

DULUTH PUBLIC UTILITIES COMMISSION

Tuesday, March 21, 2017

City Council Chambers

AGENDA

1. Roll call
2. Approval of previous meeting minutes
3. Old business:
  - 3.1 Gas transport rate
  - 3.2 Water utility discussion
4. New business:
  - 4.1 Rescue vehicle endorsement
  - 4.2 WLSSD draft ordinance
  - 4.3 17PUC-002 - RESOLUTION AMENDING RESOLUTION 16PUC-009 ESTABLISHING FEES FOR VARIOUS UTILITY-RELATED SERVICES.
5. Updates from staff
6. Upcoming Council actions
7. Commissioner questions or comments
8. Preview of upcoming business

**DULUTH PUBLIC UTILITIES COMMISSION**  
**Meeting Minutes**  
**February 21, 2017**

**Members Present:** Councilor Zack Filipovich, Jim Lewis, Rob Prusak, Councilor Joel Sipress, Jason Thorsell, Councilor Em Westerlund

**Members Absent:** Jen Julsrud

**Staff Present:** Bob Asleson, Jim Benning, Leanna Gilbert, Howard Jacobson, Chris Madden, Eric Shaffer, Glenn Strid

**Call to Order:** The meeting was called to order at 5:15 p.m. by President Prusak.

**Approval of previous meeting minutes**

**Old business:**

**Gas transport rate**

Eric Shaffer will bring a suggested gas transport rate to the next meeting. There are currently no customers affected by this rate. There is only one transport customer, ME Global, and they are under a separate contract.

**Water utility discussion**

Jim Benning explained the draft Proposed Rate Adjustment Annual Cycle that was included in the meeting packet. A discussion of the feasibility of the plan followed. Eric Shaffer mentioned that we continue to fall behind on our capital projects because of projects mandated by other authorities such as the County and MNDOT. Utility Operations personnel will be installing about 2,000 feet of pipe in Lakeside around 43<sup>rd</sup> Ave. E and Oakley this year, partly by pipe bursting. We may do more if it goes well. The pipe cost \$51,000. We do not have a cost estimate for the pavement restoration yet, but it will be done by Street Maintenance. President Prusak asked when we would get into further detail about the water utility. Commissioner Sipress asked how much we should be spending if money was not an object. He also asked how much could be done at different levels of funding. Eric Shaffer will put together a 5 to 10-year plan for capital projects and outline the priority water mains for the next meeting. He also said that we should be replacing at least 4 miles of main per year. He will also list any known projects planned by other entities. His goal is to cut the number of water main breaks in half in the next 10 years. President Prusak requested that this information be sent out in advance so that commissioners have time for review. Commissioner Filipovich offered to assist with getting information about upcoming projects from other agencies.

**New business:**

**2016 WLSSD year-end adjustments**

Jim Benning stated that we get year-end adjustment letters from WLSSD annually. These cost adjustments are applied to our rates automatically with no action from the DPUC required. Staff answered various questions about the treatment charges and flows and loads. President Prusak mentioned that the flows are a fraction of what they used to be due to the City's efforts to reduce inflow and infiltration in the sanitary sewer system.

## **17PUC-001 - RESOLUTION OF THE DULUTH PUBLIC UTILITIES COMMISSION RECOMMENDING THAT THE CITY OF DULUTH APPROVE THE 2016 WATER SUPPLY PLAN.**

Jim Benning explained that the Water Supply Plan was approved by the State. Now the City has to formally adopt the plan. President Prusak asked what revisions were made from the original version. Chris Madden explained that there were only a few minor revisions in response to questions from the State. Commissioner Westerlund motioned to approve resolution 17PUC-001, and it was approved unanimously.

### **Updates from staff**

Jim Benning received a draft inflow and infiltration ordinance from WLSSD yesterday. This ordinance includes regulations regarding sump pump plans, lateral lining plans, point-of-sale inspections, new construction permits, and a variety of other things. We attended a public hearing regarding this ordinance last fall, and WLSSD put together a new draft based on the feedback received. There will be another public hearing on March 22<sup>nd</sup> at 5:00 p.m. The draft ordinance will be sent to commissioners for review and comment. Commissioners are welcome to attend the hearing. Each municipality will have to draft their own ordinance that is acceptable to WLSSD. Jim Benning stated that our sump pump ordinance is done. Our lateral line program has been suspended temporarily, we just need to tweak it a little and decide at what level we will fund it. Commissioner Filipovich asked what the deadline was for having these plans in place. The ordinance would need to be in place in 2018 and effective in 2019. Commissioner Westerlund inquired about the reason for these changes. Eric Shaffer stated that WLSSD wants to keep the overflows due to inflow and infiltration from coming back.

Eric Shaffer mentioned that we got about 6 feet of water in the Lift Station 6 tank in Canal Park during the weekend rain event, which is just a fraction of its capacity. There was about 1.5 feet in the Lift Station 50 tank, which is the furthest west on the Lakewalk. Overall the system performed well and there were no overflows. We did not have any water in the tanks that are typically the worst, which are those at 60<sup>th</sup> Ave. E and 52<sup>nd</sup> Ave. E.

Eric Shaffer provided handouts regarding interruptible gas customers. He stated that the amount of gas usage has gone up and that we have surpassed the amount of gas that we can legally purchase in previous years. We had previously discussed that we would probably need to start interrupting customers again or purchase more capacity. We have not interrupted customers for about 15 years. We will need to decide which customer will be shut off first. There was some discussion about the gas usage of the interruptible customers, notification procedures, and the transport rate. Commissioner Filipovich asked about the cost to purchase more capacity. Eric Shaffer said that he could get that information for the next meeting.

### **Upcoming Council actions**

No upcoming actions were mentioned.

### **Commissioner questions or comments**

President Prusak stated that Commissioner Lewis will be deployed abroad within the next 45 days and may be gone for up to 7 months. Commissioner Thorsell's term will expire on March 31<sup>st</sup>, but he has agreed to stay on until Commissioner Lewis returns if this is acceptable to the City Council. Commissioner Thorsell would be reappointed, and Commissioner Lewis would resign until he returns. Commissioners were in favor of this suggestion. Commissioner Sipress will contact Councilor Gary Anderson about this.

Commissioner Thorsell inquired about the effect of the warm weather on gas revenues. Glenn Strid explained that it is a combination of price and volumes that effects revenues. The 2016 accounts have not

been closed out yet. A lot of the revenue shortfalls will be offset by lower gas purchasing expenses. We should have an estimate of 2016 finances in April.

Commissioner Filipovich said thank you to all, especially to President Prusak for his leadership. Commissioner Filipovich's term will end March 31<sup>st</sup>.

**Preview of upcoming business**

The next meeting is scheduled for Tuesday, March 21, 2017, at 5:15 p.m. in City Council Chambers. Staff will send out the draft WLSSD ordinance for review and comment. Staff would also like more feedback on the draft budget cycle. Eric Shaffer will work on the gas transport rate, and he will put together more details regarding the water utility and send out the information in advance as requested.

**Adjournment:** The meeting was adjourned at 6:26 p.m.

**WESTERN LAKE SUPERIOR SANITARY DISTRICT  
ORDINANCE ESTABLISHING STANDARDS  
FOR REDUCTION OF INFLOW AND INFILTRATION**

Amended \_\_\_\_\_, 2017

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**Article I: Authority and Purpose.**

The Western Lake Superior Sanitary District (“WLSSD”) was established by the Laws of the State of Minnesota as codified in Minn. Stat. Chapter 458D. WLSSD owns and operates a network of interceptor sewers and a regional treatment facility (collectively referred to as the Treatment Works) for the collection and treatment of municipal and industrial wastewater from sources within WLSSD boundaries. To ensure the best use of the Treatment Works, WLSSD regulates and enforces its responsibilities through a series of ordinances, agreements and enforcement mechanisms. The capacity allocation system regulates the distribution of finite Treatment Works capacity among customers. This Ordinance establishes standards for the reduction of Inflow and Infiltration (“I & I”) from municipal wastewater customers through the requirement of the preparation and implementation of I&I ordinances, annual reduction plans and progress reports, elimination of I & I through Sump Pump and Sewer Service Lateral compliance programs for structures and the enforcement of penalties for failure to comply. This Ordinance will protect the health, welfare and safety of the public and the environment by requiring the reduction of I & I, minimizing the risk of overflows in the wastewater conveyance and treatment system.

