



City of Duluth

411 West First Street
Duluth, Minnesota 55802

Minutes - Final

Duluth Public Utilities Commission.

Tuesday, February 16, 2021

5:15 PM

Council Chambers, City Hall, 411 West First Street

NOTICE: The Duluth Public Utilities Commission will be holding its February 16, 2021 meeting 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. Due to the COVID-19 emergency and the closure of City facilities, public comment will not be taken in person. However, members of the public can monitor the meeting and provide public comment on agenda items through WebEx Events. Visit <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 "February 2021 DPUC Agenda" in the subject line, and include your name and address and the agenda item you are speaking to. The 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

Vice President Prusak called the meeting to order at 5:20 p.m.

ROLL CALL

Members Present: Steve Lipinski, Councilor Derek Medved, Rob Prusak, Councilor Terese Tomanek, Councilor Joel Sipress

Members Absent: Chris Adatte, Carrie Ryan

Staff Present: Bob Asleson, Leanna Gilbert, Greg Guerrero, Chris Ostern, Eric Shaffer, John Upton, Kerry Venier

PUBLIC COMMENT PERIOD

There were no comments from the public at this time.

APPROVAL OF MINUTES

[DPUC042](#) Jan. 19, 2021 DPUC meeting minutes draft

Indexes:

Attachments: [01192021 DPUC meeting minutes draft](#)

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

NEW BUSINESS

[DPUC043](#) Sanitary sewer rate adjustment**Indexes:**

Attachments: [2020 Wastewater Treatment Year-End Adjustment letter from WLSSD](#)
[2021 Sanitary Rate Adjustment](#)

Kerry Venier gave a summary of the rate adjustment resulting from WLSSD treatment charges. The year-end adjustment was about \$83,000, which resulted in a 0.32% or \$0.01 to \$0.05 variable rate increase. Kerry mentioned a need to review sanitary sewer rates due to a dangerously low fund balance. 2020 year-end financial information for the utility funds should be available for the March meeting.

[DPUC044](#) Stormwater rate implementation**Indexes:**

Attachments: [21PUC-002 Stormwater rate delay draft for review](#)

Eric Shaffer mentioned that the Commission approved a 6-year stormwater rate increase. The original intent was to begin the increase on January 1, 2021, but the Commission delayed the increase to July 1, 2021. The change of effective date did not get communicated properly to all City staff, so the increase was implemented on January 1. The error was caught in time to put the February billing back to correct amount. In order to correct the error, City staff recommends that we delay the rate increase from July 1 to August 1 so that all customers will end up paying the correct dollar amount in 2021. This rate change will require a public hearing. The other option is to refund all customers a very small amount, but this would be a time consuming and expensive exercise. After some discussion, commissioners agreed that delaying the increase to August 1 would be the best approach. City staff will put out a press release about the billing error tomorrow.

UPDATES FROM STAFF

Eric Shaffer reported that there have been 25 water main breaks since January 1. This will hopefully slow down as the weather warms up. We just had eleven consecutive days with over 40,000 MCF of natural gas flowed per day. The Utility Operations staff have done a fantastic job keeping everything running over the last two weeks.

COMMISSIONER QUESTIONS OR COMMENTS

Commissioner Sipress believes that someone has submitted an application to become a DPUC member, since Vice President Prusak's term ends March 31. Commissioner Sipress will make sure that the applicant's interview is done before the end of March so they can be here for the April meeting. He will also recommend that they attend the March meeting.

UPCOMING COUNCIL ACTIONS

Eric Shaffer mentioned that construction bid season is coming up, so we will be seeing projects bidding on the Council agendas in the next few weeks.

PREVIEW OF UPCOMING BUSINESS

The next regular meeting is scheduled for Tuesday, March 16, 2021 at 5:15 p.m. The Commission will hold a public hearing regarding the delay of the stormwater rate increase implementation to August, and City staff will prepare a resolution. The Commission will begin studying sanitary sewer rates soon. City staff will have 2020 year-end financial information available to review at the March meeting. Commissioner Lipinski requested an update on the lead in water issue.

KNOWN ABSENCES FOR FUTURE MEETINGS

No absences were mentioned.

ADJOURNMENT

The meeting was adjourned at 5:46 p.m.