

DULUTH PUBLIC UTILITIES COMMISSION
Monday, August 27, 2012, 4:45 p.m.
City Hall Room 303
SPECIAL MEETING AGENDA

1. Roll call
2. New business

**12PUC-009 RESOLUTION ABATING FIXED WATER, GAS AND SANITARY SEWER CHARGES
ON FLOOD-DAMAGED HOMES DURING PERIOD OF NON-HABITABILITY.**

RESOLUTION NO. 12PUC-009

RESOLUTION ABATING FIXED WATER, GAS AND
SANITARY SEWER CHARGES ON FLOOD-DAMAGED
HOMES DURING PERIOD OF NON-HABITABILITY.

RESOLVED by the Duluth Public Utilities Commission (the "Commission") that the Commission hereby makes the following Finds of Fact:

- 1.) That on June 19th and 20th, 2012, the city of Duluth experienced a catastrophic rainfall event, causing great damage to and destruction of public and private property, which event resulted in a public disaster declaration (DR-4069) by the President of the United States, hereinafter referred to as the "Disaster Declaration".
- 2.) That by virtue of the Disaster Declaration, the City and other affected jurisdictions will receive assistance from the Federal Emergency Management Agency, hereinafter referred to as "FEMA", to fund the cost of restoration of the public infrastructure so damaged.
- 3.) That even though many private properties in the city were badly damaged by the event to the point of being uninhabitable, the owners of such properties will not be eligible for assistance from FEMA to assist in the rebuilding of their homes.
- 4.) That even while such properties are uninhabitable and will therefore not be using any water service, gas service or sanitary sewer service, standard city utility rates practice will require them to continue to pay monthly fixed charges for water, gas and sanitary sewer.
- 5.) That the Commission deems it to be fair, right and equitable that the owners of such damaged properties not be required to pay fixed monthly fees for utility services they cannot enjoy do to flood damage, during the time that their properties are uninhabitable.

FURTHER RESOLVED, that notwithstanding the rates otherwise in effect as of the date of this resolution, including those approved pursuant to Resolutions 12PUC-007 and 12PUC-008, the rates charged to customers of the City's water, gas and sanitary sewer systems are hereby modified to temporarily abate fixed charges for water, gas and sanitary sewer service for properties damaged or destroyed by the rainfall event that gave rise to the Disaster Declaration, subject to the following conditions:

- (a) the property served by the services were damaged or destroyed by the rainfall event which gave rise to the Disaster Declaration;
- (b) because of the damage or destruction referred to in paragraph (a) above, the property has been formally placarded with a red, orange or yellow placard by the City's division of construction services and inspections in accordance with the

procedures and practices provided for in the Minnesota Building Official Disaster Preparedness Manual—Fourth Edition—Revised 2011;

- (c) no water service, gas service or sanitary sewer service is used on the property during the abatement period;
- (d) the customer requests that the city abate said fixed charges; and

FURTHER RESOLVED, that the abatement granted pursuant to this resolution would cease to be effective as of the date of the resumption of use of water service, gas service or sewer service on the property or upon the authorization to remove the placard by the above division on the property being lifted; and

RESOLVED FURTHER, notwithstanding the termination provision set forth above, the abatement authorization granted by this Resolution shall terminate no later than March 1, 2013.

Approved by the DPUC:

(date)

Submitted to City Council:
(where appropriate)

(date)

ATTEST:

Director
Public Works and Utilities
City of Duluth

STATEMENT OF PURPOSE:

The purpose of this resolution is to abate the fixed portion of water, gas and sanitary sewer charges related to properties damaged in the June storm during the time when such properties are not using those utilities.