

**DULUTH PUBLIC UTILITIES COMMISSION**  
**Meeting Minutes**  
**May 17, 2016**

**Members Present:** Councilor Zack Filipovich, Jim Lewis, Rob Prusak, Councilor Joel Sipress, Jason Thorsell, Councilor Em Westerlund

**Members Absent:** Jen Julsrud

**Staff Present:** Bob Asleson, Liz Bieter, Leanna Gilbert, Eric Shaffer, Glenn Strid

**Call to Order:** The meeting was called to order at 6:30 p.m. by President Prusak.

**Approval of previous meeting minutes**

**New business:**

**Discuss method and amount of penalty for unauthorized turning on of service**

Liz Bieter reported on her research of what other cities do in these situations. Staff is recommending \$100 for the first incident, \$200 for the second incident, and \$400 for the third and subsequent incidents in addition to any other charges and the value of the utility stolen. This would be a rolling 12 month period. After discussing the availability of appeals and other resources for getting help with utility bills, the Commission instructed staff to prepare a resolution for the next meeting setting the amount of the penalty.

**Discuss over-the-phone credit card processing fee (not automated system)**

Liz Bieter reported on her research of what other municipalities and utility companies charge for credit card payments. Customer Service staff would need to be clear about the charge for the transaction and make the customer aware of all the other options to pay. The customer would also have to wait until the person near the credit card machine was available to process their payment. Staff will prepare a resolution setting a \$5.00 fee for over-the-phone credit card payment processing as instructed by the Commission. The ultimate goal is to phase out this payment option.

**Updates from staff:**

**Stormwater appeal update**

The Commission currently does not have the authority to hear stormwater appeals. An ordinance is in progress that would grant them the authority for this.

**2016 Capital Projects and bonding bill update**

Eric Shaffer gave an overview of capital projects for 2016. Commissioners can look over the list that he provided and contact him with any questions. There is a change order with Hanco on the City Council agenda. They agreed to do the work at last year's prices plus a mobilization charge. Work from the blanket project was also added to the 18<sup>th</sup> Ave E project. Eric briefly described the uprating project. Commissioners Westerlund and Sipress inquired about the 4<sup>th</sup> Street project. Eric said that half a block had been added from last year in order to supply water to a street. Two 36-inch valves installed last year did not work this year, so they are being replaced under warranty. Eric did not have any updates on the bonding bill, but we will be moving ahead with lining the sanitary sewer on Superior Street.

**Budget process**

Glenn Strid mentioned that the bylaws say that the Commission should review and recommend the utility budgets by October 1<sup>st</sup>. Staff usually presents the budgets in August and then the Commission votes in September. Eric Shaffer said that staff intends to let the Commission know if an increase is needed in August of each year. No increases are expected for 2017. Glenn provided a summary of 2015 year-end revenues, expenses, and cash balances for all utilities and stated that most differences were due to the timing of project payments and closeouts.

**Upcoming Council actions**

Eric Shaffer said that the upcoming City Council agenda should include resolutions for the blanket gas work as previously discussed as well as manhole adjustments and bollards.

**Commissioner questions or comments**

No questions or comments were mentioned at this time.

**Preview of upcoming business**

The next meeting is scheduled for Tuesday, June 21, 2016, at 5:15 p.m. in City Council Chambers. The Commission will consider resolutions regarding the proposed penalty for unauthorized turning on of services and the proposed fee for credit card payment processing.

**Adjournment:** The meeting was adjourned at 7:26 p.m.