, the City and ERMU to enter into an agreement for the joint exercise of powers and the sharing of resources; and

WHEREAS, the parties agree that it is in their best interest that the cost of said project be shared.

NOW, THEREFORE, in consideration of the premises and mutual covenants contained herein and subject to the provisions of Minn. Stat. § 471.59, the parties agree as follows:

1. Purpose. The parties enter into this Agreement for the purpose of constructing the CR44 Project.

2. Term. Notwithstanding the date of the signatures of the parties, the term of this Agreement shall commence on the Effective Date and shall terminate on the date that the Project has been completed, as determined by the parties.

3. Duties of the County and City.

   3.1 Solicitation and Award of Contract. The County shall solicit bids for the construction of the Project based on the plans and specifications and shall award a contract to the lowest responsible bidder, as determined by the County, in accordance with Minnesota law.

   3.2 Plans and Specifications. The County shall prepare all plans, specifications, material quantities and all other documents necessary for the construction of the Project.

   3.3 Construction Items. The County will let a contract and will cause the construction of the Project, in accordance with the County, the City and ERMU approved Federal Aid construction plans. The Project includes, at a minimum, the following improvements:

1) Reconstruction of the existing pavement
2) Add a center continuous left turn lane
3) Install curb and gutter
4) Install storm sewer
5) Install City sanitary sewer and signage
6) Install ERMU Watermain
7) Install City trail and amenities
8) Install pavement markings
9) Provide traffic control during construction
10) Install BNSF crossing. A separate Construction Agreement directly with BNSF will be executed to address this part of the project

3.4 Construction Oversight. During the Project, the County shall provide all necessary construction engineering, construction surveying, and construction inspection for all items excluding items 5, 6 and 10. The cost to the City for non-excluded construction oversight services shall be eight percent (8%) of the City participating construction costs. Construction surveying for items 5 and 6 shall be two percent (2%) for the City and ERMU for their respective items. Construction observation for items 5 and 6 shall be the responsibility of the City and ERMU for their respective items.

3.5 Right of Way and Permits. The County will be responsible for acquiring and paying for all right of way and other land use rights necessary for the Project and shall be responsible for obtaining all necessary permits and other approvals necessary for the construction of or otherwise associated with the Project, including but not limited to all environmental permits such as SWPPP, TEP approvals, and NPDES permit.

3.6 Administration. The County will be responsible for administering the Project. Contract administrative services shall include, without limitation, the advertising and acceptance of bids, generating partial and final payments and Project close- out. The County will also provide all necessary construction engineering, construction surveying, and construction inspection for the Project and will prepare and sign all work orders, change orders, and supplemental agreements relating to the Project. The costs associated with contract administrative services to the City and ERMU for these services shall be two percent (2%) of the City and ERMU construction costs.

3.7 Cost Participation. The estimated total construction cost of the Project is $6,395,955.84 (not including the BNSF Rail Crossing of $486,637), consistent with the Sherburne County Cost Share Policy and as shown on Exhibit B. The total construction costs including the BNSF Rail Crossing shall be shared by the Parties as follows:

a. County: 100% of the actual construction costs for the County roadway Project components as identified on Exhibit A (*estimated* $1,901,742.98); and

50% of the actual construction costs for the storm sewer Project components as identified on Exhibit A (*estimated* $340,505.91); and

100% of the actual construction costs for BNSF Railroad crossing associated with the road crossing as identified in the summary table on Exhibit A (*estimated* $402,674.00).

The County's total Cost share is *estimated* at $2,644,923.09

b. City: 100% of the actual construction costs for the City's roadway Project components as identified on Exhibit A (*estimated* $413,868.00; and

50% of the actual construction costs for the storm sewer Project components as identified on Exhibit A (*estimated* $299,135.34); and

100% of the actual construction costs for the City's Sanitary Sewer and signage Project components as identified on Exhibit A (*estimated* $120,256.00; and

100% of the actual construction costs for BNSF Railroad crossing associated with the Pedestrian crossing as identified in the summary table on Exhibit A (*estimated* $83,963).

8% of the actual construction costs for the Construction Engineering for City Project components, excluding Sanitary Sewer which will be 2% for construction surveying as identified on Exhibit A (*estimated* $98,085.48); and

2% of the actual construction costs for the City related Project components for Construction Contract Administration as identified on Exhibit A (*estimated* $26,325.21).

The City's total Cost share is *estimated* at $1,041,119.44

c. Elk River Municipal Utility (ERMU): 100% of the actual construction costs for ERMU's watermain Project components as identified in Exhibit A (*estimated* $1,315,797.00); and

2% of the actual construction costs for the ERMU related Project components for Construction Surveying as identified on Exhibit A (*estimated* $26,315.94); and

2% of the actual construction costs for the ERMU related Project components for Construction Contract Administration as identified on Exhibit A (*estimated* $26,315.94).

ERMU's total Cost share is *estimated* at $1,342,112.94

The final construction costs for the Project components identified on Exhibit A will be based on the County's actual costs as determined by the County's final project payments to the contractor.

3.8 Payments to Contractor. For purposes of paying the contractor during the Project, the County will process all payment requests from the contractor and will approve or deny the requests as appropriate, pursuant to the terms of the contract.

3.9 Ownership and Maintenance. Following completion of construction, the County will continue to own the roadway and drainage system improvements located within the County right-of-way and will be solely responsible for the ongoing maintenance of those improvements. The City will continue to own the sidewalk, multi-use trails and sanitary sewer system and will be solely responsible for the ongoing maintenance of those improvements. ERMU will continue to own the watermain system and will be solely responsible for the ongoing maintenance of this improvement.

3.10 Payments to the County. After payment to the contractor is made by the County for Project components for which the City and ERMU are responsible for the respective costs, pursuant to this Agreement, the County will submit invoices to the City and ERMU for reimbursement. Payment shall be made to the County within 35 days of when an invoice is received by the City and ERMU. Submittal of the final invoice is anticipated to be no sooner than after January 1, 2028.

4. General Provisions.

4.1 Entire Agreement; Amendments. This Agreement constitutes the entire agreement and understanding of the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, documents and proposals, oral or written, between the parties with respect thereto. Any amendment or modification to this Agreement shall not be valid unless such amendment or modification (i) is in writing and signed by authorized representatives of both parties and (ii) references this Agreement. The terms and conditions of the exhibits are integral parts of this Agreement and are fully incorporated herein by this reference.

4.2 Cooperation. The parties agree to cooperate in the use of resources, including available right-of-way to complete the project as a whole, to the extent feasible and to the extent permitted by law. The parties further agree to cooperate in the administration of the contract and completion of the project, including cooperating in resolving any disputes the parties may have with the contractor(s) both during the project and following completion of the project.

4.3 Notices. Any notices required or permitted to be given under this Agreement shall be delivered personally or sent by certified mail to the other party as follows:

To the County:
Andrew Witter
Sherburne County Engineer
Sherburne County Government Center
13880 Business Center Drive, Suite 100
Elk River, MN 55330

To the City:
City Administrator
City of Elk River
13065 Orono Parkway
Elk River, MN 55330

To the City:
ERMU Chair
Elk River Municipal Utilities
13069 Orono Parkway
Elk River, MN 55330

4.4 Governing Law. This Agreement shall be governed by the laws of the State of Minnesota. For the purpose of resolving conflicts related to or arising out of this Agreement, the parties expressly agree that venue shall be exclusively in the State of Minnesota, County of Sherburne.

4.5 Disbursement of Funds. All funds disbursed by the County or City pursuant to this Agreement shall be disbursed by each entity pursuant to the method provided by law.

4.6 Audit. The parties shall maintain complete and accurate records with respect to costs incurred and services performed under this Agreement for a period of at least six (6) years after the termination of this Agreement. Pursuant to Minn. Stat. § 16C.05, Subd. 5, each party shall allow the other party, the State Auditor, or their authorized representatives access to the books, records, documents, and accounting procedures and practices relevant to the subject matter of the Agreement, for purposes of audit.

4.7 Data Practices. All data created, collected, received, stored, used, maintained, or disseminated for any purpose in connection with this Agreement is governed by the Minnesota Data Practices Act, as well as other State and Federal rules and regulations relating to data privacy.

4.8 Assignment and Delegation. Neither party shall assign its rights or delegate its duties under this Agreement without receiving the prior written consent of the other party.

