

DULUTH PUBLIC UTILITIES COMMISSION

Tuesday, October 18, 2016

City Council Chambers

AGENDA

1. Roll call
2. Approval of previous meeting minutes
3. New business:
  - 3.1 16PUC-009 - RESOLUTION ESTABLISHING FEES FOR VARIOUS UTILITY-RELATED SERVICES.
4. Updates from staff
5. Upcoming Council actions
6. Commissioner questions or comments
7. Preview of upcoming business

## DULUTH PUBLIC UTILITIES COMMISSION

### Meeting Minutes September 20, 2016

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

**Members Absent:** none

**Staff Present:** Bob Asleson, Jim Benning, Leanna Gilbert, Eric Shaffer, Glenn Strid

**Call to Order:** The meeting was called to order at 5:23 p.m. by President Prusak.

#### Approval of previous meeting minutes

#### Old business:

##### 2017 utilities budget discussion

Glenn Strid explained that the budgeted amount for 2017 benefits was increased for all of the utilities since the last meeting. Updated cash projections were provided. Eric Shaffer explained the changes to the water capital plan since Superior Street was pushed back to 2018. He also mentioned that the water capital plan is basically controlled by MN Power, County, MNDOT, and City street projects. Commissioner Julsrud suggested increasing water rates by 1-3% each year to increase the capital budget to an amount that would allow us to replace problem water mains. Commissioners discussed the current rates, what could be done with an increase, and what needs to be done to keep up with infrastructure replacement. Commissioner Julsrud will discuss this further with staff and then bring a plan forward to the Commission.

#### New business:

##### 16PUC-008 – RESOLUTION APPROVING AND RECOMMENDING 2017 UTILITY BUDGET.

After some discussion about the draft budget presentation, Commissioner Julsrud motioned to approve 16PUC-008, and the resolution was approved unanimously.

#### Updates from staff

Eric Shaffer reported that all of the water main is in for the Michigan Street project, and the concrete should be done in early October. The 4<sup>th</sup> Street County project is moving along. Four blocks of water main are in on one end, and more will be put in between 16<sup>th</sup> and 17<sup>th</sup> Avenue East. About 2/3 of the gas main is in, and it will tie in at 18<sup>th</sup> Avenue East to another gas project that is nearly done. The requisition for the water model software was processed this week. We are still gathering hydrant data for them, which should be ready this week. The model itself is up and running, but they need to calibrate it with the hydrant data.

#### Upcoming Council actions

The Public Works & Utilities Department budget presentation is on Monday.

#### Commissioner questions or comments

There were no further questions or comments at this time.

**Preview of upcoming business**

The next meeting is scheduled for Tuesday, October 18, 2016, at 5:15 p.m. in City Council Chambers. Staff will prepare for water rate discussions.

**Adjournment:** The meeting was adjourned at 6:16 p.m.

**RESOLUTION NO. 16PUC-009**

**RESOLUTION 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 establishes fees for the services 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 for services provided after January 1, 2017.

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 for the DPUC to set 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.