**Article II: Definitions.**

- Section 2.1 “*Capacity Allocation Permit*” means the permit issues by WLSSD and signed by a Customer which sets wastewater discharge limits for the Customer.
- Section 2.2 “*Capacity Availability Fee*” means the WLSSD fee for new connections to, and estimated expanded uses of, the WCTS.
- Section 2.3 “*Certificate of I&I Sump Pump Compliance*” means a certificate issued by the Municipal Customer to verify that a building being sold, transferred or otherwise conveyed, or subject to any of the requirements, including a Capacity Availability Fee payment, as provided in Section 7.3 A, is not contributing Inflow and Infiltration to the WCTS by verification of a properly installed and functioning Sump Pump.
- Section 2.4 “*Customer*” means a municipal or local governmental entity or a state or federal entity, agency or subdivision, which discharges wastewater directly to the WLSSD wastewater conveyance system and is not a wastewater customer of another governmental entity.

Section 2.5 “*Executive Director*” means the person occupying the position of Executive Director of WLSSD or the designee of the Executive Director.

Section 2.6 “*Inflow and Infiltration*” or “*I&I*” includes *infiltration*, which is water that seeps or flows into a damaged or leaking portion of the WCTS from the surrounding soil; and *inflow*, which is unwanted water, such as rainwater or melting snow, ~~which~~ enters the WCTS through a direct connection. I&I describes the overall problem of extra unwanted water contributing to wastewater flows in the WCTS.

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Section 2.7 “*Level of Service*” means the maximum level of sewer conveyance capacity the WLSSD commits to provide a Customer. For Municipal Customers it is expressed as a multiplier of the Municipal Customer’s average dry weather flow to the WLSSD wastewater conveyance system.

Section 2.8 “*MGD*” means million gallons per day.

Section 2.9 “*Municipal Customer*” or “*Customer*” means the cities of Duluth, Proctor, Hermantown, Cloquet, Carlton, Scanlon, ~~Rice Lake~~, and Wrenshall, the townships of Midway, Thomson and Twin Lakes, the Pike Lake Area Wastewater Collection System, the Duluth/North Shore Sanitary District, the Village of Oliver, Wisconsin, the Knife River-Larsmont Sanitary District, and any other governmental entity which discharges wastewater directly to the WLSSD wastewater conveyance system and is not a wastewater customer of another governmental entity.

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Section 2.10 “*New Use*” means the development or redevelopment of a property for a different residential, business or industrial use evidenced by the requirement of a building permit issued by a Municipal Customer or by other official governmental actions.

Section 2.11 “*Peak Flow*” means the highest one hour average flow discharged by a customer within a 24 hour period.

Section 2.12 “*Sewer Connection*” means the addition of a new use to a municipal sewer system resulting in the increased discharge of wastewater into this system without extending or altering the existing public sanitary sewer infrastructure.

Section 2.13 “*Sewer Extension*” means extending, expanding or altering sanitary sewer mains, trunks, interceptors or other projects that may prepare for future expansions or services, even if no new flow is initially added. This may include increasing the size of an existing pipe or installing additional pumps or larger pumps to increase pumping capacity.

Section 2.14 *Sewer Service Lateral* or *Service Lateral* means that portion of the WCTS that generally is perpendicular to the sewer main and extends from the municipally owned sewer main and connects to the structure being served.

Section 2.15 “*Sump Pump*” is a pump used to remove water that has accumulated in a water collecting sump basin, commonly found in the basement of a structure. The water may enter via the perimeter drains of a basement waterproofing system, funneling into the basin or, if the basement is below the water table level, because of rain or natural ground water.

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Section 2.16 “*Wastewater Collection and Transmission System*” (“WCTS”) means the system for wastewater collection and transmission, including all pipes, force mains, gravity sewer lines, lift stations, pumping stations, and appurtenances owned and operated by WLSSD and the municipally owned portion of the system which collects wastewater from residences and businesses and conveys it to the portion of the system operated by WLSSD.

