

DULUTH PUBLIC UTILITIES COMMISSION
Meeting Minutes
September 15, 2015

Members Present: Councilor Zack Filipovich, Councilor Jennifer Julsrud, Rob Prusak, Jim Ramnes arrived at 5:23 p.m., Linda Sellner, Councilor Joel Sipress

Members Absent: Jason Thorsell

Staff Present: Bob Asleson, Jim Benning, Leanna Gilbert, Howard Jacobson, 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

New business:

The agenda was amended to move the budget discussion and resolution to the top, since two of the councilors had to leave at certain times.

Budget discussion

Glenn Strid gave an overview of the proposed 2016 utility budgets and answered questions from commissioners. There was some discussion about the clean water surcharge sunset and whether there would be adequate funds to pay off the bonds. The calculation was done a few years ago and should be reviewed again in five or six years. Commissioners and staff discussed the projected 2016 year end cash balance for the water fund, upcoming water capital projects, and whether a rate increase is necessary. They also discussed the need to either increase stormwater revenues or reduce expenses by approximately \$540,000 in 2016. Eric Shaffer provided a list of stormwater capital projects that should be done in the next ten to fifteen years and recommended about \$2M in capital projects per year. Jim Benning will mention the state of the stormwater fund when he presents the utility budgets to City Council.

15PUC-006 - RESOLUTION APPROVING AND RECOMMENDING 2016 UTILITY BUDGET.

Commissioner Julsrud motioned to approve 15PUC-006, and the resolution was approved unanimously.

Commissioner Sipress requested that the fee schedule and an update on 4th Street be next on the agenda, since he needed to leave soon.

2016 fee schedule

Jim Benning explained that the water and sewer connection fees listed on the agenda should not have been given to the DPUC. They are approved by the SAB and recommended to Council. These will not be included in the 2016 fee resolution. Staff is not recommending any changes in fees at this time. Liz Bieter is researching a payment plan for the Comfort Policy.

Commissioner Julsrud left at this time.

Update on 4th Street

Eric Shaffer reported the 4th Street project is progressing slowly. The street between 12th and 13th and between 13th and 14th up to the Burrito Union will hopefully be paved this week. They are waiting for one part, and then they can put the Burrito Union on a new service and get those two blocks paved and

open. They have started to lay pipe up the next blocks. They should finish this year hopefully. Commissioner Sipress asked whether there would be more water shutoffs. Eric Shaffer answered that there would be a short shutoff to do the connection to the new service.

Commissioner Sipress left at this time.

Report on Annual Stormwater Public Meeting

Commissioner Sellner reported that about ten citizens attended the Annual Stormwater Public Meeting that was held on June 30th in addition to representatives of the Regional Stormwater Protection Team. The representatives talked about what they were doing for stormwater management. Comments were made about the stormwater pond at the Hermantown Walmart, road salt usage and storage, and trees on 4th Street.

Use of County tax-forfeit parcels for stormwater pollution remediation

Commissioner Sellner requested that this topic be postponed until October when more commissioners would be available for the discussion.

Stormwater utility discussion

This topic was discussed during the budget discussion, and there were no further comments.

DPUC OneDrive (SkyDrive)

The Commission OneDrive account contains information from the DPUC binders as well as meeting minutes and meeting packets. No one appears to be using it and the information is available elsewhere. Staff received permission to delete this account.

Updates from staff

Eric Shaffer reported that the gas and water project on 1st Avenue West and 4th Street is moving along slowly. The blanket project is wrapping up, although there are still some gas services to put in. Construction of Lift Station 8 has not started yet. Traffic control has been set up and some miscellaneous work has been done. Construction will begin soon. There was a gas outage today resulting from the uprating project northeast of UMD. A valve was accidentally closed and 440 buildings were out of gas. The gas is back on and Service is working on relighting those buildings.

Upcoming Council actions

Jim Benning mentioned that commissioners are welcome to attend the budget presentation on November 9th at 5:15 p.m.

Commissioner questions or comments

There were no further questions or comments.

Preview of upcoming business

The next regular meeting is scheduled for Tuesday, October 20, 2015, at 5:15 p.m. in City Council Chambers. The Commission will vote on 2016 fees and discuss stormwater pollution remediation. The Commission will continue to discuss the water and stormwater funds.

Adjournment: The meeting was adjourned at 6:39 p.m.