

**PUBLIC UTILITY COMMISSION
REGULAR MEETING
FAYAL TOWN HALL**

November 12, 2014 7:00 pm

Immediately following the variance hearing for Lee, Laura and Janice Beauduy.

Bertucci called the meeting to order at 7:15 p.m.

ROLL Present were: Chairman Peter Bertucci, Dennis Pernu, Greg Buckley and Chris Erickson. Also present recording secretary Diane Dickson, Town Chairman Tony Tammaro and Supervisor Mike Erjavec. Donna O'Connor was absent.

APPROVAL OF MINUTES

- **Motion to approve the Beauduy continued variance hearing meeting minutes of October 14, 2014 made by Dennis Pernu, second by Chris Erickson. Motion carried unanimously.**
- **Motion to approve the Regular Meeting Minutes of October 14, 2014 made by Greg Buckley second by Chris Erickson.** Discussion- Chris Erickson asks if Gilbert said we don't have the right to ask about their finances is correct. Chairman Tammaro explained we don't have the right to ask about their debt service. Erickson asks if we have the right to challenge them. Give us the math behind the debt service. Tammaro stated our auditor asked why the increase while they were doing a rate study for us. Buckley says it should all be public information. Maybe talk to the state auditor. Erjavec says he's tired of spending money on attorneys and we never saved any money. **Motion carried unanimously.**

GUESTS

Chairman Tammaro and Supervisor Erjavec nothing at this time.

CORRESPONDENCE

October 2014 Water Wastewater Report was read.

Delinquency report as of 10-23-2014 \$ 41,701.22.

Buckley asks when we will get our payment from the county. The end of November we should get our second half of county apportionment.

Erickson states he agrees with the concept of eventually we get paid. But, he would stop providing services to them until he got paid if it were his business. Tammaro says there is no way to do it without a backhoe. Pernu says charge the people for the excavation. Tammaro says we did use a collection agency didn't help, and they sued us. Erickson reported a town in a different state passed an ordinance saying the city is determined and being taken unfair advantage of and ... they disconnect the wastewater. We could grant exceptions for military or disabled. Tammaro says double check legality. Erjavec says 99% pay. Pernu says check with the Health department.

Erickson regarding delinquency \$42,000 700people 5 on PUC owe \$4,500. He questions if it is acceptable to be on the PUC and be delinquent. We are overseeing an organization, we have the public trust we are doing the right thing for the public, and they should trust us to pay our bills. Tammaro says we don't have a mechanism, Erickson says yes we do, the bi-laws state you have to attend 2/3 of meetings you have to participate, and you can't miss 3 meetings in a row. He would like to add, You have to stay current within 3 months of your bills. Erickson proposes to amend the bi-laws to say staying current is a condition of participation. Bi-laws may be amended provided the meeting constitutes there was a quorum and provided there was a reading at the preceding meeting upon which the amendment was acted upon. So, if we read it now then we can vote next month.

Chris Erickson read "IT IS PROPOSED: to amend Article IV, Section 1 of The Constitution and By-Laws of the Fayal Utilities Commission by adding paragraph D as follows:

"D. Failure of the voting member, as a Fayal utilities customer, to remain current with respect all of their utility bills. For purposes of this paragraph only, a member shall be considered current if they have no delinquent utility bills, or if there is a balance owed, the balance owed is less than three months of the member's typical monthly utility bills."

Erickson states he doesn't want anyone off of the PUC but it is important we all stay current. Bertucci states there is no mechanism to make you pay your bill. If the board doesn't want to do anything about it then why should he pay his bill. For years he wanted to put a balloon in the line, and the town wouldn't do it. Erickson apologizes for stirring the pot, but he had something he had to say. This is a two-step process, we can work on what we can do to get a mechanism in place.

Erickson would like to thank Dale for driving him around for a couple of hours and showing him the system and how it works, and Diane for taking an hour to explain things in the office.

OLD BUSINESS

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

The Town Board applied for a grant from IRRRB but it is going to be short \$160,000. Buckley asks if they are the only place to get a grant from. What about bonding, Erjavec says you might want to add the meters to the project and, maybe a line to Eveleth. You could save money. We have 6 years left to the project. Greg would put together projections then we wouldn't have to pay someone. Bertucci talked to Wiscow, he said write a letter asking for rates, but they aren't going to change much. