

**PUBLIC UTILITIES COMMISSION  
REGULAR MEETING  
OCTOBER 10, 2006 7:00 P.M.  
FAYAL TOWN HALL**

Commissioner Campbell called the meeting to order at 7:10 p.m. immediately following the variance hearings for Chris Vest, Curt Jacka, and Richard Paoletti.

**ROLL** present were: Campbell, M. Erjavec, Pernu, & Damberg Town Board Chairman Kniefel. W/WWO Dickson and recording secretary Stewart. Absent – Bertucci, Aultman, and Troutwine.

Dennis Pernu, the newest commissioner was introduced.

**APPROVAL OF THE MINUTES**

- **Motion by Erjavec to approve the special meeting minutes of July 31, 2006 re: Eveleth water proposal, second by Damberg. Unanimously approved. Motion unanimously approved.**
- **Motion by Damberg to approve the public hearing variance meeting minutes of August 15, 2006 for Mark Flannigan, second by Erjavec. Motion unanimously approved.**
- **Motion by Erjavec to approve the regular PUC meeting minutes of August 15, 2006, second by Damberg. Motion unanimously approved.**
- **No meeting was held in September due to the Primary Election.**

The November meeting will be held on Tuesday Nov. 14, 2006 @ 5:00 p.m. due to the general election and the Town Board will be holding their meeting on the 14<sup>th</sup> @ 7:00 p.m.

**GUEST**

None

**CORRESPONDENCE**

Delinquency report was reviewed; we have recovered three unpaid accounts in full. Two of them will be paid with the 2<sup>nd</sup> half of the county tax apportionment.

Billing register and last months delinquency report was reviewed. The delinquent continues to climb \$21,000 as of August 06.

Campbell is questioning the accounts receivable on the report from the town stating \$32,179 due. He will check with Judy.

MN Dept of Health report dated 8-23-06 no Coliform bacteria were detected.

**OLD BUSINESS**

Nothing to add.

**NEW BUSINESS**

*Chairman Kniefel reports he sent a note back to Eveleth thanking them for the water proposal, and said they will take it under advisement, no action was recommended.*

Kniefel reports nothing from Gilbert re: Sparta sewer.

*Campbell talked to Dan England about a license RLK was supposed to obtain during the sewer project. Kniefel reports RLK thought Gilbert had permanent easement thru Sparta and Fayal used that. They do not, they have a license, and Gilbert pays a fee to the fee office. This is a 40 acre parcel the community building is on and we have 250' of pipe on it. Kniefel sent a copy of the license to Scot Neff. Kniefel asked RLK for a certified description. Kniefel asked for longer time period of 10yrs not one yr, the fee should be paid for a 10 yr. period. They are requiring Fayal to*

carry a \$2,000,000 liability, for 250' of pipe, we only have a one million dollar policy. Kniefel will keep the PUC posted.

**SEWER**

A new pump has been installed in A-1 lift station. The pump that was removed has been repaired and will be re-installed soon. Dale has been walking, clearing the easement area and inspecting the manholes. He started with the A section and is up to the O-section. Mr. Knutson and Mr. Bodie are continuing to protest the cutting of the trees in the easement area. Dale asked Mr. Bodie if he would like Dale to go with the laser and shoot the line to assure him his trees are within the 20' easement area. Dale explains Mr. Bodie wants him to re plant his trees. PUC states we aren't in the tree planting business. PUC reminded Dale they already made the motion to remove the trees last year. They thought it should have been done already.

**WATER**

Dale reported there was a complaint of bad tasting water. It was in the neighborhood of Mattson's on Cedar Island Dr. It has cleared up now. Please report any problems when they happen.

**TREASURER**

Campbell asks the PUC to review the 2005 audit from the City of Gilbert.

Campbell states the seminar he attended regarding rates encouraged utilities to raise the rates all of the time so customers get used to the rates going up.

August & September report reviewed, August water co has a cash balance. A loan payment was made to the PFA in August of \$47,000 leaving the Sewer Co -\$5,889. September Sewer Co has \$16.

It appears the rates we have now are ok but the debt services create a problem. They will look at the depreciation funds and see if we could cut back. Campbell will ask Judy what the professional services are and the accounts receivable, it doesn't match with the delinquent report. We need to review the reports and make a decision at the November meeting regarding the rates.

**CABLE**

The franchise fee is still the sole support for the PUC funding.

**GAS**

MN Energy has put in several new service connections.

**STREET LIGHTS**

Nothing new.

**FYI**

November PUC meeting will be held on the second Tuesday the 14<sup>th</sup> at 5:00 p.m.

Motion by Erjavec to adjourn the meeting, second by Pernu.

Meeting adjourned at 8:03 p.m.

Respectfully Submitted,

Diane Stewart  
PUC Coordinator/Billing Clerk