4.9 Liability. Each party will be solely responsible for its own acts and omissions and the results thereof, to the extent authorized by law. The parties mutually agree to indemnify and hold harmless each other from any claims, losses, costs, expenses or damages resulting from the acts or omissions of the respective officers, agents, or employees relating to activities conducted by either party under this Agreement. Minnesota Statutes Chapter 466 and other applicable laws govern the parties' liability.

4.10 Severability. In the event that any portion of this Agreement shall be held to be invalid, such invalidity shall not affect the validity of the remainder of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement to be effective as of the Effective Date set forth above.

SHERBURNE COUNTY	**CITY OF ELK RIVER**
By: ______________________________	By: ______________________________
Raeanne Danielowski County Board Chair	John Dietz Mayor, City of Elk River
Attest: ____________________________	Attest: ______________________________
Bruce Messelt County Administrator	Cal Portner City Administrator

ELK RIVER MUICIPAL UTILITIES

By: ______________________________
John Dietz
Commission Chair

Attest: ____________________________
Mark Hanson
General Manager

EXHIBIT A

PROJECT COSTS

EXHIBIT B

COST SHARE POLICY

EXHIBIT A

2026 CR 44 Reconstruction - Bid Abstract
SP 071-596-011/204-080-011
Bid Opening 8/5/2026

							PARTICIPATING FEDERAL FUNDING								NON-PARTICIPATING					
							ROADWAY SP 071-596-011		STORM SEWER SP 071-596-011		CITY OF ELK RIVER ROADWAY SAP 204-080-001		CITY OF ELK RIVER STORM SEWER SAP 204-080-001		CITY OF ELK RIVER NON-PARTICIPATING		CITY OF ELK RIVER SANITARY SEWER		ELK RIVER MUNICIPAL UTILITIES WATER SYSTEM	
					S.M. Hentges & Son, Inc.			SM HENTGES		SM HENTGES		SM HENTGES		SM HENTGES		SM HENTGES		SM HENTGES		SM HENTGES
Line	Number	Description	Unit	Quantity	Price	Total	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST
1	2021.501	MOBILIZATION	LS	1	$520,000.00	$520,000.00	0.48	$249,600.00	0.09	$46,800.00	0.11	$57,200.00	0.08	$41,600.00		$0.00	0.03	$15,600.00	0.21	$109,200.00
2	2021.601	RAILROAD PROTECTIVE SERVICES	LS	1	$30,000.00	$30,000.00	0.48	$14,400.00	0.09	$2,700.00	0.11	$3,300.00	0.08	$2,400.00		$0.00	0.03	$900.00	0.21	$6,300.00
3	2041.610	TRAINEES	HOUR	950	$1.00	$950.00	456	$456.00	85.00	$85.00	105.00	$105.00	76	$76.00		$0.00	28	$28.00	200	$200.00
4	2101.502	GRUBBING	EACH	76	$245.00	$18,620.00	76	$18,620.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
5	2101.505	GRUBBING	ACRE	1.8	$3,800.00	$6,840.00	1.8	$6,840.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
6	2104.502	REMOVE PIPE APRON	EACH	18	$311.00	$5,598.00		$0.00	18.00	$5,598.00		$0.00		$0.00		$0.00		$0.00		$0.00
7	2104.502	REMOVE MANHOLE OR CATCH BASIN	EACH	6	$635.00	$3,810.00		$0.00	3.00	$1,905.00		$0.00		$0.00		$0.00	3	$1,905.00		$0.00
8	2104.502	REMOVE GATE VALVE & BOX	EACH	34	$112.00	$3,808.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	34	$3,808.00
9	2104.502	REMOVE HYDRANT	EACH	13	$370.00	$4,810.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	13	$4,810.00
10	2104.502	REMOVE DELINEATOR / MARKER	EACH	19	$39.00	$741.00	19	$741.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
11	2104.502	SALVAGE SIGN	EACH	6	$44.00	$264.00	6	$264.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
12	2104.503	SAWING CONCRETE PAVEMENT (FULL DEPTH)	L F	86	$6.00	$516.00	86	$516.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
13	2104.503	SAWING BIT PAVEMENT (FULL DEPTH)	L F	1,297	$3.00	$3,891.00	1,297	$3,891.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
14	2104.503	REMOVE PIPE CULVERTS	L F	605	$28.00	$16,940.00		$0.00	605.00	$16,940.00		$0.00		$0.00		$0.00		$0.00		$0.00
15	2104.503	REMOVE WATER MAIN	L F	5,742	$14.00	$80,388.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	5742	$80,388.00
16	2104.503	REMOVE SEWER PIPE (STORM)	L F	96	$30.00	$2,880.00		$0.00	48.00	$1,440.00		$0.00	48	$1,440.00		$0.00		$0.00		$0.00
17	2104.503	REMOVE SEWER PIPE (SANITARY)	L F	580	$6.50	$3,770.00		$0.00		$0.00		$0.00		$0.00		$0.00	580	$3,770.00		$0.00
18	2104.503	REMOVE CURB & GUTTER	L F	636	$2.80	$1,780.80	636	$1,780.80		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
19	2104.503	REMOVE SANITARY SERVICE PIPE	L F	398	$7.00	$2,786.00		$0.00		$0.00		$0.00		$0.00		$0.00	398	$2,786.00		$0.00
20	2104.503	SALVAGE WOODEN FENCE	L F	47	$14.00	$658.00	47	$658.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
21	2104.504	REMOVE CONCRETE DRIVEWAY PAVEMENT	S Y	375	$5.20	$1,950.00	375	$1,950.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
22	2104.504	REMOVE CONCRETE PAVEMENT	S Y	84	$10.40	$873.60	84	$873.60		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
23	2104.504	REMOVE BITUMINOUS DRIVEWAY PAVEMENT	S Y	1,843	$3.80	$7,003.40	1,843	$7,003.40		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
24	2104.504	REMOVE BITUMINOUS PAVEMENT	S Y	28,078	$5.20	$146,005.60	28,078	$146,005.60		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
25	2104.518	REMOVE RETAINING WALL	S F	60	$31.00	$1,860.00	60	$1,860.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
