

**RESOLUTION NO. 21PUC-006**

**RESOLUTION ESTABLISHING THE CUSTOMER CHARGE AND USER CHARGES FOR THE CITY'S WASTEWATER FACILITIES EFFECTIVE WITH METER READINGS AFTER JANUARY 1, 2022; SUPERSEDING ALL PRIOR INCONSISTENT OR CONFLICTING RATES.**

RESOLVED by the Duluth Public Utilities Commission (the "Commission") that the Commission hereby makes the following Findings of Fact:

- 1.) The City's sanitary sewer utility system infrastructure, taken as a whole, is badly deteriorated and much of it needs to be replaced.
- 2.) A large part of the City's sanitary sewer utility system infrastructure is in excess of 80 years old or more and has exceeded its expected useful life.
- 3.) At least \$2.5 Million needs to be invested annually in sanitary sewer-related capital projects in order to maintain the system's ability to serve the needs of the City over the long term.
- 4.) The City has not increased its sanitary sewer rates since May 2015, not including annual automatic rate adjustments for WLSSD sewage treatment charges as allowed by 11PUC-WLSSD.
- 5.) It is necessary to increase sanitary sewer rates charged by the City to provide funds for the needed upgrading and improving of the City's sanitary sewer utility system.

RESOLVED FURTHER, that pursuant to section 43-11 of the Duluth City Code, 1959, as amended, for the purpose of increasing the revenue of the sewer utility, there is established and shall be collected effective with the meter readings after January 1, 2022, customer charge and user charges, based upon the volume of wastewater discharged to the city's wastewater facilities system and determined as in Section 43-7 of the Duluth City Code, as follows:

	<b>Effective January 1, 2022</b>	<b>Existing Rate</b>
Customer charge	No change	\$5.89/month
User charge - Class I	\$6.12/ccf	\$5.86/ccf
User charge - Class II	\$8.51/ccf	\$8.14/ccf
User charge - Class III	\$10.47/ccf	\$10.02/ccf
User charge - Class IV	\$16.76/ccf	\$16.04/ccf
User charge - Class IX	\$3.68/ccf	\$3.52/ccf

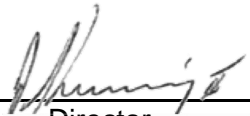
RESOLVED FURTHER, that said rates shall continue to be adjusted annually as provided for in 11PUC-WLSSD; and

FURTHER RESOLVED, any prior rates inconsistent or conflicting with the rates set forth herein are hereby superseded.

Approved by the DPUC: 9/21/2021  
(date)

Submitted to City Council: 9/22/2021 (date)  
(where appropriate)

ATTEST:

  
\_\_\_\_\_  
Director  
Public Works and Utilities  
City of Duluth

**STATEMENT OF PURPOSE:**

This resolution approves a 4.5% rate increase for the portion of the City's sanitary sewer rate structure based on volume of usage. The fixed rate customer charge would remain unchanged. This is the first sanitary sewer rate increase since 2015, not including automatic rate adjustments to reflect sewage treatment charges imposed by WLSSD as allowed by resolution 11PUC-WLSSD.