

## **DULUTH PUBLIC UTILITIES COMMISSION**

### **Meeting Minutes September 15, 2010**

**Members Present:** John Bruggeman, Councilor Jay Fosle, Councilor Daniel Hartman, Pat Huston, Jennifer Vossen Julsrud, Linda Ross Sellner

**Staff Present:** Bob Asleson, Jim Benning, Leanna Gilbert, Howard Jacobson, Steve Lipinski, Nick Petrangelo, Eric Shaffer, Glenn Strid, Cindy Voigt

**Members Absent:** Councilor Kerry Gauthier

**Call to Order:** The meeting was called to order at 5:22 p.m. by Jim Benning.

#### **Approval of previous meeting minutes**

#### **Old business:**

##### **Bylaw establishment process**

Commissioner Gauthier volunteered at the previous meeting to begin drafting the bylaws. He was not able to attend this meeting. Bylaw establishment was postponed until the next meeting.

##### **Election of officers**

Commissioner Bruggeman nominated Jen Julsrud for President. Commissioner Hartman seconded the nomination. Commissioner Julsrud was unanimously elected as President. President Julsrud nominated Commissioner Huston for Vice President. Commissioner Hartman seconded the nomination. Commissioner Huston was unanimously elected as Vice President.

#### **New business:**

##### **Introduction of managers and staff**

President Julsrud gave a brief introduction of the department managers, and then each one said a few words about what they thought was most important.

##### **Utility updates**

The state of the utilities was discussed by each of the managers during the introduction portion of the meeting. They all agreed that the water infrastructure is in bad shape and needs the most attention. The budget presentation for Public Works & Utilities is scheduled for October 25<sup>th</sup> before the City Council meeting. Jim Benning gave a brief overview on what he was planning to present at the budget meeting.

##### **Current utility rates and structure**

Nick Petrangelo provided handouts stating the current utility rates and structures, and Jim Benning gave a brief explanation of them. Rate comparison books will be available in the future. President Julsrud and Commissioner Fosle mentioned that the median household income in Duluth is about \$30,000 to \$35,000 and many are below the poverty level, so we would have to take that into account if we consider rate increases. Jim Benning noted that the City currently has a decreasing block structure for water, which means that the cost per unit decreases as usage increases. The City is required by the State to move towards an increasing block structure by the end of 2012 to encourage water conservation. AE2S is the consultant chosen to do the rate study. They will present information to us sometime next year.

##### **Annual Report**

Howard Jacobson provided copies of the 2009 Annual Report at the beginning of the meeting. The commissioners should look them over before the next meeting.

**Agenda for next meeting**

The next meeting will be held at the Lakewood Water Treatment Plant (8130 Congdon Blvd) at 5:30 p.m., Wednesday, October 13, 2010. This next meeting will be focused on the Water utility. Mark Proulx will give a tour of the facility. Jim Benning suggested that the commission could discuss whether they should take over the I&I appeals from the Building Appeals Board and the Water & Gas Appeals Board. President Julsrud suggested that there should be a time for questions and answers at the end of the meeting.

**Tour of facility**

Howard Jacobson led the tour of the Garfield Service Center after the meeting.

**Adjournment:** The meeting was adjourned at 6:22 p.m.

A recording of this meeting is available upon request.