26	2104.602	SALVAGE SIGN SPECIAL	EACH	35	$66.00	$2,310.00		$0.00		$0.00		$0.00		$0.00	35	$2,310.00		$0.00		$0.00
27	2104.618	SALVAGE CONCRETE BLOCK RETAINING WALL	S F	14	$100.00	$1,400.00	14	$1,400.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
28	2106.507	EXCAVATION - COMMON (P)	C Y	47,928	$8.00	$383,424.00	47,928	$383,424.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
29	2106.507	EXCAVATION - MUCK	C Y	1,160	$20.00	$23,200.00	1,160	$23,200.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
30	2106.507	EXCAVATION - SUBGRADE	C Y	780	$10.00	$7,800.00	780	$7,800.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
31	2106.507	EXCAVATION - CHANNEL AND POND (P)	C Y	4,600	$10.00	$46,000.00	4,600	$46,000.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
32	2106.507	GRANULAR EMBANKMENT (CV)	C Y	1,710	$10.00	$17,100.00	1,710	$17,100.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
33	2106.507	SELECT GRANULAR EMBANKMENT (CV) (P)	C Y	14,579	$10.00	$145,790.00	14,579	$145,790.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
34	2106.507	COMMON EMBANKMENT (CV) (P)	C Y	4,033	$15.00	$60,495.00	4,033	$60,495.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
35	2108.504	GEOTEXTILE FABRIC TYPE 4	S Y	2,619	$3.47	$9,087.93	2,250	$7,807.50	369.00	$1,280.43		$0.00		$0.00		$0.00		$0.00		$0.00
36	2112.519	SUBGRADE PREPARATION	RDST	81	$0.10	$8.10	81.0	$8.10		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
37	2118.509	AGGREGATE SURFACING CLASS 2	TON	73	$31.00	$2,263.00	73	$2,263.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
38	2123.61	TRACTOR MOUNTED BACKHOE	HOUR	50	$240.00	$12,000.00	50	$12,000.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
39	2123.61	STREET SWEEPER (WITH PICKUP BROOM)	HOUR	100	$170.00	$17,000.00	100	$17,000.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
40	2130.523	WATER	MGAL	500	$45.00	$22,500.00	500	$22,500.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
41	2211.509	AGGREGATE BASE CLASS 5	TON	16,271	$16.00	$260,336.00	13,073	$209,168.00		$0.00	3,198.00	$51,168.00		$0.00		$0.00		$0.00		$0.00
42	2360.509	TYPE SP 9.5 WEARING COURSE MIX (2,C)	TON	1,646	$114.00	$187,644.00	195	$22,230.00		$0.00	1,451.00	$165,414.00		$0.00		$0.00		$0.00		$0.00
43	2360.509	TYPE SP 9.5 WEARING COURSE MIX (2,C) SPEC	TON	54	$127.00	$6,858.00	54	$6,858.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
44	2360.509	TYPE SP 9.5 WEARING COURSE MIX (3,C)	TON	6,631	$100.00	$663,100.00	6,631	$663,100.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
45	2360.509	TYPE SP 12.5 NON WEAR COURSE MIX (2,C)	TON	91	$113.00	$10,283.00	91	$10,283.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
46	2360.509	TYPE SP 12.5 NON WEAR COURSE MIX (3,B)	TON	4,421	$82.00	$362,522.00	4,421	$362,522.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
47	2411.618	MODULAR BLOCK RETAINING WALL	S F	210	$132.00	$27,720.00	105	$13,860.00		$0.00	105.00	$13,860.00		$0.00		$0.00		$0.00		$0.00
48	2411.618	INSTALL CONCRETE BLOCK RETAINING WALL	S F	2	$475.00	$950.00	2	$950.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
49	2451.507	COARSE FILTER AGGREGATE (CV)	C Y	230	$78.00	$17,940.00		$0.00	230.00	$17,940.00		$0.00		$0.00		$0.00		$0.00		$0.00
50	2501.502	18" CS PIPE APRON	EACH	1	$733.00	$733.00		$0.00	0.50	$366.50		$0.00	0.50	$366.50		$0.00		$0.00		$0.00
51	2501.502	12" RC PIPE APRON	EACH	3	$1,400.00	$4,200.00		$0.00	1.50	$2,100.00		$0.00	1.5	$2,100.00		$0.00		$0.00		$0.00
52	2501.502	18" RC PIPE APRON	EACH	4	$1,560.00	$6,240.00		$0.00	2.00	$3,120.00		$0.00	2	$3,120.00		$0.00		$0.00		$0.00
53	2501.502	24" RC PIPE APRON	EACH	1	$1,750.00	$1,750.00		$0.00	0.50	$875.00		$0.00	0.50	$875.00		$0.00		$0.00		$0.00
54	2501.502	30" RC PIPE APRON	EACH	1	$2,100.00	$2,100.00		$0.00	0.50	$1,050.00		$0.00	0.50	$1,050.00		$0.00		$0.00		$0.00
55	2501.502	36" RC PIPE APRON	EACH	1	$2,450.00	$2,450.00		$0.00	0.50	$1,225.00		$0.00	0.50	$1,225.00		$0.00		$0.00		$0.00
56	2501.502	42" RC PIPE APRON	EACH	2	$3,510.00	$7,020.00	2	$7,020.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
57	2501.503	18" CS PIPE CULVERT	L F	14	$75.00	$1,050.00		$0.00	14.00	$1,050.00		$0.00		$0.00		$0.00		$0.00		$0.00
58	2501.503	36" RC PIPE CULVERT	L F	5	$190.00	$950.00		$0.00	5.00	$950.00		$0.00		$0.00		$0.00		$0.00		$0.00
59	2503.503	8" PVC PIPE SEWER	L F	556	$43.00	$23,908.00		$0.00		$0.00		$0.00		$0.00		$0.00	556	$23,908.00		$0.00
60	2503.503	12" RC PIPE SEWER DES 3006 CL V	L F	104	$60.00	$6,240.00		$0.00	52.00	$3,120.00		$0.00	52	$3,120.00		$0.00		$0.00		$0.00
61	2503.503	15" RC PIPE SEWER DESIGN 3006 CLASS V	L F	3,054	$60.00	$183,240.00		$0.00	1,527.00	$91,620.00		$0.00	1,527	$91,620.00		$0.00		$0.00		$0.00
62	2503.503	18" RC PIPE SEWER DES 3006 CL III	L F	2,702	$65.00	$175,630.00		$0.00	1,351.00	$87,815.00		$0.00	1,351	$87,815.00		$0.00		$0.00		$0.00
63	2503.503	24" RC PIPE SEWER DES 3006 CL III	L F	490	$87.00	$42,630.00		$0.00	245.00	$21,315.00		$0.00	245	$21,315.00		$0.00		$0.00		$0.00
64	2503.503	30" RC PIPE SEWER DES 3006 CL III	L F	37	$133.00	$4,921.00		$0.00	18.50	$2,460.50		$0.00	18.50	$2,460.50		$0.00		$0.00		$0.00

EXHIBIT A

2026 CR 44 Reconstruction - Bid Abstract
SP 071-596-011/204-080-011
Bid Opening 8/5/2026

							PARTICIPATING FEDERAL FUNDING								NON-PARTICIPATING					
							ROADWAY SP 071-596-011		STORM SEWER SP 071-596-011		CITY OF ELK RIVER ROADWAY SAP 204-080-001		CITY OF ELK RIVER STORM SEWER SAP 204-080-001		CITY OF ELK RIVER NON-PARTICIPATING		CITY OF ELK RIVER SANITARY SEWER		ELK RIVER MUNICIPAL UTILITIES WATER SYSTEM	
65	2503.503	36" RC PIPE SEWER DES 3006 CL III	L F	20	$210.00	$4,200.00		$0.00	10.00	$2,100.00		$0.00	10	$2,100.00		$0.00		$0.00		$0.00
66	2503.503	42" RC PIPE SEWER DES 3006 CL III	L F	99	$255.00	$25,245.00	99	$25,245.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
67	2503.602	CONNECT TO EXISTING SANITARY SEWER	EACH	2	$1,000.00	$2,000.00		$0.00		$0.00		$0.00		$0.00		$0.00	2	$2,000.00		$0.00
68	2503.602	CONNECT TO EXISTING STORM SEWER	EACH	8	$1,140.00	$9,120.00		$0.00	4.00	$4,560.00		$0.00	4	$4,560.00		$0.00		$0.00		$0.00
69	2503.602	CONNECT TO EXISTING SANITARY SEWER SER	EACH	6	$1,050.00	$6,300.00		$0.00		$0.00		$0.00		$0.00		$0.00	6	$6,300.00		$0.00
70	2503.602	8"X4" PVC WYE	EACH	6	$1,000.00	$6,000.00		$0.00		$0.00		$0.00		$0.00		$0.00	6	$6,000.00		$0.00
71	2503.603	24" STEEL CASING PIPE (JACKED)	L F	60	$1,320.00	$79,200.00		$0.00	30.00	$39,600.00		$0.00	30	$39,600.00		$0.00		$0.00		$0.00
72	2503.603	4" PVC SANITARY SERVICE PIPE	L F	97	$30.00	$2,910.00		$0.00		$0.00		$0.00		$0.00		$0.00	97	$2,910.00		$0.00
73	2504.601	TEMPORARY WATER SERVICE	LS	1	$60,000.00	$60,000.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	1	$60,000.00
74	2504.602	CONNECT TO EXISTING WATER MAIN	EACH	17	$1,630.00	$27,710.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	17	$27,710.00
75	2504.602	CONNECT TO EXISTING WATER SERVICE	EACH	13	$290.00	$3,770.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	13	$3,770.00
76	2504.602	INSTALL HYDRANT & VALVE	EACH	14	$10,000.00	$140,000.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	14	$140,000.00
77	2504.602	ADJUST VALVE BOX	EACH	6	$290.00	$1,740.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	6	$1,740.00
78	2504.602	10"X6" WET TAP	EACH	1	$7,000.00	$7,000.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	1	$7,000.00
79	2504.602	6" GATE VALVE & BOX	EACH	1	$2,900.00	$2,900.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	1	$2,900.00
80	2504.602	8" GATE VALVE & BOX	EACH	13	$3,800.00	$49,400.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	13	$49,400.00
81	2504.602	10" GATE VALVE & BOX	EACH	11	$5,200.00	$57,200.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	11	$57,200.00
82	2504.602	1" CORPORATION STOP	EACH	27	$575.00	$15,525.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	27	$15,525.00
83	2504.602	2" CORPORATION STOP	EACH	1	$910.00	$910.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	1	$910.00
84	2504.602	1" CURB STOP & BOX	EACH	5	$790.00	$3,950.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	5	$3,950.00
85	2504.602	2" CURB STOP & BOX	EACH	1	$1,250.00	$1,250.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	1	$1,250.00
86	2504.603	1" TYPE K COPPER PIPE	L F	205	$37.00	$7,585.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	205	$7,585.00
87	2504.603	2" TYPE K COPPER PIPE	L F	30	$77.00	$2,310.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	30	$2,310.00
88	2504.603	6" WATERMAIN DUCTILE IRON CL 52	L F	230	$65.00	$14,950.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	230	$14,950.00
89	2504.603	8" WATERMAIN DUCTILE IRON CL 52	L F	932	$80.00	$74,560.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	932	$74,560.00
90	2504.603	10" WATERMAIN DUCTILE IRON CL 52	L F	5,045	$90.00	$454,050.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	5045	$454,050.00
91	2504.604	4" POLYSTYRENE INSULATION	S Y	743	$43.00	$31,949.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	743	$31,949.00
92	2504.608	DUCTILE IRON FITTINGS	LB	6,450	$22.00	$141,900.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	6450	$141,900.00
93	2506.502	CONST DRAINAGE STRUCTURE DESIGN SPEC 1	EACH	1	$10,500.00	$10,500.00		$0.00	0.50	$5,250.00		$0.00	0.50	$5,250.00		$0.00		$0.00		$0.00
94	2506.502	CONST DRAINAGE STRUCTURE DESIGN SPEC 2	EACH	1	$9,000.00	$9,000.00		$0.00	0.50	$4,500.00		$0.00	0.50	$4,500.00		$0.00		$0.00		$0.00
95	2506.502	CONST DRAINAGE STRUCTURE DESIGN SPEC 3	EACH	1	$4,400.00	$4,400.00		$0.00	0.50	$2,200.00		$0.00	0.50	$2,200.00		$0.00		$0.00		$0.00
96	2506.502	CASTING ASSEMBLY	EACH	79	$1,580.00	$124,820.00		$0.00	38.50	$60,830.00		$0.00	38.50	$60,830.00		$0.00	2	$3,160.00		$0.00
97	2506.502	ADJUST FRAME & RING CASTING	EACH	16	$625.00	$10,000.00		$0.00	1.00	$625.00		$0.00		$0.00		$0.00	15	$9,375.00		$0.00
98	2506.503	CONST DRAINAGE STRUCTURE DESIGN N	L F	92	$550.00	$50,600.00		$0.00	46.0	$25,300.00		$0.00	46.0	$25,300.00		$0.00		$0.00		$0.00
99	2506.503	CONST DRAINAGE STRUCTURE DESIGN SD-48	L F	11	$735.00	$8,085.00		$0.00	5.5	$4,042.50		$0.00	5.5	$4,042.50		$0.00		$0.00		$0.00
100	2506.503	CONST DRAINAGE STRUCTURE DESIGN SD-60	L F	4	$1,040.00	$4,160.00		$0.00	2.00	$2,080.00		$0.00	2	$2,080.00		$0.00		$0.00		$0.00
101	2506.503	CONST DRAINAGE STRUCTURE DESIGN SPEC 4	L F	18.7	$440.00	$8,228.00		$0.00		$0.00		$0.00		$0.00		$0.00	18.7	$8,228.00		$0.00
102	2506.503	CONST DRAINAGE STRUCTURE DES 48-4020	L F	220	$580.00	$127,600.00		$0.00	110.00	$63,800.00		$0.00	110	$63,800.00		$0.00		$0.00		$0.00
103	2506.503	CONST DRAINAGE STRUCTURE DES 60-4020	L F	41	$710.00	$29,110.00		$0.00	20.50	$14,555.00		$0.00	20.50	$14,555.00		$0.00		$0.00		$0.00
104	2506.503	CONST DRAINAGE STRUCTURE DES 72-4020	L F	16	$1,000.00	$16,000.00		$0.00	8.00	$8,000.00		$0.00	8	$8,000.00		$0.00		$0.00		$0.00
105	2506.602	RECONSTRUCT DRAINAGE STRUCTURE	EACH	5	$3,200.00	$16,000.00		$0.00		$0.00		$0.00		$0.00		$0.00	5	$16,000.00		$0.00
106	2511.504	GEOTEXTILE FILTER TYPE 3	S Y	256	$10.00	$2,560.00		$0.00	256.00	$2,560.00		$0.00		$0.00		$0.00		$0.00		$0.00
107	2511.504	GEOTEXTILE FILTER TYPE 4	S Y	16	$10.00	$160.00		$0.00	16.00	$160.00		$0.00		$0.00		$0.00		$0.00		$0.00
108	2511.507	RANDOM RIPRAP CLASS II	C Y	69	$148.00	$10,212.00		$0.00	69.00	$10,212.00		$0.00		$0.00		$0.00		$0.00		$0.00
109	2521.518	4" CONCRETE WALK	S F	1,556	$6.00	$9,336.00	778	$4,668.00		$0.00	778.00	$4,668.00		$0.00		$0.00		$0.00		$0.00
110	2521.518	6" CONCRETE WALK	S F	1,660	$13.00	$21,580.00		$0.00		$0.00	1,660.00	$21,580.00		$0.00		$0.00		$0.00		$0.00
111	2521.602	DRILL & GROUT REINF BAR (EPOXY COATED)	EACH	94	$14.00	$1,316.00		$0.00		$0.00	94.00	$1,316.00		$0.00		$0.00		$0.00		$0.00
112	2531.503	CONCRETE CURB & GUTTER DESIGN SPECIAL	L F	101	$34.00	$3,434.00		$0.00		$0.00	101.00	$3,434.00		$0.00		$0.00		$0.00		$0.00
113	2531.503	CONCRETE CURB & GUTTER DESIGN B624	L F	14,844	$22.00	$326,568.00		$0.00		$0.00	14,844.00	$326,568.00		$0.00		$0.00		$0.00		$0.00
114	2531.503	CONCRETE CURB & GUTTER DESIGN B824	L F	374	$29.00	$10,846.00	187	$5,423.00		$0.00	187.00	$5,423.00		$0.00		$0.00		$0.00		$0.00
115	2531.503	CONCRETE CURB & GUTTER DESIGN S524	L F	64	$33.00	$2,112.00		$0.00		$0.00	64.00	$2,112.00		$0.00		$0.00		$0.00		$0.00
116	2531.504	6" CONCRETE DRIVEWAY PAVEMENT	S Y	312	$82.00	$25,584.00	312	$25,584.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
117	2531.504	8" CONCRETE DRIVEWAY PAVEMENT	S Y	244	$94.00	$22,936.00	244	$22,936.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
118	2531.618	TRUNCATED DOMES	S F	302	$64.00	$19,328.00		$0.00		$0.00	302.00	$19,328.00		$0.00		$0.00		$0.00		$0.00
119	2540.602	INSTALL MAIL BOX SUPPORT	EACH	26	$221.00	$5,746.00	26	$5,746.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
120	2540.602	MAIL BOX SUPPORT	EACH	26	$166.00	$4,316.00	26	$4,316.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
121	2557.502	PEDESTRIAN GATE DESIGN SPECIAL	EACH	2	$3,600.00	$7,200.00		$0.00		$0.00	2.00	$7,200.00		$0.00		$0.00		$0.00		$0.00
122	2557.503	WIRE FENCE DESIGN 42V-9322	L F	39	$120.00	$4,680.00		$0.00		$0.00	39.00	$4,680.00		$0.00		$0.00		$0.00		$0.00
123	2557.603	INSTALL WOODEN FENCE	L F	47	$94.00	$4,418.00	47	$4,418.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
124	2563.601	TRAFFIC CONTROL SUPERVISOR	LS	1	$15,000.00	$15,000.00	0.48	$7,200.00	0.09	$1,350.00	0.11	$1,650.00	0.08	$1,200.00		$0.00	0.03	$450.00	0.21	$3,150.00
125	2563.601	TRAFFIC CONTROL	LS	1	$28,800.00	$28,800.00	0.48	$13,824.00	0.09	$2,592.00	0.11	$3,168.00	0.08	$2,304.00		$0.00	0.03	$864.00	0.21	$6,048.00
126	2564.502	INSTALL SIGN	EACH	6	$55.00	$330.00	6	$330.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
127	2564.502	INFILTRATION AREA MARKER	EACH	2	$250.00	$500.00		$0.00	2.00	$500.00		$0.00		$0.00		$0.00		$0.00		$0.00
128	2564.602	INSTALL SIGN SPECIAL	EACH	35	$380.00	$13,300.00		$0.00		$0.00		$0.00		$0.00	35	$13,300.00		$0.00		$0.00
129	2565.602	ADJUST HANDHOLE	EACH	1	$3,380.00	$3,380.00	1	$3,380.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
130	2565.602	RIGID PVC LOOP DETECTOR 6'X6'	EACH	1	$2,100.00	$2,100.00	1	$2,100.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
131	2573.501	STABILIZED CONSTRUCTION EXIT	LS	1	$8,400.00	$8,400.00	0.48	$4,032.00	0.09	$756.00	0.11	$924.00	0.08	$672.00		$0.00	0.03	$252.00	0.21	$1,764.00

EXHIBIT A

2026 CR 44 Reconstruction - Bid Abstract
SP 071-596-011/204-080-011
Bid Opening 8/5/2026

							PARTICIPATING FEDERAL FUNDING								NON-PARTICIPATING					
							ROADWAY SP 071-596-011		STORM SEWER SP 071-596-011		CITY OF ELK RIVER ROADWAY SAP 204-080-001		CITY OF ELK RIVER STORM SEWER SAP 204-080-001		CITY OF ELK RIVER NON-PARTICIPATING		CITY OF ELK RIVER SANITARY SEWER		ELK RIVER MUNICIPAL UTILITIES WATER SYSTEM	
132	2573.501	EROSION CONTROL SUPERVISOR	LS	1	$7,000.00	$7,000.00	0.48	$3,360.00	0.09	$630.00	0.11	$770.00	0.08	$560.00		$0.00	0.03	$210.00	0.21	$1,470.00
133	2573.502	STORM DRAIN INLET PROTECTION	EACH	68	$188.00	$12,784.00	68	$12,784.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
134	2573.502	CULVERT END CONTROLS	EACH	12	$144.00	$1,728.00	12	$1,728.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
135	2573.503	SILT FENCE, TYPE MS	L F	6,429	$2.80	$18,001.20	6,429	$18,001.20		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
136	2573.503	SEDIMENT CONTROL LOG TYPE COMPOST	L F	3,975	$4.00	$15,900.00	3,975	$15,900.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
137	2573.601	TEMPORARY STREAM DIVERSION SYSTEM	LS	1	$8,300.00	$8,300.00	1	$8,300.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
138	2574.505	SUBSOILING	ACRE	2.9	$333.00	$965.70	3	$932.40	0.10	$33.30		$0.00		$0.00		$0.00		$0.00		$0.00
139	2574.505	SOIL BED PREPARATION	ACRE	5.1	$280.00	$1,428.00	5	$1,428.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
140	2574.507	COMMON TOPSOIL BORROW	C Y	4,206	$50.00	$210,300.00	4,206	$210,300.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
141	2574.507	FILTER TOPSOIL BORROW	C Y	57	$63.00	$3,591.00		$0.00	57.00	$3,591.00		$0.00		$0.00		$0.00		$0.00		$0.00
142	2574.508	FERTILIZER TYPE 3	LB	981	$1.00	$981.00	981	$981.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
143	2574.508	FERTILIZER TYPE 4	LB	65	$1.30	$84.50	65	$84.50		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
144	2575.504	SODDING TYPE LAWN	S Y	8,829	$16.00	$141,264.00	8,829	$141,264.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
145	2575.504	ROLLED EROSION PREVENTION CATEGORY 35	S Y	3,741	$2.50	$9,352.50	3,741	$9,352.50		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
146	2575.505	SEEDING	ACRE	3.6	$665.00	$2,394.00	4	$2,394.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
147	2575.508	HYDRAULIC STABILIZED FIBER MATRIX	LB	11,575	$1.40	$16,205.00	11,575	$16,205.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
148	2575.523	RAPID STABILIZATION METHOD 3	MGAL	35	$725.00	$25,375.00	35	$25,375.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
149	2575.608	SEED SOUTHERN BOULEVARD	LB	493	$5.00	$2,465.00	493	$2,465.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
150	2575.608	SEED WET DITCH	LB	9	$72.00	$648.00	9	$648.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
151	2575.608	SEED SOUTHERN TALLGRASS ROADSIDE	LB	7	$40.00	$280.00	7	$280.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
152	2582.503	4" SOLID LINE MULTI COMP GR IN	L F	25,589	$1.40	$35,824.60	25,589	$35,824.60		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
153	2582.503	4" BROKEN LINE MULTI COMP GR IN	L F	2,030	$1.40	$2,842.00	2,030	$2,842.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
154	2582.503	4" DBLE SOLID LINE MULTI COMP GR IN	L F	1,309	$2.75	$3,599.75	1,309	$3,599.75		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
155	2582.518	PAVT MSSG PREF THERMO GR IN	S F	1,409	$31.00	$43,679.00	1,409	$43,679.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
156	2104.518	REMOVE BITUMINOUS WALK	S F	14,016	$0.51	$7,148.16	14,016	$7,148.16		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00
						$6,395,955.84		**$3,192,316.11**		**$571,582.23**		**$693,868.00**		**$502,136.50**		**$15,610.00**		**$104,646.00**		**$1,315,797.00**
							Cost After Grant applied	**$ 1,901,742.98**	**Cost After Grant applied**	**$ 340,505.91**	**Cost After Grant applied**	**$ 413,354.62**	**Cost After Grant applied**	**$ 299,135.34**						

Federal (STBGP Funds)	**$2,005,164.00**
Total Grant Elibgible Project Costs	**$4,959,902.84**
County Eligible Project Cost	**$3,763,898.34**
% of Grant Towards County Eligible Project Costs	**75.89%**
Net County Grant Amount based on Eligible Cost	**$1,521,649.45**
BNSF Crossing	**$402,674.20**
Total County Cost	**$2,644,923.09**
City Eligible Project Costs	**$1,196,004.50**
% of Grant Towards City Eligible Project Costs	**24.11%**
Net City Grant Amount based on Eligible Cost	**$483,514.55**
City Local Non-eligible Costs (Sanitary sewer, signage)	**$120,256.00**
BNSF Crossing	**$83,962.80**
Net City Cost	**$916,708.75**
City (Construction Engineering 8% , Surveying 2%)	**$98,085.48**
City (Construction Contract Administration 2%)	**$26,325.21**
City Total Costs	**$1,041,119.44**
ERMU Local Non-eligible Costs (Watermain)	**$1,315,797.00**
ERMU (Construction Surveying 2%)	**$26,315.94**
ERMU (Construction Contract Administration 2%)	**$26,315.94**
ERMU Total Costs	**$1,342,112.94**

EXHIBIT B

SHERBURNE COUNTY PUBLIC WORKS

Sherburne County Construction Cost Participation Policy

Purpose: To establish set participation costs for all county highway construction projects within Sherburne County.

Construction Item	Type	County Cost Participation %
Bituminous Bike Trails	New	0%
	Replacement	100%
Clearing and Grubbing		100%
Culverts		100%
Curb & Gutter	New	0%
	Replacement	100%
Drain Tile		100%
Driveways	New	0%
	Replacement	100%
Emergency Vehicle Pre-emption		0%
Fencing	New	0%
	Replacement	100%
Grading		100%
Intersecting Streets	New	0%
	Replacement	100%
Traffic Signals[1]	New	50%[1]
	Replacement	50% [1]
Landscaping	New	0%
	Replacement	0%
Lighting	New	0%
	Relocation	0%
Mailbox Supports (must be in compliance with current county standard)		100%
Medians	New	50%
	Replacement	100%
Pedestrian Ramps	New	100%
Removals		100%
Retaining Walls		50%
Roundabouts[1]	New	50%[1]
	Replacement	50%[1]
Seal Coats		100%
Seeding/Sodding/Mulching		100%
Shoulders		100%

Construction Item	Type	County Cost Participation %
Sidewalks	New	0%
	Replacement	100%
Signing/Striping		100%
Storm Sewer		
- Main Lines/Manholes/Catch Basins		50%
Surfacing - Travel Lanes		100%
Surfacing - Parking Lanes		0%
Surfacing - Left/Right/CenterTurn Lanes		100%
Utilities		
- Sanitary Sewer Modifications		0%
- Watermain Modifications		0%
- Private Utility Modifications		0%
Public Utility Modifications (Other than sanitary sewer and watermain)		0%
Right-of-Way		100%(3)
Federal Cost Sharing	All	Based on the % Of Municipal Cost Participation(2)

(1)Traffic Signals will be funded only if MnDOT warrants are met and a Signal Justification Report is approved. Traffic Signals will be funded up to 50% of the local share on County Highways and County State Aid Highways. Traffic Signals on Trunk Highways will be funded up to 50% of the remaining local share. The City/Twp shall be responsible for certain maintenance provisions after signal construction including power costs.

(2)Federal Cost Sharing Example: If the municipal cost participation items amount to 25% of the project costs – 25% of the Federal Funds may be applied toward the municipal cost participation items that are eligible for federal funding.

(3) Includes R/W acquisition on road construction projects that contain a bike path or sidewalk. For standalone trail and sidewalk projects, R/W acquisition would be the responsibility of the agency leading the project.

County Participation is subject to the availability of funds.

All participation includes construction, preliminary engineering and construction engineering costs.

H:\Administration\Policy\Cost Paricipation Policy.doc

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	FROM: Mark Hanson – General Manager
MEETING DATE: September 8, 2026	**AGENDA ITEM NUMBER:** 6.1a
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- Staff met with our Great River Energy (GRE) counterparts this week. It was a great meeting where we discussed mutual expectations, load projections, and future projects. One topic of special interest was GRE's expectations for future 115 kVA transmission upgrades (all of our substations are currently fed off 69 kVA transmission lines). We will continue to meet annually to discuss future load projections and as needed to discuss current/upcoming projects.
- T-Mobile has submitted an amendment proposal for our Gary Street tower attachment lease agreement. They would like us to reduce the annual escalator from 4% to 2% as part of an extension to the agreement. The current agreement is through May 31, 2035. Similar to the Verizon discussion last November/December, I plan on responding that we're not interested in amending the terms of our existing agreement.
- I will be out of the office Wednesday, September 16, through Friday, September 18, at the American Water Works Association's (Minnesota Chapter) annual conference in Duluth, MN.
- The Minnesota Municipal Power Agency (MMPA) Board of Directors met on August 25, 2026, at Chaska City Hall in Chaska, Minnesota, and via videoconference. Commissioner Stewart and I attended. A public summary is below:
    - The Board reviewed the Agency's financial and operating performance for July 2026.
    - Participation in the residential Clean Energy Choice program increased by 52 customers. Residential customer penetration in the program is at 7.0%.
    - The Board discussed the status of electric generation and renewable natural gas projects being pursued by the Agency.

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	FROM: Sara Youngs – Administrations Director
MEETING DATE: September 8, 2026	**AGENDA ITEM NUMBER:** 6.1b
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- Office walk-in traffic for August consisted of 164 customers, averaging 41 per week over the four-week period.
- ERMU disconnections for August.
  - Cycle 1 – 21 disconnections
  - Cycle 2 – 5 disconnections
  - Cycle 3 – 9 disconnections
  - Cycle 4 – 9 disconnections

  Note: September will be our last month of disconnections before the Cold Weather Rule begins October 1, 2026.
- Currently there is one active residential solar photovoltaic project planned or under construction in the ERMU service territory.
- The credit & collections specialist has started the 2026 assessment process; customers will start to receive assessment letters mid-September.
- I will be attending the National Information Solutions Cooperative's Member Information Conference in Las Vegas, NV, September 14-17, 2026. Also attending from ERMU is our communications & administrative coordinator, IT/OT systems & network administrator, technical services superintendent, and inventory & procurement foreperson.

UTILITIES COMMISSION MEETING

TO: ERMU Commission	FROM: Melissa Karpinski – Finance Manager
MEETING DATE: September 8, 2026	**AGENDA ITEM NUMBER:** 6.1c
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- Staff continues their efforts to compile 2027 budget information.
- We received our 2026-2027 workers' compensation coverage renewal quote. Our experience modification factor came in at 0.86, compared to 0.84 last year. The estimated annual premium will be $45,768, which is 16% lower than last year. Rates are expected to decrease an average of 25% for renewals in 2026. The rate decrease is primarily possible because of decreases in projected loss rates for 2026 compared to 2025, higher investment income assumed for 2026, and a decrease to the contingency margin. Other factors affecting premiums include changes in payrolls and exposures.

Experience Modification History:

Policy Year	Experience Modification Factor
10/1/2022-23	0.69
10/1/2023-24	0.70
10/1/2024-25	0.69
10/1/2025-26	0.84
10/1/2026-27	0.86

UTILITIES COMMISSION MEETING

TO: ERMU Commission	FROM: Tony Mauren – Governance & Communications Manager
MEETING DATE: September 8, 2026	**AGENDA ITEM NUMBER:** 6.1d
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- Bill inserts for September 2026 are attached. The fall edition of The Current features a new article on the importance of winterizing underground lawn irrigation systems. There are many residents in our area that are either new to Minnesota and/or have never owned a lawn irrigation system, and we hope to educate them before problems arise with colder weather on the horizon. The Cold Weather Rule (CWR) bill insert received an update in 2026. Information about the program will be shared with customers through social media, the fall newsletter, and our website. Customers will also receive information about Budget Billing.
- In addition to the bill insert topic, social media posts this month include the Labor Day Closure, a commission meeting reminder, and the latest installment of the SmartHub User Guide Series educating the public on how to navigate the platform.
- The ERMU Safety Training Work Group, consisting of an office and a field manager as well as representatives from every department, held its quarterly meeting on August 26. The group discussed training dates and topics, industry safety news, and future site inspections by Minnesota Municipal Utilities Association (MMUA) staff.
- I found my first MMUA Summer Conference full of beneficial sessions on both governance and communications! It was also a nice opportunity to connect with peers. Thank you to the Commission for the opportunity to attend!
- Rounding out the summer community engagement season, ERMU participated in Night to Unite on August 4 and hosted Touch-A-Truck on August 13. American Public Power Association used ERMU's social media post about Night to Unite for the front cover of their weekly national newsletter (see below)! Both of these events present fantastic opportunities for our staff to engage with the community, something we always look forward to. As time goes on these activities get bigger and better thanks to staff's enthusiasm, excellent planning, and collaborative coordination. Major kudos to

Communications & Administrative Coordinator Jenny Foss for leading these initiatives, amongst many others!

PUBLIC POWER
CURRENT

August 10, 2026

Elk River (MN) @ERMU_MN: ERMU staff had a great time celebrating #NightToUnite with residents at gatherings throughout the community! As your hometown public power utility, we're proud to connect with our friends, neighbors, and the next generation of utility professionals. #PublicPower #Community

PUBLIC POWER NOW

LATEST EPISODE
ElectriCities of North Carolina to Host Free Cybersecurity Training in September

SUBSCRIBE

ATTACHMENTS:

- Bill Insert – The Current – Fall 2026
- Bill Insert – Cold Weather Rule
- Bill Insert – Budget Billing

Elk River Municipal Utilities

FALL 2026

THE CURRENT

DISCOVER SAVINGS WITH ERMU

With programs and rebates from ERMU, it's easier than ever to save money, decrease energy usage, and conserve resources. Take a closer look at the many ways residential and commercial customers can save.

RESIDENTIAL

- Appliance & Home Efficiency
- Electric Vehicle Charger
- Heat Pumps
- HVAC Equipment
- Lighting & Lighting Controls
- Yard Tools

COMMERCIAL

- Lighting
- HVAC
- VFD & ASD Drives
- Other Equipment
- Custom Grants

Click the "Programs & Rebates" tab at ERMUMN.COM to learn more or simply scan the QR code below.

Irrigation Winterization Protects Your Investment

If you are new to Minnesota, or have never owned a lawn irrigation system before, you may not realize that an underground sprinkler system needs special attention before winter arrives. Unlike warmer climates, Minnesota winters can cause serious damage to sprinkler systems that are not properly winterized.

Why Does Winterization Matter? When water freezes, it expands. If water is left inside your sprinkler pipes, valves, or heads, that expansion can damage these components and even destroy backflow prevention devices leading to costly repairs. The good news is that winterizing your irrigation system is a straightforward process when performed by a professional.

What Does "Winterization" Mean? Winterization, often called a "sprinkler blowout," involves using specialized air compressors to safely remove all of the water from your irrigation system before freezing temperatures arrive. Because compressed air is involved, this is not typically a DIY project. Too much air pressure or improper procedures can damage sprinkler heads, valves, and other components.

When Should It Be Done? In Minnesota, irrigation systems should generally be winterized in late September through October, before overnight temperatures consistently fall below freezing. Fall is a busy season, so scheduling early is recommended.

Questions About Your System? Every irrigation system is a little different. If you have questions about operation, maintenance, or winterization, your best resource is the company that installed or services your irrigation system. If you are unsure who installed your system, check for:

- A service sticker on your irrigation controller or inside the controller cabinet.
- Tags or labels on the backflow preventer.
- Previous homeowner records or closing documents.

Learning more about your lawn irrigation system and how to properly winterization it will help you protect your investment, avoid expensive repairs, and ensure it is ready for another growing season next spring.