### **Article III: Peak Flow Rate Reduction Requirements.**

Section 3.1 Municipal Reduction. All Municipal Customers must take appropriate action to ensure that their Peak Flow is reduced to a level no higher than the Level of Service specified in their Capacity Allocation Permit. If a Municipal Customer has multiple Level of Service points within the Customer’s system, the flow rate will be evaluated for each Level of Service point. A Peak Flow/ Level of Service exceedance occurs if the highest one hour average value of Customer’s flow, as recorded by WLSSD from flow data collected at monitoring locations throughout the WLSSD conveyance system, exceeds the Customer’s applicable Level of Service.

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### **Article IV: Reporting Requirements**

Section 4.1 Any Municipal Customer with a wastewater treatment Capacity Allocation Permit must file the following reports with the Executive Director.

A. Peak Flow/Level of Service Exceedance Report. If a Municipal Customer has a Peak Flow which exceeds the Customer’s Level of Service as defined in Article III, WLSSD will notify the Municipal Customer of the exceedance in writing. Within 30 days of being notified of a Level of Service exceedance by WLSSD, the Municipal Customer must provide a written evaluation of what caused the exceedance, what actions will be taken to correct the exceedance and when these actions will be completed. The written evaluation must provide written verification that the plans and timelines detailed in the Annual Report will eliminate further exceedances from this location.

If the exceedance is accompanied by a release of wastewater to the environment, then the Municipal Customer must call the Minnesota Duty Officer as soon as possible and complete an Incident Report as described below:

Incident Report. The incident report must be submitted to WLSSD by the 10<sup>th</sup> calendar day of the month immediately subsequent to the month that the release occurred. The report must include:

- (a) The Duty Officer report number;
- (b) If the Municipal Customer has been notified by the MPCA that a release sampling report must be filed along with the Duty Officer report, then a copy of the release sampling report must be included with the Incident Report;
- (c) The date and time the release began and ended;
- (d) The location of the release; and
- (e) The estimated volume of the release.

B. Annual I&I Reduction Plan and Progress Report (“Annual Report”). By February 15<sup>th</sup> of each year each Municipal Customer must submit an Annual Report. This report must include an engineer’s certification and be verified by an authorized representative of the Customer. The Annual Report must contain the following information:

- (a) Detailed documentation of I & I identification and reduction activities carried out during the reporting year and amount of funds expended. This report should identify the roof drain and footing drain disconnections, manhole covers plugged and sealed, cross connections eliminated, service laterals lined, manholes rehabilitated or replaced, a description of sanitary sewer lines rehabilitated or replaced and other reduction activities. This report should also include the linear feet of sanitary sewer televised, smoke test results, flow monitoring information, footing drain inspection reports, and other I & I identification tasks completed. This report must also include a summary of the previous year’s budget for I & I reduction activities, comparing planned expenses to actual expenses and explaining the variance.
- (b) Detailed plans of I & I identification and reduction activities that the municipality will complete during the upcoming calendar year. These plans should include activities, expenditures, timelines and milestones.
- (c) A copy of the most recent version of the Municipal Customer’s sewer ordinance, and a summary of any proposed revisions for the next 12 months. The sewer ordinance must be in conformance with the WLSSD Model Ordinance Regulating the Use of Public and Private Sewers.
- (d) Copies of any information distributed to the public concerning I & I reduction.



- (e) A list of Level of Service exceedances and wastewater overflows that occurred within the municipality during the previous calendar year with detailed plans and timelines to correct the exceedances and overflows.
- (f) A quantitative assessment of I & I reduction progress accomplished during the reporting year.
- (a) A summary of any new connections to the public sanitary sewer system including an updated public sanitary sewer system map.
- (b) A summary of key maintenance activities and standards utilized to improve or maintain the integrity of the collection system.
- (g) All information required in Sections 7.2 D and 7.3 E of this Ordinance.

Section 4.2 Adequacy of Submittals. WLSSD will review Submittals (Peak Flow/Level of Service Exceedance Report, Incident Report, and Annual Report (collectively referred to as “Submittals”)) to determine if the Customer has met all requirements for completeness and responsiveness. The review will be completed within 45 days after Submittal is received by WLSSD. If notified in writing by WLSSD that the Submittal is not complete or responsive, a corrected Submittal must be filed by the Customer within 45 days of the notice.

