

DULUTH PUBLIC UTILITIES COMMISSION
Meeting Minutes
September 18, 2018

Members Present: Councilor Arik Forsman, Jennifer Julsrud, Rob Prusak, Carrie Ryan, Councilor Joel Sipress; Chris McIntosh arrived at 5:25 p.m.

Members Absent: Councilor Em Westerlund

Staff Present: Bob Asleson, Jim Benning, Leanna Gilbert, Howard Jacobson, Chris Kleist, Glenn Strid, Kerry Venier

Call to Order: President Prusak called the meeting to order at 5:15 p.m.

Approval of previous meeting minutes

Old business:

Stormwater system discussion

Four stormwater rate scenarios were provided as requested. After some discussion, commissioners requested a few more rate scenarios. Commissioner Julsrud requested a 75-year life cycle scenario over 10 years. Commissioner Ryan would like to see a 50-year, a 75-year, and a 100-year life cycle scenario over 10 years. Commissioner Forsman would like to see one with progressive increases every couple of years for 10 years, maybe start with 5% then 8% etcetera until we hit the 75-year number.

Middle and Woodland water booster stations

Jim Benning stated that Eric Shaffer's analysis was heavy on the need for increased capacity and a little light on what upgrades are needed at the stations. We could tour the stations in October so that commissioners can see the state of the facilities.

2019 utilities budget discussion

There have been no substantial changes since last month. Bonding for the two pump stations is an option, but is not definite at this point. President Prusak mentioned that the stormwater budget might be in trouble according to the cash projections.

New business:

Clean Water fund update

An update of the clean water fund was provided as requested. Jim Benning mentioned various options of keeping it as is, decreasing the surcharge prior to the sunset, and rolling it into the sanitary sewer fund. The \$400,000 for lateral grants may continue indefinitely if our plan is approved by WLSSD. A decision can be made in the future. Commissioner Sipress suggested shifting the \$400,000 into the sanitary sewer fund, having an equivalent sewer rate increase to account for that, and then stepping down the clean water surcharge as the bonds are paid off. He suggested rolling out the stormwater 10-year plan with the plan to make the clean water surcharge go away.

18PUC-005 - RESOLUTION APPROVING AND RECOMMENDING 2019 UTILITY BUDGET.

Commissioner Sipress motioned to approve 18-PUC-005, and the resolution was approved unanimously.

18PUC-006 - RESOLUTION ESTABLISHING FEES FOR VARIOUS UTILITY-RELATED SERVICES.

Jim Benning mentioned that there was only one small change to a fee. We will be reviewing the Customer Service fees in more detail next year to make sure that we cover our costs and remain competitive with other companies. Commissioner Sipress motioned to approve 18PUC-006, and the resolution was approved unanimously.

Updates from staff

Jim Benning stated that projects are being finished up. Superior Street will go down to the wire, but it will be drivable for sure before winter. There may be a section of temporary sidewalk.

Upcoming Council actions

Jim Benning stated that our budget presentation to Council is on Monday at 5:45 p.m. Citizen commissioners are welcome to attend.

Commissioner questions and comments

Commissioner Julsrud mentioned that her term and Chris McIntosh's term expire March 31, 2019. It would be nice to take action on stormwater prior to that. Commissioner Sipress mentioned the possibility of reappointment.

President Prusak stated that we had a very thoughtful discussion on stormwater and he really appreciates this.

Preview of upcoming business

The next regular meeting is scheduled for Tuesday, October 16, 2018, at 5:15 p.m. in City Council Chambers. Staff will prepare more scenarios for stormwater as requested and plan for a tour of the two pump stations.

Known absences for future meetings

No absences were mentioned.

Adjournment: The meeting was adjourned at 6:05 p.m.