



City of Duluth

411 West First Street
Duluth, Minnesota 55802

Minutes - Final

Duluth Public Utilities Commission.

Tuesday, February 15, 2022

5:15 PM

Council Chambers, City Hall, 411 West First Street

NOTICE OF PUBLIC HEARING: The Duluth Public Utilities Commission will hold a public hearing by electronic means regarding a proposed WLSSD adjustment calculation change on Tuesday, February 15, 2022 at 5:15 p.m. The purpose of this public hearing will be to explain the proposed adjustment to the calculation and to receive comments from the public regarding the proposed change. The public hearing will be held at the commencement of the regular Commission meeting, which will be held by "other electronic means" pursuant to Minnesota Statutes Section 13D.021 in response to the COVID-19 emergency. Some members of the Board will be participating through video conference.

PUBLIC PARTICIPATION/PUBLIC COMMENT: Due to the COVID-19 emergency and the limitation on the use of City facilities, the hearing and regular meeting will be in a virtual, electronic format and not in a personal, public format, and public comment will not be taken in person. However, members of the public can monitor the hearing and meeting and provide public comment on the proposed WLSSD adjustment calculation change and on other agenda items through WebEx Events. Go to <https://duluthmn.gov/live-meeting> to access the meeting. The public is also encouraged to submit written comment to gguerrero@duluthmn.gov prior to the meeting. Please include "February DPUC Agenda" in the subject line, and include your name and address and the agenda item you are speaking to. The Commission's agenda can be found online at <https://duluthmn.gov/boards-commissions/duluth-public-utilities-commission/>. Please note that all public comment is considered Public Data.

CALL TO ORDER

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

ROLL CALL

Members Present: Chris Adatte, Andrea Crouse, Councilor Mike Mayou, Carrie Ryan, Councilor Terese Tomanek; Steve Lipinski arrived at 5:39 p.m.

Members Absent: none

Staff Present: Bob Asleson, Kim Ellsworth, Leanna Gilbert, Greg Guerrero, Chris Ostern, Jenae Pitoscia, Eric Shaffer, John Upton, Kerry Venier

PUBLIC HEARING: WLSSD ADJUSTMENT CALCULATION REVISION

The Commission held a public hearing on WLSSD adjustment calculation revision resolution 22PUC-001. There were no comments from the public at the hearing. The hearing closed at 5:20 p.m., and the Commission moved on to the regular meeting.

PUBLIC COMMENT PERIOD

There were no comments from the public at this time.

APPROVAL OF MINUTES

[DPUC072](#) January 18, 2022 DPUC meeting minutes draft

Indexes:

Attachments: [01182022 DPUC meeting minutes draft](#)

Commissioner Tomanek motioned to approve the minutes, and the motion was approved (Commissioner Mayou abstained, Commissioner Lipinski absent).

NEW BUSINESS

[DPUC073](#) 22PUC-001 - RESOLUTION AMENDING 13PUC-014 AUTOMATICALLY INCREASING OR DECREASING SANITARY SEWER RATES TO REFLECT SEWER CHARGES IMPOSED BY WLSSD FOR COST OF TREATING CITY'S SANITARY SEWER DISCHARGES TO THE WLSSD SYSTEM AS OF MARCH 1, 2022.

Indexes:

Attachments: [22PUC-001 WLSSD adjustment revision](#)

Commissioner Tomanek asked about the average increase in dollars for residential customers and how it would apply to residences compared to businesses. Eric Shaffer replied that there would be an increase of \$0.05 per CCF. The average residential customer uses 6 or 7 CCFs per month, resulting in an increase of about \$0.35. The increase is to the volume charge, so increases to bills will vary based on usage. Commissioner Tomanek motioned to approve resolution 22PUC-001, and the resolution was approved (Commissioner Lipinski absent).

[DPUC074](#) New home energy conservation programs

Indexes:

Attachments: [Furnace and Boiler Tune Up Program Guidelines](#)
[SMART Thermostat Program Guidelines](#)

Jenae Pitoscia, Project Coordinator for the City, explained two new home energy conservation programs that will help us meet the 1.5% savings based off of our annual gas sales required by the Minnesota Department of Commerce. The Furnace and Boiler Tune Up Program is a service that is already provided by Comfort Systems, so it will not cost us anything extra. We will start tracking and reporting the annual savings from that program, which should be about 10,000-12,000 dekatherms per year. The purpose of the SMART Thermostat Program is to communicate and educate the public on how to use these SMART thermostats and the benefits in energy savings. A \$50 rebate will be offered if our service technicians install the product. If a customer wants to purchase and install a different thermostat, a \$25 rebate would be offered. A savings of 5,000 dekatherms is the goal for this year from this program. There was some discussion about various aspects of the programs and services provided by Comfort Systems, and commissioners expressed their appreciation for these

programs and services.

Commissioner Lipinski arrived at this time.

[DPUC075](#) Pass-through for MN Power rate increases discussion

Indexes:

Attachments: [Residential bill effect sample](#)

Commissioners reviewed the draft letter to the Minnesota Public Utilities Commission regarding the MN Power rate increases. Commissioner Lipinski requested the addition of sanitary sewer costs to the letter, because the pumping stations require a lot of power. Commissioner Lipinski motioned to send the letter with those adjustments, and the motion was approved (President Ryan abstained). Staff will add that information to the letter as requested and send it out to commissioners for review before sending it.

UPDATES FROM STAFF

Eric Shaffer thanked the councilors on the Commission for passing the Woodland study. MSA will be hired to do the study. The Middle Booster Station project is moving along. The Hidden Valley project bid date is set for mid-March. We've had quite a few water main breaks lately. City crews are doing a great job of getting things fixed in a timely manner.

COMMISSIONER QUESTIONS OR COMMENTS

Vice President Adatte asked about the recent gas main hit. Eric Shaffer replied that we are still working with the contractor and attorneys on liability but gave details on what happened and the impact to the gas system. There was a significant amount of gas lost at a cost of about \$1,000.

Commissioner Tomanek asked for an update on lead services. Eric Shaffer reported that the first batch of filters has arrived. The filter mailing has been placed on hold until we hire a replacement for Kim Ellsworth. City staff is working on updating the lead service inventory. Utility Operations crews will be replacing the public side of lead service lines with copper where property owners have already replaced their side of the service.

Commissioner Lipinski asked about the plastic pipe in the gas main that was hit. Eric Shaffer replied that it is High Density Polyethylene (HDPE), which is black pipe with a yellow stripe. Commissioner Lipinski thanked City staff for doing a great job.

Commissioner Mayou asked how the lead service filters would be distributed. Eric Shaffer responded that we will send out a letter telling residents that they are qualified to get a free filter pitcher and a replacement cartridge and that they can bring their letter to the Comfort Systems building and pick up their filters. We are still working on a plan to distribute filters to those who cannot pick them up.

Commissioner Lipinski apologized for being late. He had technical difficulties with his computer.

UPCOMING COUNCIL ACTIONS

Eric Shaffer mentioned that there will be project bids going to Council in the next month or so.

PREVIEW OF UPCOMING BUSINESS

The next regular meeting is scheduled for Tuesday, March 15, 2022 at 5:15 p.m. Eric Shaffer asked if the Commission wants to review the sanitary sewer rates or another topic. President Ryan would like to revisit the sanitary sewer rates, but we should wait until the new councilor is on the Commission.

KNOWN ABSENCES FOR FUTURE MEETINGS

Commissioner Lipinski will not be able to attend the March meeting.

ADJOURNMENT

The meeting was adjourned at 6:15 p.m.