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**Article V: Penalties**

Section 5.1 Noncompliance. If a Customer fails to file a Submittal within the deadlines established, fails to substantially comply with the I & I reduction activities and timelines set forth in its Submittals, fails to timely comply with any of the requirements in Article VII or is not making substantial progress in reducing its Peak Flow to the limits established in Article III, then the Customer is noncompliant and subject to one or more of the following penalties to be determined in the sole discretion of the Executive Director:

- A. No extension and/or connections of Customer’s sewer lines will be permitted until such time that the Customer is in compliance with the provisions of this Ordinance; or
- B. Extensions and/or connections of Customer’s sewer lines may be limited and subject to the terms or conditions set forth by the Executive Director until Customer is in compliance with the provisions of this Ordinance.
- C. A civil penalty of up to \$500 per day, beginning on the first day of noncompliance and continuing until the Customer is in compliance with the provisions of this Ordinance.

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For Customers, which connect into the WLSSD wastewater conveyance system at more than one point, and thus have multiple Level of Service targets, restrictions under Section 5.1 A and B will only be applied upstream of Level of Service points that are noncompliant under Section

5.1. A failure to file a Submittal causes the Customer's entire conveyance system to be noncompliant.

Section 5.2 Noncompliance Resulting in a Release. If in the sole discretion of the Executive Director a Customer is found to be noncompliant with the terms of this Ordinance and the Customer Peak Flow/Level of Service exceedance as defined by Article III results in a release of wastewater to the environment, then the Executive Director may assess a civil penalty of up to \$1000 for each Peak Flow/ Level of Service exceedance. These penalties are in addition to the penalties set forth in Section 5.1 above. If multiple Customers located upstream of a release location contributed Peak Flow exceeding the Customer's Level of Service as defined in Article III and are noncompliant, then each Customer will be assessed the full penalty.

Section 5.3 Notice and Payment. WLSSD will send written notice to a Customer of a violation, setting forth the date of the violation, approximate time when the violation occurred, Peak Flow at the time of violation, and the amount the Peak Flow exceeding the Level of Service. Prior to the end of the calendar year, WLSSD will notify each Customer which has received a notice of violation that year of the total amount of the penalty due for that year. The penalty shall be paid no later than ninety (90) days from the date of the notice of the total penalty due. Extensions to the payment period may be granted in the sole discretion of the Board, subject to a showing of hardship by the applicant.

**Article VI: Variance**

Upon written request from a Customer, the Board may in its discretion modify the penalty imposed by the Executive Director under Article V. The Customer must also provide the Board with a written explanation of the reasons supporting the requested variance. The written variance request must be submitted to the Executive Director within thirty (30) days of the date of notice of the total amount of the penalty due for that year under Section 5.3.

**Article VII: Sewer Service Lateral and Sump Pump Compliance Programs**

Section 7.1. Written Plan. Each Municipal Customer shall provide to the Executive Director by no later than February 15, 2018 a written Plan describing how the Municipal Customer will satisfy the requirements of this Article. This plan can be submitted separately or included as part of the Annual Report reference in Section IV Part B. The written Plan must address both Sump Pump and Sewer Service Lateral inspection and correction. The Executive Director will review the Plan and either approve or reject the Plan. If rejected, the Executive Director will notify the Municipal Customer of the deficiencies in the Plan. An amended Plan must be submitted by the Municipal Customer within 45 days of notice of the deficiency.

Section 7.2. Sewer Service Lateral Compliance Program. Each Municipal Customer must adopt and enforce an effective Sewer Service Lateral inspection and correction program for structures connected to the WCTS designed to ensure that no building or structure is contributing Inflow and Infiltration to the public wastewater collection system, regardless of the manner in which the I & I is entering the Sewer Service Lateral,

- A. The inspection and correction program must be based on one or more of the following:

