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Title: AN ORDINANCE ELIMINATING TERM LIMITS FOR PUBLIC UTILITY COMMISSIONERS, AMENDING SECTION 2-184 OF THE DULUTH CITY CODE.

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AN ORDINANCE ELIMINATING TERM LIMITS FOR PUBLIC UTILITY COMMISSIONERS, AMENDING SECTION 2-184 OF THE DULUTH CITY CODE.

CITY PROPOSAL:

Section 1. That 2-184 of the Duluth City Code is hereby amended to read as follows:

Sec. 2-184. Same--Membership.

(a) The membership of the commission shall consist of seven commissioners who shall be appointed to the membership of said commission as hereinafter set forth. At the conclusion of any term, the council may re-appoint the commissioner whose term is ending or appoint a new commissioner in their place. No member shall serve more than two consecutive, full three year terms, not including any unexpired term to which such member may be appointed, or portions thereof on the commission.

(1) Three members shall be city councilors appointed by the council. Initially one such councilor shall be appointed for a one year term, one shall be appointed for a two year term and one such councilor shall be appointed for a three year term. Thereafter all councilors shall be appointed for three year terms, provided, however that councilors shall serve only as long as they continue to hold such office or, unless removed from membership on the commission by the affirmative vote of a majority of the city councilors then serving on the city council, excluding the subject councilor;

(2) Four members of the commission shall be appointed by the city council. Said members shall be residents of the city of Duluth, shall be responsible to pay charges to the city for the use of at least two of the utilities regulated by the commission and shall be chosen for their expertise in the areas of utility operations, finance and utility construction or other relevant experience. Initially one such commissioner shall be appointed for a one year term, one shall be appointed for a two year term and two shall be appointed for a three year term. Thereafter all commissioners shall be appointed for three year terms. All terms shall expire on March 31 of the appropriate year. When a vacancy occurs in said commission, by means of resignation, death, or removal from the city, such vacancy shall be filled for the unexpired term. If a commissioner shall be found to have failed or neglected to perform the duties of a commissioner, the Mayor with the approval of the city council may remove such commissioner from office and the vacancy created thereby shall be filled for the unexpired term;

(b) Commissioners shall serve without compensation;

(c) Within 20 days after all of the commissioners have been appointed, the commission

shall meet and organize and adopt, and thereafter may amend, such rules and regulations for the conduct of the commission as the commission shall deem to be in the public interest and most likely to advance, enhance, foster and promote the purposes of this ordinance [Article]. At such meeting and at all subsequent meetings of the commission, five commissioners shall constitute a quorum for the transaction of business, provided that at least two such commissioners shall be city councilors;

(d) The commissioners shall elect from among their membership a president and vice president and shall also elect a secretary who, may or may not be a member of said commission. No two of such offices shall be held by one commissioner. The officers shall have their duties and powers usually attendant upon such offices and such other duties and powers not inconsistent therewith as may be provided by the commission.

Section 2. That this ordinance shall take effect 30 days after its passage and publication.

STATEMENT OF PURPOSE: The purpose of this ordinance is to allow the council to re-appoint public utility commissioners who have served two terms to additional terms on the commission if the council deems it to be in the best interests of the commission and the city to do so.

The public utility commission is, by its nature, a specialized body charged with making decisions on highly technical issues related to the city's water, natural gas, sanitary sewer and storm sewer systems. The intention behind its creation was to establish a body that would develop the technical expertise to take a long-term view of the needs of the various systems and take action or make recommendations, as appropriate, to further the best interests of them. An example of their long-term approach was the recent six-year plan for water rate increases to start to fund the on-going maintenance needs of the city's water system. It should be noted that their plan not only addressed the system's needs for maintenance but also took into account the impact on system customers by graduating the rate structure over the six year period.

This plan also demonstrates the need for this ordinance amendment. The ultimate evolution of the plan was just that, a plan that emerged from years of work by commissioners. The issue has been the subject of meetings going back to early years of the commission's existence and has involved untold hours of work by many commissioners. Without the depth of experience gained from years of service on the part of many of the commissioners, the emergence and acceptance of the plan would have been problematic.

The city would be well served by retaining the experience and expertise that can only come from prior service on the commission and so it will be in the city's best interests to allow commissioners to be re-appointed as and if the council determines it to be appropriate. The council, of course, retains the ability to decide to appoint a replacement if it chooses to do so.