

DULUTH PUBLIC UTILITIES COMMISSION

Meeting Minutes

November 9, 2011

Members Present: Councilor Patrick Boyle, Councilor Jay Fosle, Councilor Daniel Hartman, Patrick Huston, Jennifer Julsrud, Linda Sellner

Staff Present: Bob Asleson, Jim Benning, Leanna Gilbert, Adele Hartwick, Howard Jacobson, Wayne Parson, Nick Petrangelo, Eric Shaffer, Peg Spehar, Glenn Strid

Members Absent: John Bruggeman

Call to Order: The meeting was called to order at 5:22 p.m. by President Julsrud.

Approval of previous meeting minutes

Old business:

Third party damages ordinance

Commissioners reviewed the third party damages ordinance provided by City staff and agreed to send the ordinance to Council as is.

New business:

Election of officers discussion

Commissioner Hartman inquired at the previous meeting as to when elections of officers should occur. The bylaws state that officers will be elected annually, so elections should have been held in September. Commissioners voted to extend the current terms until January. Staff will prepare an amendment to the bylaws stating that elections will be in January of each year for the commissioners to vote on at the December meeting. The commission will have four councilors and three residents in January. City Council is responsible for appointing commission members. Commissioner Hartman may be taking on new roles with the Council and resigning from this commission. Commissioner Boyle will work on finding another citizen member.

Regular meeting schedule

In order to have access to Council Chambers for all meetings, the commission would have to change the day of the regular meetings. Staff looked into the availability of Council Chambers and found that it would be available for the third Tuesday of each month. Commissioners will check their schedules to see if this will work for them.

The regular meeting was suspended at 6:00 p.m. for an appeal hearing.

Appeal hearing

After hearing the dispute as explained by the appellant, Michael Busick, and reviewing the information provided by City staff, the commission found that the appellant is responsible for the charges of \$2,138 as he is the applicant of record for the property at 1006 E 6th Street. The tenant never had the utilities transferred into their name, therefore the City has no contract with them. Commissioners voted unanimously to deny the appeal based on the record. Commissioners and staff recommended that the appellant take his case to small claims court since the lease agreement between the property owner and the tenant specified that the tenant was required to pay for utilities.

The hearing was closed and the regular meeting resumed at 6:25 p.m.

Finance discussion with Adele Hartwick

Commissioners had requested an appearance from Adele Hartwick, Chief Financial Officer, to answer questions about the City budget and finances. Peg Spehar, Budget Manager, and Wayne Parson, City Auditor, were also present to answer questions. Over the past few months, commissioners had questions about retiree health insurance payments and cost allocations. Wayne Parson explained that Other Post Retirements Benefits costs are calculated using an actuarial study which will be presented to the Council on November 10th. Staff also answered various other questions about retiree costs. Commissioner Fosle would like staff to figure out how much the City pays for retiree costs per employee for each fund. Commissioner Hartman asked that the Special Revenue part of the 2012 budget be made available online.

2012 budget

Public Works & Utilities staff will be giving a budget presentation to City Council at 6:00 p.m. tomorrow. Commissioners are welcome to attend. Staff intends for commissioners to be more involved in budget preparation next year. Staff provided copies of the budget presentation, cash projections for each fund, and options for balancing the budget. Staff gave a brief explanation of the information provided and answered questions from commissioners. Commissioners should review the information and be prepared for discussion and possible action at the December meeting.

Updates from staff

Commissioner Fosle inquired about advertisement of the community meeting schedule. The City's Public Information Coordinator will put out a press release with the meeting schedule. Eric Shaffer and Howard Jacobson have an interview scheduled with the newspaper on November 10th, so hopefully they will publish the meeting dates as well. Commissioner Boyle and possibly Commissioner Huston will talk to the editorial board. Staff has not yet heard from all of the commissioners as to who will be available to attend the community meetings. Eric Shaffer will be at all of the meetings, and Jim Benning will be at the November meetings.

The concrete has been poured for the tank in Canal Park. The buildings and landscaping still need to be finished. The project should be complete in September 2012. Water testing will start around Thanksgiving, and we should be able to use it in January.

The painting of the Highland tower has not been finished yet. It most likely will not be used until spring.

Upcoming Council actions

Staff did not have any comments on upcoming actions.

Agenda for next meeting

The next meeting will be on Wednesday, December 14, 2011, at 5:15 p.m. in City Council Chambers. The commission will vote on the amendment of the bylaws pertaining to election of officers, decide on a regular meeting schedule, and discuss the 2012 budget.

Adjournment: The meeting was adjourned at 7:51 p.m.

A recording of this meeting is available upon request.