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1. *Property Transactions.* A program that ensures through Sewer Service Lateral inspection and correction that upon a change in real property title or property ownership with one or more buildings or structures located thereon, or upon a significant change in use of one or more buildings or structures located thereon, or upon certain modifications to the plumbing system, that no such building or structure is contributing Inflow and Infiltration to the WCTS.
  2. *Annual Inspection.* A program developed by the Municipal Customer to systematically inspect and correct all Sewer Service Laterals by identifying the number and location of inspections to be done each year to verify that no building or structure is contributing Inflow and Infiltration to the WCTS. ▼
- B. The inspection and correction program must be structured so that the compromised Sewer Service Laterals within the jurisdiction of the Municipal Customer are corrected within a reasonable period of time, as determined in the discretion of the Executive Director.
- C. The inspection and correction program must include the following components:
1. An annual targeted number of Sewer Service Laterals to be inspected each year and the percentage of the annual target related to the number of Sewer Service Laterals within the jurisdiction of the Municipal Customer.
  2. The method used to inspect the Sewer Service Laterals (televising, pressure test, etc.) and the standard to be applied to determine if a Sewer Service Lateral is compliant.
  3. The method used by the Municipal Customer to target Sewer Service Laterals for repair (point of sale, during planned municipal road or sewer work, etc.).
  4. A description of the enforcement system used by the Municipal Customer to deter noncompliance.
  5. A description of the system used by the Municipal Customer to address repairs needed on shared or common Sewer Service Laterals.
- D. The following information shall be included in the Annual Report submitted by the Municipal Customer pursuant to Article IV:
1. The number and location by address of inspections conducted, and the number of corrections completed that year.
  2. An estimate of the total number of Sewer Service Laterals within the jurisdiction of the Municipal Customer.
  3. The total number of Sewer Service Laterals determined to be compromised.

**Deleted:** The program must be designed to inspect and correct all Sewer Service Laterals within the jurisdiction of the Municipal Customer within a reasonable period of time.

4. The total number of Sewer Service Laterals certified by the Municipal Customer to be compliant.

Section 7.3. Sump Pump Compliance Program. Each Municipal Customer must adopt and enforce an effective Sump Pump inspection and correction program which must include:

- A. A requirement that the owner of any dwelling structure, commercial building structure or other building or land upon which such buildings are located which are connected to the WCTS, shall obtain a Certificate of Sump Pump I&I Compliance from the Municipal Customer (i) prior to selling, transferring, or conveying an interest or entering into an agreement to sell, transfer or otherwise convey an interest in such property, or (ii) upon a determination that the owner of a structure with a new or existing connection to the WCTS must pay a Capacity Availability Fee as a result of a New Use or anticipated wastewater flow increase calculated in accordance with the *WLSSD Capacity Availability Fee Procedures Manual* in effect at the time of the calculation.
- B. That no owner of real estate described in subsection (A) above shall sell, transfer or otherwise convey an interest or enter into an agreement to sell, transfer or otherwise convey an interest in such property without either (i) presenting the prospective purchaser or grantee with a copy of a Certificate of Sump Pump I&I Compliance for the subject property or (ii) entering into an agreement as provided in subsection (D) below.
- C. An inspection process following the requirements and criteria set forth in the WLSSD Model Ordinance - Certificate of Sump Pump Inflow and Infiltration (I&I) Compliance.
- D. A requirement that property inspected and found to have either no sump pump, a sump pump that is not in use, or a sump pump that is malfunctioning or discharging into the WCTS be corrected within 120 days of the transfer of the property pursuant to an agreement between the parties together with the escrow of 125% of the repair costs.
- E. The following information shall be included in the Annual Report submitted by the Municipal Customer pursuant to Article IV:
  1. The number and location by address of inspections conducted, and the number of corrections completed that year.
  2. The total number of Sump Pumps certified by the Municipal Customer to be compliant.

Section 7.4. Record Retention. The inspection records and all documents relating to the requirements of Article VII shall be retained by the Municipal Customer and available to the Board for a minimum of 7 years and not less than the period required by Minnesota law for public records retention for these documents.

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Section 7.5 Enforcement Date. The approved Inflow and Infiltration compliance Plan for each Municipal Customer must be in effect and enforceable no later than February 15, 2019. If the Municipal Customer fails to meet the deadline in this Section, the Municipal Customer is in Noncompliance and subject to the penalties in Article V.

**Article VIII: Effective Date**

This amended Ordinance is effective the day after its publication.

