



City of Duluth

411 West First Street
Duluth, Minnesota 55802

Minutes - Draft

Duluth Public Utilities Commission.

Tuesday, January 19, 2021

5:15 PM

Council Chambers, City Hall, 411 West First Street

NOTICE OF PUBLIC HEARING: The Duluth Public Utilities Commission will hold a public hearing by electronic means regarding proposed stormwater Best Management Practices (BMP) credits for non-residential customers on Tuesday, January 19, 2021 at 5:15 p.m. The purpose of this public hearing will be to explain the proposed changes to the stormwater rates and to receive comments from the public regarding the proposed changes. The public hearing will be held at the commencement of the regular Commission meeting, which will be held by "other electronic means" pursuant to Minnesota Statutes Section 13D.021 in response to the COVID-19 emergency. Some members of the Board will be participating through video conference.

PUBLIC PARTICIPATION/PUBLIC COMMENT: Due to the COVID-19 emergency and the limitation on the use of City facilities, the hearing and regular meeting will be in a virtual, electronic format and not in a personal, public format, and public comment will not be taken in person. However, members of the public can monitor the hearing and meeting and provide public comment on the proposed stormwater BMP credits and on other agenda items through WebEx Events. Go to <https://duluthmn.gov/live-meeting> to access the meeting. The public is also encouraged to submit written comment to jbenning@duluthmn.gov prior to the meeting. Please include "January 2021 DPUC Agenda" in the subject line, and include your name and address and the agenda item you are speaking to. The Commission's agenda can be found online at <https://duluthmn.gov/boards-commissions/duluth-public-utilities-commission/>. Please note that all public comment is considered Public Data.

CALL TO ORDER

President Ryan called the meeting to order at 5:15 p.m.

ROLL CALL

Members Present: Chris Adatte, Councilor Gary Anderson, Steve Lipinski, Rob Prusak, Carrie Ryan, Councilor Joel Sipress

Members Absent: Councilor Derek Medved

Staff Present: Bob Asleson, Jim Benning, Leanna Gilbert, Greg Guerrero, Tom Johnson, Chris Ostern, Mark Proulx, Lindsey Seifert-Monson, Eric Shaffer

STORMWATER BMP CREDITS PUBLIC HEARING

The Commission held a public hearing on stormwater BMP credits resolution 21PUC-001.

Written comments were received from the following citizens:

Gary Moline, President of Moline Machinery located at 114 S Central Avenue
Jerome Feriancek, attorney at Trial Group North 800 Lonsdale Building, 302 W Superior Street (on behalf of Moline Machinery)
Gary Lane, President of Walsh Building Products located at 6430 Grand Avenue

Citizens present for comment were:

Gary Moline, President of Moline Machinery located at 114 S Central Avenue
Jerome Feriancek, attorney at Trial Group North 800 Lonsdale Building, 302 W
Superior Street (on behalf of Moline Machinery)
Gary Wargin, Verso Duluth Paper Mill

Gary Moline commented that many businesses are paying nothing or very little. The increases are significant and high compared to other municipalities. He does not understand having a different system for waterfront properties and believes other businesses should get the same credits as they do. He thinks the ERU calculation should be looked at.

Gary Wargin mentioned the significant increase for the mill and the recent shutdown and layoffs. He asked about the auditing process that determines the amount of square feet of impervious surface and how the mill site was measured. He is interested in reducing the amount of impervious surface at the site.

Jerome Feriancek stated that this proposal creates different classes of taxpayers that will pay different rates for similar situations. He asked what basis there was for the disparity. He questioned why only waterfront properties are eligible for credits that are not available to everybody else.

The hearing was closed at 5:56 p.m., and the Commission moved on to the regular meeting.

PUBLIC COMMENT PERIOD

Andrew Slade, resident of 1026 S Lake Avenue and Great Lakes Program Director for Minnesota Environmental Partnership, stated concerns about the presence of lead in drinking water. He requested free and easily accessible water testing, an easily accessible inventory of homes with lead service lines, and replacement of all lead service lines within a fixed period such as the next ten years. Jim Benning responded that anyone can call and ask if they have a lead service. Lindsey Seifert-Monson, Water Lab Chemist for the City of Duluth, stated that we are in compliance with current standards. She mentioned the corrosion control program, the annual consumer confidence report, and current water testing and sampling. Eric Shaffer mentioned the lead service inventory and the current lead service replacement policy.

APPROVAL OF MINUTES

[DPUC040](#) Dec. 15, 2020 DPUC meeting minutes draft

Indexes:

Attachments: [12152020 DPUC meeting minutes draft](#)

Commissioner Lipinski motioned to approve the minutes, and the motion was approved by all present.

NEW BUSINESS

[DPUC041](#) 21PUC-001 - RESOLUTION ESTABLISHING CREDITS FOR THE CITY'S

STORMWATER UTILITY EFFECTIVE AS OF JULY 1, 2021;
SUPERSEDING ALL PRIOR INCONSISTENT OR CONFLICTING RATES
AND CREDITS.

Indexes:

Attachments: [21PUC-001 BMP credits](#)

After some discussion, President Ryan motioned to approve resolution 21PUC-001 establishing stormwater BMP credits, and the resolution was approved by all present.

Election of officers

Commissioner Sipress nominated Commissioner Ryan for President, and the nomination was approved by all present.

Commissioner Ryan nominated Commissioner Prusak for Vice President, and the nomination was approved by all present.

UPDATES FROM STAFF

Jim Benning stated that City staff is working on projects for the upcoming construction season. Utility Operations is out fixing things as they break. We had an uptick in water main breaks. Eric Shaffer reported that the Middle Booster Station project is moving ahead. The plan are mostly done, and this will be advertised soon. We are pursuing a PFA loan for that project. Jim Benning mentioned that we have applied for a FEMA grant for an additional transformer, a backup generator, and some other things at the water plant. The grant would be for \$6M with a 25% match, which we would need to bond for.

COMMISSIONER QUESTIONS OR COMMENTS

Commissioner Sipress found someone who is interested in serving on the Commission. The individual has stormwater experience.

Vice President Prusak asked when the Middle Booster Station project would be complete and if we have backup for it during that time. Eric Shaffer replied that it should be done in about a year, and there are three pumps out there.

Commissioner Anderson is resigning from the Commission due to other professional obligations. He appreciates the work that is being done by the Commission.

Commissioner Sipress will start the process of filling the two upcoming vacancies. Commissioner Anderson's resignation is effective as of tonight. Vice President Prusak's term ends on March 31.

Commissioner Lipinski asked about sanitary overflows. Eric Shaffer reported that there were no overflows in 2020, and the only overflows in 2019 were on Park Point. The lake is four inches lower than it was last year, and we relined the sanitary sewer mains and replaced numerous laterals on Park Point.

UPCOMING COUNCIL ACTIONS

Jim Benning mentioned two petitions for sewer extensions, one for sanitary and one for stormwater.

PREVIEW OF UPCOMING BUSINESS

The next regular meeting is scheduled for Tuesday, February 16, 2021 at 5:15 p.m. City staff will be working on a plan to maintain compliance with the new lead and copper rule.

KNOWN ABSENCES FOR FUTURE MEETINGS

President Ryan may not be available for the February 16 meeting.

ADJOURNMENT

The meeting was adjourned at 6:41 p.m.