Lake Orono Dam Inspection Set for October 7

ERMU will conduct its annual inspection of the Lake Orono Dam on Wednesday, October 7, 2026. This required inspection, which helps to ensure the integrity of the structure, will involve lowering the Lake Orono water level by 30 inches below its normal level. The drawdown procedure will begin 48 hours prior to the scheduled inspection.

Boaters are advised that once ERMU begins to lower the lake level, they may be unable to remain on the lake. Failure to act in a timely manner could result in the inability to move boats until the lake is refilled.

Water levels usually return to normal within a few days after the inspection.

RELIABLE PUBLIC POWER PROVIDER RP3

PUBLIC POWER WEEK 2026

The first full week in October is nationally recognized as Public Power Week, a time when ERMU likes to educate others about public power and how it benefits the community it serves.

As a municipal utility, we are owned by those we serve and governed by members of the community. Every decision we make and action we take is directed by ERMU's mission, vision, and values.

Follow us on social media to see public power in action!

CUSTOMER SERVICE WEEK 2026

The first week in October also highlights another crucial department at ERMU.

Each member of our customer service staff takes pride in providing knowledgeable and thorough support to the customers they work with.

ERMU is excited to share more about the great work of its customer service team on social media October 5-9.

COLD WEATHER RULE Information

The Minnesota Public Utilities Commission has established the Cold Weather Rule (Minnesota Statutes, Chapter 216B.097) as documented in the Minnesota Legislative Session Law 2021. This rule ensures that from October 1 to April 30, ERMU cannot disconnect a residential customer for non-payment if they qualify for the CWR and adhere to a mutually agreed upon payment arrangement. However, if a customer does not exercise this right or fails to enter into a payment arrangement, their service may be disconnected. Because customers often contact us for more information about the program, we wanted to provide answers to the most frequently asked questions.

Am I eligible for the CWR Program?

Residential customers who have electric as their primary heat source are eligible for CWR if they meet the income guidelines (combined income at or below 50 percent of the state median income) and receive some form of assistance.

How can I apply for a payment arrangement?

Individuals who meet income guidelines and already receive some form of assistance can complete and submit an Inability to Pay Application (available on our website) and contact ERMU to set up a mutually agreed upon payment arrangement.

Can my electricity be shut off during the CWR (October 1 - April 30)?

Yes. Eligible residential customers must make and keep a mutually agreed upon payment arrangement with ERMU to avoid disconnection.

What if I can't make my scheduled payment?

Keeping open communication with ERMU should circumstances change is the best way to ensure a continuation of service.

What if I don't qualify for the CWR but need assistance?

Customers who do not meet the income guidelines or assistance requirements for the CWR can still contact ERMU to discuss the possibility of a mutually agreed upon payment arrangement.

If you have any other questions, please contact our office.

ERMU would also like customers to know that, with multiple local organizations available to provide assistance, help could be just a phone call away:

Tri-County Action Program, Inc.	**888.765.5597**
Sherburne County Emergency Assistance	**763.765.4000**
Wright County Community Action	**320.963.6500**
Hennepin County Community Action	**952.930.3541**
Salvation Army HeatShare	**1.800.842.7279**
Community Aid Elk River (CAER)	**763.441.1020**
Main Street Family Resource Center	**763.595.1420**

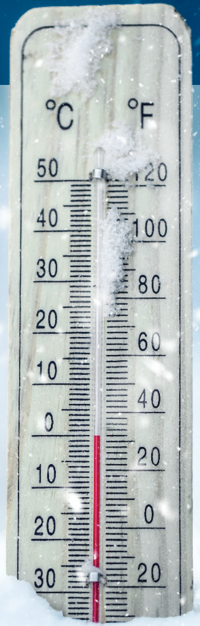
MINNESOTA COLD WEATHER RULE

The Minnesota Cold Weather Rule (CWR) is in effect October 1 - April 30. The CWR states that during that time a utility may not disconnect service and must reconnect the utility service of a residential customer if the disconnection affects the primary heat source for the residential unit and all of the following conditions are met:

- ✔ The household income of the customer is at or below 50 percent of the state median household income.
- ✔ A customer enters into and makes timely payments under a mutually agreed upon payment agreement that considers the financial resources of the household.

TO DETERMINE IF YOU ARE ELIGIBLE FOR ENERGY ASSISTANCE, PLEASE CONTACT THE AGENCIES IN YOUR COUNTY THAT ARE LISTED ON THE BACK OF THIS NOTICE.

NOTE: Customers applying for the Cold Weather Rule may be required to complete the Inability to Pay form available at ERMUMN.com.



SHERBURNE COUNTY	HENNEPIN COUNTY	WRIGHT COUNTY
Salvation Army Heatshare 1.800.842.7279		
Tri-Cap 888.765.5597	Community Action Partnership 952.930.3541	Wright County Community Action 320.963.6500
Sherburne County Human Services 763.765.4000	Hennepin County Human Services 612.596.1300	Wright County Human Services 763.682.7414
CAER Food Shelf 763.441.1020		
Main Street Family Resource Center 763.595.1420		

For more information about winter disconnect protection, please contact ERMU's customer service team at **763.441.2020** or **scan the QR code.**

If you wish to have a third party notified of potential disconnection, please contact our office to provide that information.

RIGHTS AND RESPONSIBILITIES

*The utility may verify income on forms it provides or obtain verification of income from the local energy assistance provider. A customer is deemed to meet the income requirements of this clause if the customer receives any form of public assistance, including energy assistance that uses an income eligibility at or below 50 percent of the state median household income.

** Payments must be made according to the arrangement. If the arrangement cannot be met, please contact ERMU's office to discuss a different arrangement. If you do not meet these responsibilities, utility service may be disconnected. If you wish to dispute the disconnection, you have a right to contact our office and appeal. All appeals will be handled locally.

Elk River Municipal Utilities


Enjoy more predictable
monthly utility bills with
ERMU's Budget
Billing program
See details on back.
Elk River
Municipal Utilities

HOW IT WORKS

- Your monthly payment is based on your average utility usage over the previous 12 months.
- Budget Billing spreads utility expenses evenly throughout the year.
- Your budget amount is recalculated twice per year to reflect changes in usage and help prevent large credits or debits from accumulating.

BENEFITS

- Evens out seasonal highs and lows
- One consistent monthly payment
- Easier household budgeting

To learn more:
visit **ERMUMN.COM**
or **scan the QR code**
and select
"Billing Options"

For program qualifications and enrollment details, please contact ERMU customer service at

763.441.2020

Elk River Municipal Utilities

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	FROM: Thomas Geiser – Operations Director
MEETING DATE: September 8, 2026	**AGENDA ITEM NUMBER:** 6.1e
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- Working through the third round of maps for the new GIS mapping system that we plan to move forward with in the future. I'm working through maps 1-30 to this point.
- ERMU has received twenty-eight repaired reclosers so far. We are still waiting on two reclosers to be fixed.
- ERMU has started the Cooper switchgear replacement plan. We have replaced 15 so far.
- Working on 2027 budget items. Also working on the 2027 Fee Schedule.
- Working on wire footage that is needed for the 2027 construction season.
- Staff and I had a meeting with Connexus Energy on what it looks like for ERMU to take over Feeder 66 out of the North substation.

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	FROM: Chris Sumstad – Electric Superintendent
MEETING DATE: September 8, 2026	**AGENDA ITEM NUMBER:** 6.1f
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- Installed 16 new residential services, which involves the connection of a secondary line once the customer requests service.
- The bore crew placed underground primary and secondaries down Zebulon Street and along 190th Avenue this past month. This rebuild will allow us to remove some rear lot overhead line.
- I attended Minnesota Municipal Utilities Association's summer conference held in St. Cloud August 17-19. There was good training and informational sessions offered along with great networking opportunities with other utilities and vendors.
- Working on switching plans for substation outages coming up this fall. The Otsego substation will be first with the transformer replacement, and North and West substations will follow with maintenance work.
- Oil testing on our switchgear is scheduled for September. We will change out 3-4 more switchgear this year after samples are analyzed.
- Crews are wrapping up the installation of utilities in the Oakwater development 1st addition.
- County State Aid Highway 44 is scheduled for a road rebuild to begin September 8 from 192nd Avenue to County State Aid Highway 1. Crews relocated underground wire and cabinets in this area for the project two years ago. There are a few streetlights to remove and reset before and after construction remaining for us in this first section.
- Crews are beginning the relocation of underground wire and electric cabinets along County State Aid Highway 94 from Meadowvale Road to our service territory edge.