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**RESOLUTION NO. 17PUC-002**  
**RESOLUTION AMENDING RESOLUTION 16PUC-009**  
**ESTABLISHING FEES FOR VARIOUS UTILITY-**  
**RELATED SERVICES.**

RESOLVED by the Duluth Public Utilities Commission (the "Commission") that, pursuant to the authority contained in Section 2-186 (c) of the Duluth City Code, 1959, as amended, the Commission hereby amends Resolution 16PUC-009 establishing fees for various utility-related services as described in Exhibit A attached hereto and made a part hereof (the "Services") in the amounts as set forth in said Exhibit A, said fees to be effective as soon as permitted pursuant to Section 2-187 of the Duluth City Code, 1959, as amended.

RESOLVED FURTHER, that to the extent that any fee approved by an earlier resolution has been amended by any later resolution, the prior inconsistent or conflicting fee shall be deemed to have been superseded.

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 amend fees for various services provided by the City in conjunction with the provision of utility services as authorized by Section 2-186 (c) of the City code. This amendment corrects an error in the previous fee schedule which affects two fee amounts as shown in Exhibit A.

Fees Set by DPUC	2017 Fee
FOG Program - Failure to Maintain Records - per day	\$100.00
FOG Program - Noncompliance - Maximum Penalty - per month	\$1,000.00
Gas Furnace Comfort Policy Fee - DCC - annual	\$201.00
Gas Furnace Comfort Policy Fee - Electronic Ignition - Annual	\$189.00
Gas Furnace Comfort Policy Fee - Standing Pilot - Annual	\$176.00
Gas Furnace/Appliance Service - Weekdays - Midnight to 8:00 a.m. - 1st 1/2 hour OR No show fee	\$175.00
Gas Furnace/Appliance Service - Weekdays - Midnight to 8:00 a.m. - Each additional 15 minutes	\$43.75 \$87.50
Gas Furnace/Appliance Service - Weekdays - 4:30 p.m. to Midnight - 1st 1/2 hour OR no show fee	\$117.00
Gas Furnace/Appliance Service - Weekdays - 4:30 p.m. to Midnight - Each additional 15 minutes	\$58.50
Gas Furnace/Appliance Service - Weekdays - 8:00 a.m. to 4:30 p.m. - 1st 1/2 hour OR no show fee	\$58.00
Gas Furnace/Appliance Service - Weekdays - 8:00 a.m. to 4:30 p.m. - Each additional 15 minutes	\$29.00
Gas Furnace/Appliance Service - Weekends and Holidays - 4:00 p.m. to Midnight - 1st 1/2 hour OR No Show Fee	\$117.00
Gas Furnace/Appliance Service - Weekends and Holidays - 4:00 p.m. to Midnight - Each additional 15 minutes	\$58.50
Gas Furnace/Appliance Service - Weekends and Holidays - 8:00 a.m. to 4:00 p.m. - 1st 1/2 hour OR No Show Fee	\$117.00
Gas Furnace/Appliance Service - Weekends and Holidays - 8:00 a.m. to 4:00 p.m. - Each additional 15 minutes	\$58.50
Gas Furnace/Appliance Service - Weekends and Holidays - Midnight to 8:00 a.m. - 1st 1/2 hour OR no show fee	\$175.00
Gas Furnace/Appliance Service - Weekends and Holidays - Midnight to 8:00 a.m. - Each additional 15 minutes	\$87.50
I&I Noninspection/noncompliance Surcharge - per month	\$250.00
Point of Sale - Inspection Fee - Sump Pump Already in Place or Not Required	\$105.00
Point of Sale - Inspection Fee - Sump Pump Installation Required	\$205.00
Point of Sale - Noncompliance surcharge - per month	\$250.00
Violations/Noncompliance/Credit Service Charge - Dispatch of Service Vehicle	\$58.00
Violations/Noncompliance/Credit Service Charge - Restoration of Service - Weekdays between 12:00 a.m.-8:00 a.m.	\$170.00
Violations/Noncompliance/Credit Service Charge - Restoration of Service - Weekdays between 4:30 p.m.-12:00 a.m.	\$85.00
Violations/Noncompliance/Credit Service Charge - Restoration of Service - Weekdays between 8:00 a.m.-4:30 p.m.	\$58.00
Violations/Noncompliance/Credit Service Charge - Restoration of Service - Weekends and Holidays	\$170.00
Unauthorized Gas Reconnection – 1 <sup>st</sup> violation	\$100.00
Unauthorized Gas Reconnection – 2 <sup>nd</sup> violation	\$200.00
Unauthorized Gas Reconnection – 3 <sup>rd</sup> and subsequent violations	\$400.00
Unauthorized Water Reconnection – 1 <sup>st</sup> violation	\$100.00