<b>Fees Set by DPUC</b>	<b>2016 Fee</b>	<b>2017 Fee</b>
FOG Program - Failure to Maintain Records - per day	\$100.00	\$100.00
FOG Program - Noncompliance - Maximum Penalty - per month	\$1,000.00	\$1,000.00
Gas Furnace Comfort Policy Fee - DCC - annual	\$190.00	\$210.00
Gas Furnace Comfort Policy Fee - Electronic Ignition - Annual	\$178.00	\$189.00
Gas Furnace Comfort Policy Fee - Standing Pilot - Annual	\$166.00	\$176.00
Gas Furnace/Appliance Service - Midnight to 8:00 a.m. - 1st hour OR No show fee	\$165.00	\$175.00
Gas Furnace/Appliance Service - Midnight to 8:00 a.m. - Each additional 15 minutes	\$41.25	\$43.75
Gas Furnace/Appliance Service - Weekdays - 4:30 p.m. to Midnight - 1st 1/2 hour OR no show fee	\$110.00	\$117.00
Gas Furnace/Appliance Service - Weekdays - 4:30 p.m. to Midnight - Each additional 15 minutes	\$27.50	\$29.25
Gas Furnace/Appliance Service - Weekdays - 8:00 a.m. to 4:30 p.m. - 1st 1/2 hour OR no show fee	\$55.00	\$58.00
Gas Furnace/Appliance Service - Weekdays - 8:00 a.m. to 4:30 p.m. - Each additional 15 minutes	\$27.50	\$29.00
Gas Furnace/Appliance Service - Weekends and Holidays - 4:00 p.m. to Midnight - 1st 1/2 hour OR No Show Fee	\$110.00	\$117.00
Gas Furnace/Appliance Service - Weekends and Holidays - 4:00 p.m. to Midnight - Each additional 15 minutes	\$27.50	\$29.25
Gas Furnace/Appliance Service - Weekends and Holidays - 8:00 a.m. to 4:00 p.m. - 1st 1/2 hour OR No Show Fee	\$110.00	\$117.00
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Gas Furnace/Appliance Service - Weekends and Holidays - Midnight to 8:00 a.m. - 1st 1/2 hour OR no show fee	\$165.00	\$175.00
Gas Furnace/Appliance Service - Weekends and Holidays - Midnight to 8:00 a.m. - Each additional 15 minutes	\$41.25	\$87.50
I&I Noninspection/noncompliance Surcharge - per month	\$250.00	\$250.00
Point of Sale - Inspection Fee - Sump Pump Already in Place or Not Required	\$105.00	\$105.00
Point of Sale - Inspection Fee - Sump Pump Installation Required	\$205.00	\$205.00
Point of Sale - Noncompliance surcharge - per month	\$250.00	\$250.00
Violations/Noncompliance/Credit Service Charge - Dispatch of Service Vehicle	\$55.00	\$58.00
Violations/Noncompliance/Credit Service Charge - Restoration of Service - Weekdays between 12:00 a.m.-8:00 a.m.	\$160.00	\$170.00
Violations/Noncompliance/Credit Service Charge - Restoration of Service - Weekdays between 4:30 p.m.-12:00 a.m.	\$80.00	\$86.00
Violations/Noncompliance/Credit Service Charge - Restoration of Service - Weekdays between 8:00 a.m.-4:30 p.m.	\$55.00	\$58.00
Violations/Noncompliance/Credit Service Charge - Restoration of Service - Weekends and Holidays	\$160.00	\$170.00
Unauthorized Gas Reconnection – 1 <sup>st</sup> violation	\$100.00	\$100.00
Unauthorized Gas Reconnection – 2 <sup>nd</sup> violation	\$200.00	\$200.00
Unauthorized Gas Reconnection – 3 <sup>rd</sup> and subsequent violations	\$400.00	\$400.00
Unauthorized Water Reconnection – 1 <sup>st</sup> violation	\$100.00	\$100.00
Unauthorized Water Reconnection – 2 <sup>nd</sup> violation	\$200.00	\$200.00

Unauthorized Water Reconnection – 3 <sup>rd</sup> and subsequent violations	\$400.00	\$400.00
Water and Gas - Shut Off or Turn On - Minimum Charge	\$55.00	\$58.00
Water and Gas Service Construction Permit - Special inspection fee - minimum	\$25.00	\$25.00
Water Hydrant, Use of	\$210.00	\$211.00
Water Service - Tapping Fee (1" or less)	\$385.00	\$385.00
Water Service - Thawing - Equipment Fee - per water service	\$60.00	\$60.00
Water Service - Thawing - Minimum Fee - per water service	\$525.00	\$556.50



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## Western Lake Superior Sanitary District

October 4, 2016

City of Duluth  
Mr. Jim Benning  
Director of Public Works  
207 City Hall  
Duluth, MN 55802

RE: 2017 Budget Western Lake Superior Sanitary District (WLSSD)

Dear Mr. Benning:

The Board of Directors of the Western Lake Superior Sanitary District approved its 2017 budget at the September 26, 2016 board meeting. The Board approved a 0 % change in the total wastewater budget. The 2017 budgeted wastewater treatment charges for the City of Duluth are shown below:

Total Annual Charges	\$ 8,804,466
Total Monthly Charge	\$ 733,706

This amount represents an increase from 2016 of \$147,709 or 1.71%.

Please note that any year-end adjustment relating to 2016 wastewater charges will be calculated in January 2016 and sent to you under a separate letter.

The District-wide allocation remains unchanged at \$355,000 for 2017. The 2017 District-wide allocation for the City of Duluth is \$216,697. This amount may be paid in two equal installments. The first is due on or before July 1, 2017, and the second on or before December 1, 2017.

If you have any questions on this information please call my office at 218-740-4805.

Sincerely,

Marianne Bohren  
Executive Director