

DULUTH PUBLIC UTILITIES COMMISSION
Meeting Minutes
October 15, 2013

Members Present: Councilor Jennifer Julsrud, Robert Prusak, Linda Sellner, Councilor Jim Stauber, Jason Thorsell

Members Absent: Councilor Sharla Gardner, Jim Ramnes

Staff Present: Bob Asleson, Jim Benning, Alisa DeRider, Leanna Gilbert, Howard Jacobson, Eric Shaffer, Glenn Strid

Call to Order: The meeting was called to order at 5:20 p.m. by President Sellner.

Approval of previous meeting minutes

Old business:

2014 utility budget

13PUC-010 - RESOLUTION APPROVING AND RECOMMENDING 2014 UTILITY BUDGET.

Staff answered various questions about the 2014 proposed budget. Commissioner Stauber noted that the first paragraph of the resolution referred to the wrong section of City Code and should be corrected to read "pursuant to 2-186 (d) of the Duluth City Code". Vice President Prusak motioned to approve resolution 13PUC-010. The motion passed.

Two-tier natural gas rate

13PUC-011 - RESOLUTION REQUESTING THAT CITY COUNCIL AMEND SECTION 48-214 TO AUTHORIZE THE DPUC TO ESTABLISH PROGRAMS AND PROCEDURES FOR GAS EXTENSIONS.

Staff explained the purpose of the resolution, which is to recommend that Council grant authority to the DPUC. We need to renew the old two-tier program that expires this month. Commissioner Julsrud motioned to amend the third paragraph of the resolution to read "natural gas system extensions only within Duluth City limits." After some discussion, the amendment was withdrawn. Vice President Prusak motioned to approve 13PUC-011. The motion passed.

Updates from staff

Jim Benning mentioned the letter from WLSSD stating a decrease in charges from 2013 of approximately \$250,000. This decrease is due to a reduction of flows and loads. Commissioner Stauber requested staff write up a resolution to include language that would allow for automatic decreases as well as increases.

Jim Benning reported that the budget presentation for Council was almost ready except for the addition of performance measures. The presentation will be on November 12th.

Jim Benning mentioned the gas main project on West 1st Street. There were 4 water main breaks while crews were preparing to pave, so we will be replacing 465 feet of water main before the street can be paved.

Jim Benning stated that the bylaws provide for approval and recommendation of the annual budget prior to July 31st. This should be amended to move the discussion of the budget from July to September,

since that is more in line with the budget preparation timeline. Staff will write up a resolution for that amendment.

Eric Shaffer reported on the progress of various utility projects, including the surge tank, the West Duluth Reservoir roof, Raleigh Street water main, the gas blanket project, and the copper risers project.

Alisa DeRider said that City utility management personnel had won a design challenge for New World Systems and will receive \$50,000 of free service upgrades for utility billing from the vendor.

Howard Jacobson mentioned that the City won the Best in Glass award from AWWA.

Upcoming Council actions

None were mentioned.

Commissioner questions or comments

Vice President Prusak requested an update on capital projects, and staff agreed to add that to the agenda for the November meeting. Prusak also inquired about issues resulting from the current storm. Eric Shaffer stated that there were no issues.

Commissioner Stauber requested a resolution recommending that Council change the sprinkling credit dates to May 1st until October 1st. Commissioner Julsrud thought that it should be changed to June 1st to October 1st. Staff will prepare both resolutions.

Preview of upcoming business

The next regular meeting is scheduled for Tuesday, November 19, 2013, at 5:15 p.m. in City Council Chambers. Staff will bring resolutions regarding sprinkling credits, automatic decreases of sewer rates related to WLSSD charges, and amendment of the bylaws regarding approval of the annual budget. Staff will also provide an update on capital projects.

Adjournment: The meeting was adjourned at 6:56 p.m.