

DULUTH PUBLIC UTILITIES COMMISSION
Meeting Minutes
November 17, 2015

Members Present: Councilor Zack Filipovich, Councilor Jennifer Julsrud, Rob Prusak, Linda Sellner, Councilor Joel Sipress, Jason Thorsell

Members Absent: Jim Ramnes

Staff Present: Bob Asleson, Jim Benning, Liz Bieter, Todd Carlson, Leanna Gilbert, Howard Jacobson, Tom Johnson, Chris Kleist, Chris Madden, Eric Shaffer, Glenn Strid

Call to Order: The meeting was called to order at 5:15 p.m. by President Prusak.

Public hearing:

15PUC-008 - RESOLUTION ESTABLISHING USER CHARGES FOR THE CITY'S STORMWATER UTILITY EFFECTIVE AS OF JANUARY 1, 2016; SUPERSEDING ALL PRIOR INCONSISTENT OR CONFLICTING RATES.

The Commission held a public hearing on stormwater rate resolution 15PUC-008. There were no comments from the public. The hearing was adjourned and the Commission moved on to the next hearing.

Public hearing:

15PUC-009 - RESOLUTION REDUCING CLEAN WATER SURCHARGE EFFECTIVE AS OF JANUARY 1, 2016; SUPERSEDING ALL PRIOR INCONSISTENT OR CONFLICTING RATES.

The Commission held a public hearing on clean water surcharge resolution 15PUC-009. There were no comments from the public. The hearing was adjourned and the Commission moved on to the regular meeting.

Approval of previous meeting minutes

Old business:

15PUC-008 - RESOLUTION ESTABLISHING USER CHARGES FOR THE CITY'S STORMWATER UTILITY EFFECTIVE AS OF JANUARY 1, 2016; SUPERSEDING ALL PRIOR INCONSISTENT OR CONFLICTING RATES.

Commissioner Filipovich motioned to approve resolution 15PUC-008. After a brief overview of the resolution by Jim Benning, commissioners voted unanimously to approve the resolution.

15PUC-009 - RESOLUTION REDUCING CLEAN WATER SURCHARGE EFFECTIVE AS OF JANUARY 1, 2016; SUPERSEDING ALL PRIOR INCONSISTENT OR CONFLICTING RATES.

Commissioner Filipovich motioned to approve resolution 15PUC-009. After a brief explanation by Eric Shaffer about how City staff determined that the clean water surcharge could be decreased now, commissioners voted unanimously to approve the resolution.

Utility appeal procedures

General

Jim Benning stated that a red-line version of proposed changes to the appeal procedures was provided. Commissioner Filipovich inquired about whether the Clerk's should be involved in the appeals process. Jim Benning will check with the City Clerk on this. After further discussion, Commissioner Julsrud motioned to table this topic until January, and the motion was approved unanimously.

Cold weather (update from Attorney)

Bob Asleson reported that, for the purpose of the cold weather rule, this is a municipal utility, not a public utility. There are different rules for municipal utilities in Minnesota statutes. Bob Asleson presented a few options for moving forward with the cold weather appeals process. He will draft a couple ordinances for commissioners to choose from that would provide an exception to the non-reconnect rule.

New business:**2016 meeting schedule**

A proposed 2016 meeting schedule was provided showing meetings held on the third Tuesday of each month. After some discussion, Commissioner Julsrud motioned to amend the proposed 2016 meeting schedule to exclude the December 20th meeting. The meeting schedule was approved unanimously as amended.

Fee for customers who turn their water back on after it was shut off by PWU - discussion only

Liz Bieter explained the reason for the proposed fee, and commissioners and staff discussed various aspects of the issue. It was decided that this should be a fine or penalty instead of a fee. Staff agreed to draft a resolution for the Commission to review.

Updates from staff

Eric Shaffer reported that all of the utility construction projects are done for the year with the exception of the 4th Street water main project. Our first cured-in-place pipe (CIPP) on a water main was installed and failed. It is being redone by the contractor. This should be done by the end of the month. Commissioner Sipress inquired about road closure due to this project and also about details of the new CIPP technology. Eric Shaffer responded that if the CIPP fails a second time, we would either have the contractor try a third time or open-cut the pipe in the spring.

Upcoming Council actions

Jim Benning mentioned that a DNR grant for stream restoration that was supposed to end this year is being extended to June or July of next year.

Commissioner questions or comments

Commissioner Sellner mentioned her desire to pursue the acquisition of tax-forfeit properties along streams as green infrastructure. She also mentioned an article that said Duluth is seeking \$76M from the National Disaster Resiliency Competition. Some items included in the grant application are the Armory project, the revitalization of Lincoln Park, and repair or removal of flood-damaged homes. They want to slow the flow of runoff from upland stream watersheds. Commissioner Sellner thinks this would be a good time to talk to the Planning Commission to see if there is any room in this grant proposal for green infrastructure. She also mentioned the proposed revitalization of Memorial Park, which includes a 3-story building and additional parking area.

President Prusak mentioned that City staff does look at tax-forfeit properties when they come up for sale and asked if anyone had a chance to look into the last five properties that were requested not to be sold. Eric Shaffer said that the County has not sold any properties after we have requested that they not sell them, but the same properties do come up again at later dates. Ideally someone would buy the properties and hold them without developing them. Commissioner Sipress mentioned that the County wants to sell as much tax-forfeit land that they can and that the properties should be in a status that

would keep them as public land for perpetuity. Commissioner Julsrud said that this may be appropriate for someone at the state level. Commissioner Sellner stated that she would provide information about the different options for protecting land.

Preview of upcoming business

The next regular meeting is scheduled for Tuesday, January 19, 2016, at 5:15 p.m. in City Council Chambers. Early next year, the Commission will discuss the condition of the water utility and funding of capital projects. This is Commissioner Julsrud's last meeting as a DPUC member. Jim Benning thanked her for her service, as she has been on the Commission since its inception. President Prusak also thanked her.

Adjournment: The meeting was adjourned at 6:38 p.m.