

PUBLIC UTILITY COMMISSION
REGULAR MEETING
FAYAL TOWN HALL
January 13, 2015 7:00 pm

Bertucci called the meeting to order at 7:00 p.m.

ROLL Present were: Chairman Peter Bertucci, Dennis Pernu, Greg Buckley, Chris Erickson, and Donna O'Connor. Also present recording secretary Diane Dickson, and Supervisor Rich Sather.

APPROVAL OF MINUTES

- **Motion to approve the Lee Beauduy variance hearing meeting minutes of November 12, 2014 made by Greg Buckley with the addition of "Motion carried unanimously", second by Chris Erickson. Motion carried unanimously.**
- **Motion to approve the Regular Meeting Minutes of November 12, 2014 made by Dennis Pernu, second by Greg Buckley. Motion carried unanimously.**

GUESTS

Town Supervisor Rich Sather was welcomed, he is the new PUC liaison. Jim Pernu was present nothing at this time.

CORRESPONDENCE

Town Chairman Tony Tammaro arrives 7:08.

November 2014 Water Wastewater Report. Placed on file.

Delinquency report as of 11-21-2014 \$ 39,568.67. Placed on file.

12-1-14 Certified 18 accounts for a total of \$14,236.42, Delinquent utilities onto the 2015 payable taxes.

12-1-14 Received Tax apportionment from St Louis County \$2,908.79.

MRWA- Frozen service lines information sheets.

Bulk Water Purchase Agreement from the City of Gilbert.

12-2-14 MN Pollution Control Agency is now accepting projects for the State Revolving Fund Loan Programs.

December 2014 Water Wastewater Report. Was read.

End of year wastewater reports. Were read, questions about LS R on Ely Lake Dr, there have been many call outs, for rags in the pumps. Diane sent out a notice to the customers on that line Dec 1st.

Delinquency report as of 12-23-2014 \$39,943.54. Placed on file.

1-2-2015 Letter from Gilbert notification of rate increase effective Jan 1,2015.

Copy of Gilbert old rates and new rates. Gilbert residents did get an increase also. Discussion regarding any options.

OLD BUSINESS

Upgrade the Lift station radio telemetry Alarm/Monitoring SCADA system.

Town Chairman Tammaro reported the Town did receive a \$110k grant for the SCADA, the total project is \$324k.

Matt Reid from SEH engineering is checking into additional funding sources. He recommends we call for plans and specs to be drawn up so it can go out for bid. We also can use the replacement fund we have been setting aside, about \$50k. Plans and specs should take about 3-4 weeks, and 4-5 months for construction.

- **Motion by Greg Buckley to recommend the Town Board call for plans and specs for the SCADA system, second by Chris Erickson.** Discussion-look at a loan from MN Rural water, and use mining effects to pay it off. Make sure everything is in the bids. We have time to look for financing.
- **Unanimously approved, Motion carried.**

Bi-law change was in the November minutes.

- **Motion by Chris Erickson to amend the bi-laws by adding paragraph D. as stated in the November minutes, second by Greg Buckley.**
- **Unanimously approved, Motion carried.**

NEW BUSINESS

Rate increase- from Gilbert the commodity charge will go from \$6.71 per 1,000 gallons to \$6.96 per 1,000 as of January 15, 2015. Bertucci brings up ponds and trucking it away. Donna O'Connor says the new restrictions

regarding MPCA are stricter. And the cost was overwhelming, before we even had the land. Tammaro reminds everyone when the MPCA was here he said get along with Gilbert. Gilbert residents have been increased also. WGH rate forecast- Chris and Greg spent many hours going over the spreadsheets and the forecast. Chris recommends no increase at this time. It is an \$0.80 per customer per month and there is enough liquidity in the cash to absorb it. Tony asks if all the funds were included. Judy did run the excess cash for them, However in 2020 the loan will be paid off and that will bring us \$5 per person per month. One thing Greg and Chris will be working on now, is looking at the payoff in 2020. They will run the numbers to see if there is enough money to pay off the loan. Peter says we haven't had a lot of trouble with the pumps so I'm sure it's coming. We have 30 lift stations with 2 pumps in each one. So, we have to have money for that. Pete says when we didn't raise it we got burnt. The dollar a year is 1 ½ % increase that stays in line with inflation. They are going to run the numbers with an increase of 5%-10% from Gilbert to see what happens. Chris is real comfortable leaving the rate alone for this year.

- **Donna O'Connor makes a motion to leave the rates alone for now unless something changes for the remainder of 2015, second by Chris Erickson.**
- **Unanimously approved. Motion carried.**

Chairman Tammaro reports he did send the sewer contract to Troy Gilchrist who was the MN Township attorney, for an opinion.

O'Connor questions the May report was very high, and are we having I & I, was it a wet month, or do we have sump pumps running into the sewer.

Tammaro says the next project maybe look at putting water meters on the sewer customers.

- **Motion by Donna O'Connor to nominate Chris Erickson as the new treasurer, second by Pete Bertucci.**
- **Motion carried unanimously.**

Delinquencys-Dennis Pernu would like to work on the delinquents. He feels we should see if we can disconnect the sewer. We have to find out if we can legally go into the yard and disconnect, Rich Sather says there should be a disconnect and re-connect fee, and it should be high. Tammaro says we have an easement on the mainline, the service line could be coming thru someone else's yard. Dennis says put a t-in and let it be sticking out to shut it off, and put a lock on it. Greg says pass a new rate schedule, disconnect and reconnect fee that may encourage payment. Dennis called around they said come up with a plan and bring it to your attorney. Donna isn't sure the county would allow it. Rich says the cold weather rule was changed they have to be current on Oct 1 or it doesn't count. Chris asks what it costs to draft an ordinance. Donna says look for another town that has an ordinance. Chris says he found a couple in other states. Tammaro says maybe look at Salvation Army or AEOA, for help. Dennis says draft an ordinance and send it to the township attorney. Chris would like to have it developed before the annual meeting.

TREASURER REPORT

Reviewed by Chris and Greg they presented a projected cash flow for the sewer company.

CABLE

Buckley reported they just paid the bills. A member resigned, so Greg is the treasurer of the cable commission.

GAS

They did some connections, nothing is happening now.

STREET LIGHTS

Rich says he can look into the LED lights. Pete wants to lower the bills.

FYI

Next PUC meeting will be held February 10, 2015 at 7:00 pm.

ADJOURNMENT

- **Motion to adjourn by Pernu, support from O'Connor. Motion carried unanimously.**

Meeting adjourned 8:23 p.m.

Respectfully submitted,

Diane Dickson
PUC Coordinator/Billing Clerk