Unauthorized Water Reconnection – 2 <sup>nd</sup> violation	\$200.00
Unauthorized Water Reconnection – 3 <sup>rd</sup> and subsequent violations	\$400.00
Water and Gas - Shut Off or Turn On - Minimum Charge	\$58.00
Water and Gas Service Construction Permit - Special inspection fee - minimum	\$25.00
Water Hydrant, Use of	\$211.00
Water Service - Tapping Fee (1" or less)	\$385.00
Water Service - Thawing - Equipment Fee - per water service	\$60.00
Water Service - Thawing - Minimum Fee - per water service	\$556.50



2/23/2017

## Draft 2016 Revenue Summary 01/01/16 - 12/31/16

(Unaudited)

Account Description	Adopted Budget	2016 Projection at Budget Time	2016 Revenues	Revenue \$ VS Projection	% Difference VS Projection
<b>Fund 510 - Water</b>	<i>Rate increase 6% 5/1/16</i>				
4810 Metered Water Sales	10,709,800	10,908,500	10,690,286	(218,214)	-2.0%
4811 Water Sales for Resale	1,256,200	1,277,200	1,259,757	(17,443)	-1.4%
4831 Fixed Rate Charges	2,405,200	2,407,000	2,400,981	(6,019)	-0.3%
<i>Rate Revenues Subtotal</i>	<u>14,371,200</u>	<u>14,592,700</u>	<u>14,351,024</u>	<u>(241,676)</u>	<u>-1.7%</u>
<b>510 - Water Total Revenues</b>	14,691,800	14,897,000	14,688,825	<b>(208,175)</b>	-1.4%
<b>Fund 520 - Gas</b>					
4820 Gas-Residential Firm	22,338,600	17,587,800	16,451,761	(1,136,039)	-6.5%
4822 Gas-C/I Firm	10,560,300	7,913,300	7,380,462	(532,838)	-6.7%
4824 Gas-C/I Interruptible Large	3,154,600	2,879,600	1,988,945	(890,655)	-30.9%
4827 Gas-Interruptible Transport	326,000	240,000	275,522	35,522	14.8%
4829 Two-Tier Gas Rate	64,000	60,000	61,627	1,627	2.7%
4831 Fixed Rate Charges	3,875,800	3,871,900	3,864,079	(7,821)	-0.2%
<i>Rate Revenues Subtotal</i>	<u>40,319,300</u>	<u>32,552,600</u>	<u>30,022,396</u>	<u>(2,530,204)</u>	<u>-7.8%</u>
<b>520 - Gas Total Revenues</b>	41,582,500	34,602,300	31,953,107	<b>(2,649,193)</b>	-7.7%
<b>Fund 530 - Sewer</b>					
4831 Fixed Rate Charges	1,923,100	1,927,700	1,931,460	3,760	0.2%
4833 Sewer - Volume Charge	16,893,600	16,100,800	15,757,790	(343,010)	-2.1%
<i>Rate Revenues Subtotal</i>	<u>18,816,700</u>	<u>18,028,500</u>	<u>17,689,249</u>	<u>(339,251)</u>	<u>-1.9%</u>
<b>530 - Sewer Total Revenues</b>	19,076,200	19,314,300	19,328,744	<b>14,444</b>	0.1%
<b>Fund 532 - Clean Water</b>	<i>Rate Decrease -12% 1/1/16</i>				
4837 Clean Water Surcharge	1,832,100	1,601,000	1,613,293	12,293	0.8%
<b>532 - Clean Water Total Revenues</b>	1,840,700	1,611,300	1,622,808	<b>11,508</b>	0.7%
<b>Fund 535 - Stormwater</b>	<i>Rate Increase 11% 1/1/16</i>				
4835 Stormwater Revenues	4,690,100	5,225,000	5,213,993	(11,006.96)	-0.2%
<b>535 - Stormwater Total Revenues</b>	4,728,400	5,266,200	5,267,985	<b>1,785</b>	0.0%