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	**FROM:** Mike Tietz – Technical Services Superintendent
MEETING DATE: September 8, 2026	**AGENDA ITEM NUMBER:** 6.1g
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- In August, the locators processed 743 locate tickets. These consisted of 664 normal tickets, 4 emergency tickets, 38 updated tickets, 18 meetings, 3 boundary surveys, 3 planning tickets, and 13 cancellations. This was a 16.8% increase over last month and a 43.7% increase over August of last year.
- In August, the electrical technicians completed 47 service order tasks, updated the power bill, addressed customer meter issues and any off-peak concerns.
- The electrical technicians have continued to replace meters and test current transformers at all our commercial accounts. The Advanced Metering Infrastructure project remains at 99% overall completion.
- Staff completed the installation of rock at the East substation. The transformer delivery for East has been delayed until the end of October due to supply chain issues. The assembly and testing of the unit will be the following week. Staff also constructed a concrete pad for holding our spare substation transformer on site.
- The Otsego transformer is scheduled for delivery on September 25 along with the assembly and testing being done the following week. Otsego recloser controllers and tank replacements have been completed. The crane service has been scheduled for moving the old and new transformers around that day. The conduit for the Otsego fiber has been installed. We are expecting the fiber cable to be delivered in late September.
- Our monthly peak was 68.23 MW on August 31, at 3:22pm.

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

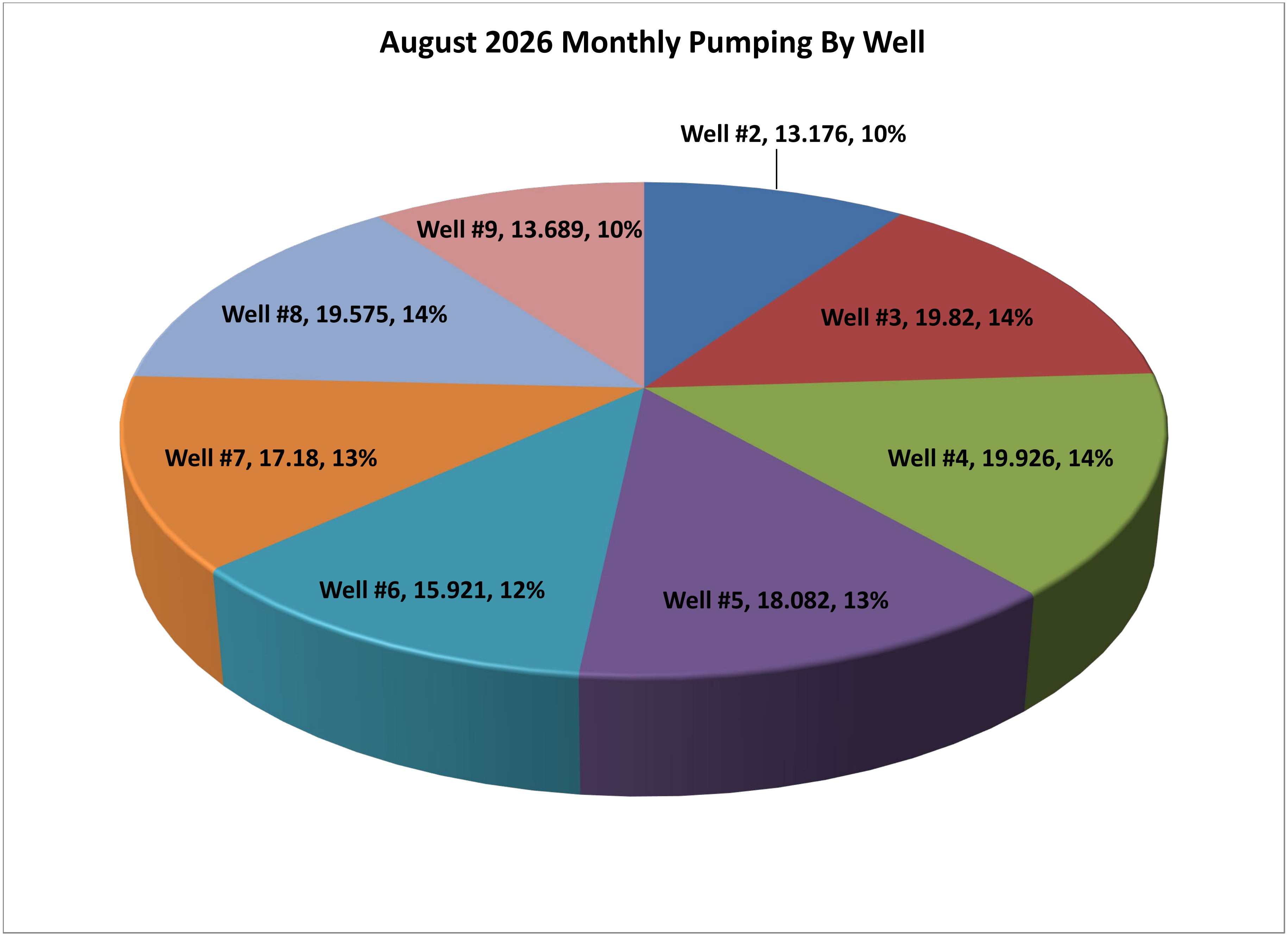
TO: ERMU Commission	FROM: Dave Ninow – Water Superintendent
MEETING DATE: September 8, 2026	**AGENDA ITEM NUMBER:** 6.1h
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- Delivered a water meter, installed a Smart Point module, and took curb stop ties for 18 new water services.
- Completed 20 BACTI/Total Chlorine Residual Samples
  - All confirmed negative for Coliform Bacteria.
  - Bacteriological/Disinfectant Residual Monthly Report submitted to the Minnesota Department of Health (MDH).
- Completed 21 routine fluoride samples
  - All samples met MDH standards.
  - Submitted MDH Fluoride Report
- On August 11, the Minnesota Department of Health (MDH) district engineer conducted a sanitary survey of the Elk River municipal water system. All community water systems are subject to sanitary surveys by MDH every 18 months. These surveys evaluate the adequacy of the water source, facilities, equipment, operation, and maintenance to ensure safe drinking water distribution. There were no issues with the water system pointed out during the survey that need to be addressed.
- Water department staff continue to assist technical services staff with locating and marking water infrastructure for the contractors currently installing fiberoptic lines throughout the city.
- The plans and specs for the Water Treatment Plant (WTP) 7/9 Improvement Project have been submitted to MDH for their review/approval. This effort enables the treatment of Well 8 at WTP 7/9 at a considerably reduced cost verses routing it to the new treatment plant planned for 2028. Once approved, staff can begin discussions to secure property to site new plant.
- Residential backflow device testing has been completed for this season. Anyone who owns a device that was not able to be tested or failed testing will receive a notice to comply before the customer is charged the non-compliance fee.
- AT&T has finished work addressing final punch list items for their equipment installation on Freeport Street Water Tower. The installation is now officially considered complete.

ATTACHMENTS:

- August 2026 Pumping by Well



Values Are Displayed in Millions of Gallons (Well #, Gallons Pumped, Percentage of Pumping)

Elk River Municipal Utilities

2026 GOVERNANCE AGENDA

Tuesday, January 13: • Annual Review of Committee Charters	Tuesday, February 10: • Review Strategic Plan and 2025 Annual Business Plan Results
Tuesday, March 10: • Oath of Office • Election of Officers • Annual Commissioner Orientation and Review Governance Responsibilities and Role	Tuesday, April 14: • Audit of 2025 Financial Report • Financial Reserves Allocations • Review 2025 Performance Metrics
Tuesday, May 12: • Annual General Manager Performance Evaluation and Goal Setting	Tuesday, June 6: • Annual Commission Performance Evaluation
Tuesday, July 14:	Tuesday, August 11: • Annual Business Plan – Review Proposed 2027 Travel, Training, Dues, Subscriptions, and Fees Budget
Tuesday, September 8: • Annual Business Plan – Review Proposed 2027 Capital Projects Budget	Tuesday, October 13: • Annual Business Plan – Review Proposed 2027 Expenses Budget • Review and Update Strategic Plan
Wednesday, November 10: • Annual Business Plan - Review Proposed 2027 Rates and Other Revenue • Adopt 2027 Fee Schedule • 2027 Stakeholder Communication Plan	Tuesday, December 8: • Adopt 2027 Official Depository and Delegate Authority for Electronic Funds Transfers • Designate Official 2027 Newspaper • Approve 2027 Regular Meeting Schedule • Adopt 2027 Governance Agenda • Adopt 2027 Annual Business Plan