



City of Duluth

411 West First Street
Duluth, Minnesota 55802

Minutes - Final

Duluth Public Utilities Commission.

Tuesday, August 19, 2025

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: Andrea Crouse, Councilor Wendy Durrwachter, Derek Medved arrived at 5:23 p.m., Carrie Ryan, Brad Scott, Councilor Terese Tomanek

Members Absent: none

Staff Present: Nick Anderson, Jim Benning, Cyndi Falconer, Leanna Gilbert, Laura Hoglund, Tom Johnson, Chris Ostern, Kerry Venier

UTILITY APPEAL HEARING

[DPUC154](#) Duluth Airport Authority utility appeal

Indexes:

Attachments: [DAA Stormwater Fee Letter w enclosure 17APR25 V2](#)
[DAA Storm Water Utility Fee Adjustment Request 05012025](#)
[DLH Stormwater Study Drainage Basin Documentation Memo \(1\)](#)
[DULAI Figure 1 Stormwater Map](#)
[DAA Utility Adjustment Request Response 06112025](#)
[DAA Storm Water Utility Fee Adjustment Appeal Notice Letter 06252025](#)
[DAA Storm Water Utility Fee Adjustment Appeal documents](#)
[DAA Letter to City re Sponsorship 30JUN25](#)
[DAA stormwater fee adjustment appeal response letter 07232025](#)

These appeal documents were received.

[DPUC155](#) DAA appeal slides

Indexes:

Attachments: [2025 08 08 DAA Stormwater Assessment Appeal Slides \(2252936.4\)](#)

This appeal presentation was received.

[DPUC156](#) City staff facts and findings

Indexes:

- Attachments:** [2025.8.13 FINAL DRAFT DAA DPUC Stormwater Appeal FoF Concl
Recommed](#)
[2 Attachment - DAA Storm Water Utility Fee Adjustment Request](#)
[3 Attachment - DLH Stormwater Study Drainage Basin
Documentation Memo \(1\)](#)
[4 Attachment - DAA Utility Adjustment Request Response](#)
[5 Attachment - USCOURTS](#)
[6 Attachment - DAA Storm Water Utility Fee Adjustment Appeal
Notice Letter](#)
[7 Attachment - Subcatchment Map](#)
[8 Attachment - DAA stormwater fee adjustment appeal response
letter 07232025](#)
[9 Attachment - Appeal Process Correspondence](#)
[10 Attachment - Waterfront Credit Correspondence](#)
[11 Attachment - MPCA MS4 General Permit](#)
[12 Attachment - Impervious Surface & Storm Credit Maps](#)

These staff facts and findings were received.

[DPUC157](#) 25PUC-004 - RESOLUTION REJECTING THE DIRECTOR OF PUBLIC WORKS AND UTILITIES' DECISION AND APPROVING THE DULUTH AIRPORT AUTHORITY'S REQUEST FOR A STORMWATER UTILITY FEE ADJUSTMENT

Indexes:

- Attachments:** [25PUC-004 DAA utility appeal reversing resolution](#)

This resolution was withdrawn.

[DPUC158](#) 25PUC-005 - RESOLUTION AFFIRMING THE DIRECTOR OF PUBLIC WORKS AND UTILITIES' DECISION TO DENY THE DULUTH AIRPORT AUTHORITY'S REQUEST FOR A STORMWATER UTILITY FEE ADJUSTMENT

Indexes:

- Attachments:** [25PUC-005 DAA utility appeal affirming resolution](#)

The Duluth Airport Authority (DAA) filed an appeal asking the Commission to reverse the June 11, 2025 decision of the Director of Public Works & Utilities denying the DAA's application for a stormwater fee adjustment. Joelle Bodin, Tom Werner, and Peter Kirsch represented the DAA for the appeal hearing and requested that the City discontinue all assessments for the Sky Harbor Airport, discontinue stormwater assessments for portions of the Duluth International Airport which do not discharge to the City system, calculate stormwater fees which should not have been assessed from 2019 to the present, and remit

overpayments to the DAA on a mutually agreeable timeline. They specifically referred to Section 43-67(a)(2) of the City Code which states that “The Director may grant an adjustment if it is found that...the stormwater runoff from the property never enters any facility of the stormwater drainage system.” After a report on the City stormwater fee system in general and findings specific to DAA property from City staff and after much discussion between commissioners, staff, and the appellants, Commissioner Scott pointed out that City Code provides for an adjustment of stormwater fees, not an exemption. The DAA is currently receiving a 20% credit for the northern portion of the Duluth International Airport property as well as a 50% credit for another portion of that property, and they are eligible for a 90% waterfront credit for the Sky Harbor Airport property once a stormwater Best Management Practice (BMP) is installed onsite. More credits could be pursued in the future.

Commissioner Crouse motioned to approve resolution 25PUC-005 affirming the Director of Public Works & Utilities’ decision to deny the Duluth Airport Authority’s stormwater adjustment appeal, and the resolution passed 5-1 (Tomanek).

PUBLIC COMMENT PERIOD

There were no comments from the public at this time.

APPROVAL OF MINUTES

[DPUC151](#) Jun. 17, 2025 DPUC meeting minutes draft

Indexes:

Attachments: [06172025 DPUC meeting minutes draft](#)

The June 17, 2025 meeting minutes were approved unanimously.

NEW BUSINESS

[DPUC152](#) 2026 proposed utilities budget

Indexes:

Attachments: [2026 Utilities Budget Presentation FINAL](#)

Kerry Venier gave an overview of the proposed 2026 utilities budget and answered questions from commissioners.

[DPUC153](#) 25PUC-003 - RESOLUTION APPROVING AND RECOMMENDING 2026 UTILITIES BUDGET.

Indexes:

Attachments: [25PUC-003 approving 2026 budget](#)

President Ryan motioned to approve resolution 25PUC-003 approving and recommending the 2026 utilities budget, and the resolution was approved unanimously.

UPDATES FROM STAFF

Jim Benning reported that the budget retreat is on Friday, September 12. He also reported on various projects.

Cyndi Falconer reported on the lead replacement projects. Designs for 2026 projects are in progress. There should be around 2,400 services replaced in 2026. Commissioner Tomanek asked about lead notification when houses are sold.

President Ryan asked about the new customer billing system. Staff is planning to report on that next month.

COMMISSIONER QUESTIONS OR COMMENTS

Commissioner Crouse commented that she may not be here for the September meeting and mentioned some issues she had with the new billing system.

UPCOMING COUNCIL ACTIONS

Jim Benning mentioned a resolution awarding a contract for a stormwater project.

PREVIEW OF UPCOMING BUSINESS

The next regular meeting is scheduled for Tuesday, September 16, 2025 at 5:15 p.m. in City Council Chambers. Staff will have information on the billing system. Staff would like to review the stormwater chapter for updates. The water infrastructure surcharge should be reviewed next year.

KNOWN ABSENCES FOR FUTURE MEETINGS

Commissioners Crouse and Scott may not be available for the September 16 meeting. There may not be a quorum if a new councilor is not appointed to the Commission before then.

ADJOURNMENT

The meeting was adjourned at 7:34 p.m.