

August 13, 2025

Mayor Don Zeman
City of Hinckley
106 1st St SE
Hinckley, Minnesota 55037-0366

Dear Mayor Zeman,

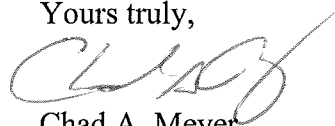
Pursuant Paragraphs 1.3 and 4.2 of the Operations and Maintenance Agreement dated October 14, 2021 between the City of Hinckley, Minnesota and PeopleService, Inc., the maximum annual maintenance/repair (non-capital) expenditure amount and monthly compensation the City of Hinckley, Minnesota pays for our services are to be adjusted each December 1st. This adjustment is to be based on the change in the Consumer Price Index for All Urban Consumers (CPI-U) between July of 2024 and July of 2025. The CPI-U is the Federal Government's measure of inflation.

The change to the CPI-U (inflation) was a positive 2.7%. Thus, effective December 1, 2025, the City of Hinckley's maximum annual maintenance/repair (non-capital) expenditure amount will be increased from \$6,445 to \$6,619, the monthly compensation will be increased from \$32,782 to \$33,667 and the "base amount" for chemicals used at the facilities will be increased from \$69,131 to \$70,998.

PeopleService would appreciate your signing this letter in the space provided below, and returning a copy to our Arlington office. By doing so, you acknowledge receipt of this letter and the adjustment and increase in accordance with the Operations and Maintenance Agreement. Please note that the CPI adjustment will be billed beginning with the effective date even if we do not receive a signed copy of this letter.

If you have any questions, please don't hesitate to contact either Paul Christensen, our Region Manager for your area, or myself.

Yours truly,



Chad A. Meyer
President

Acknowledged:
CITY OF HINCKLEY, MINNESOTA

By: _____
Mayor

Dated: _____