



City of Duluth

411 West First Street
Duluth, Minnesota 55802

Minutes - Final

Duluth Public Utilities Commission.

Tuesday, March 17, 2020

5:15 PM

Council Chambers, City Hall, 411 West First Street

CALL TO ORDER

President Ryan called the meeting to order at 5:15 p.m.

ROLL CALL

Members Present: Councilor Gary Anderson, Howard Jacobson, Chris McIntosh, Councilor Derek Medved, Rob Prusak, Carrie Ryan, Councilor Joel Sipress

Staff Present: Bob Asleson, Jim Benning, Leanna Gilbert, Adam Hendrickson, Tom Johnson, Eric Shaffer, Glenn Strid, John Upton, Kerry Venier

Daniel Elnes utility appeal

Daniel Elnes submitted an appeal regarding high water usage at 4131 Colorado Street. Mr. Elnes received word that his investment property had around 200,000 gallons of water usage. This usage appears to have occurred between December 10 and January 7. There was no evidence of an issue when he checked on the property after receiving notification. The meter was changed and tested by the City. City staff suggested that it could be a leaky toilet. The property was vacant. The only person to enter the property during that time was an estimator for the property management company, and they don't recall any leaking toilet. All of the toilets had been serviced in the last 18 months and were not leaking. The appellant thinks the meter was faulty. The appellant is concerned that there was no secondary or duplicate reading and no opportunity for independent testing. The appellant is also concerned that he was not notified until January 29. After some discussion and further explanation from staff, Vice President McIntosh motioned that the appellant is responsible for the water and sewer usage, but the water rate will be adjusted to the R4 rate for that single month. The motion was seconded by Commissioner Sipress and was approved unanimously. Any late fees will be waived and payment arrangements can be made. Commissioner Sipress asked staff to look into options for more timely notification of high usage.

PUBLIC COMMENT PERIOD

No citizens were present for comment.

APPROVAL OF MINUTES

[DPUC012](#) 02182020 DPUC meeting minutes

Indexes:

Attachments: [02182020 DPUC meeting minutes draft](#)

Commissioner Prusak motioned to approve the minutes, and the motion was approved unanimously.

UNFINISHED BUSINESS

Stormwater system discussion

[DPUC017](#) Stormwater discounts for discussion

Indexes:

Attachments: [Stormwater discounts](#)

Tom Johnson, Senior Engineer for the City, provided a stormwater rate discount table as requested and gave a brief summary of it. There was some discussion of ERUs for multi-family residential buildings. Commissioner Sipress asked to see some examples of what high-rises such as Tri-Towers would be paying if they were based on impervious surface. Also included in the meeting packet was a portion of a report from Camp Dresser & McKee from 1997 that showed their recommended allocations for various categories of users when the stormwater utility was created. Tom Johnson explained some of the categories in the report, including waterfront properties. He provided a handout showing what waterfront properties could potentially be charged compared to what they are currently paying. Staff proposed some new BMP credit scenarios for retrofits to existing non-residential properties. Staff also provided two examples of residential neighborhood drainage issues that were solved by stubbing out stormwater pipes and allowing the properties to connect to them.

[DPUC016](#) Draft Timeline for Stormwater Rates Public Notification Process

Indexes:

Attachments: [Timeline for public notification process 2020](#)

Staff prepared a draft timeline for the stormwater rates public notification process. The timeline may need to be adjusted due to current events. In the meantime, staff will prepare the presentation for the next meeting. There was some discussion about whether the waterfront properties adjustments should be incorporated with the rate adjustment.

[DPUC015](#) 20PUC-001 - RESOLUTION OF THE DULUTH PUBLIC UTILITIES COMMISSION APPROVING THE INTENT TO ESTABLISH A SIX-YEAR PLAN FOR STORMWATER RATES TO FUND NECESSARY CAPITAL IMPROVEMENTS TO THE CITY STORMWATER SYSTEM.

Indexes:

Attachments: [20PUC-001 Stormwater Rate Plan](#)

[20PUC-001 Stormwater Rate Plan amended and approved](#)

Commissioner Sipress motioned to amend resolution 20PUC-001 to add:

“Resolved, that it is the intent of the Duluth Public Utilities Commission to incorporate discounts for Best Management Practices (BMPs) into the final rate structure.” The motion was seconded and approved unanimously. Commissioner Sipress motioned to move resolution 20PUC-001, and the resolution was approved unanimously.

UPDATES FROM STAFF

[DPUC014](#) 2019 Utility Debt Service

Indexes:

Attachments: [2019 Utility Debt Service Graph](#)

Staff provided debt service payments as of December 31, 2019 as part of the meeting packets. They are on a downward trend.

Jim Benning reported that City buildings are closed, so we will mostly be working remotely. Some staff will continue to work at the usual locations as necessary. Some construction projects have been modified. Water Plant, Dispatch, Aerial Lift Bridge, and Utility Control Center personnel are still working at their normal locations.

Eric Shaffer reported that we are currently doing a cured-in-place lining project on Park Point. They will be working Tuesday, Wednesday, and Thursday this week. The Twin Ports Interchange was pushed back a year. We were able to delay Lift Station 15 and the Michigan Street gas relocation. Our gas blanket project was bid, but we asked the contractor not to start work yet. Our contractor does hope to start Superior Street on April 6. Signs will be posted that the street will close on April 6 in case the project moves ahead as planned. Eric also mentioned that we may need to bond or borrow for the Second Street and Middle Booster Station projects. We could also delay bidding Middle until July for construction over the winter. There was some discussion about funding options.

UPCOMING COUNCIL ACTIONS

Jim Benning mentioned resolutions regarding acceptance of reimbursement from MNDOT for Lift Station 15 and acceptance of money from MNDOT to work on stormwater outfalls for them. There is also a resolution reappointing Carrie Ryan to this commission.

COMMISSIONER QUESTIONS OR COMMENTS

Commissioner Medved requested a letter to Park Point residents about surcharges for lateral lines. Staff had planned to meet with residents this week, but now we cannot do that. Staff will meet with them as soon as possible. Eric Shaffer mentioned that due to the special conditions on Park Point, residents are welcome to come in to Engineering to find the least costly option for their property.

Commissioner Sipress thanked everyone in Public Works & Utilities for everything they have done to get ready in the last couple of days.

Commissioner Anderson thanked all of the staff here tonight. The Council will meet here Thursday night and Monday night. There will be an abbreviated agenda. He mentioned that we can meet remotely in emergency situations. One person would have to be here, but it could be done over conference call and livestreamed. The utility systems are important and must function. He also thanked all of the commissioners for their service and support.

Commissioner Medved thanked staff and commissioners. He expressed concern over the upcoming shortage of commissioners, the lack of applications, and the loss of expertise. He asked if it would ever be possible to have commissioners who are not City residents.

Commissioner Jacobson said that this may be his last meeting where we meet as a group here due to the social distancing guidelines. He will no longer be a Duluth resident as of April 24. He said that it has been a pleasure and an honor to serve with everyone here.

PREVIEW OF UPCOMING BUSINESS

The next regular meeting is scheduled for Tuesday, April 21, 2020 at 5:15 p.m. in City Council Chambers. The Commission will continue the stormwater system discussion. Staff will work on a presentation and BMP credits. Staff will also work on waterfront properties.

KNOWN ABSENCES FOR FUTURE MEETINGS

No absences were mentioned at this time.

ADJOURNMENT

The meeting was adjourned at 7:18 p.m.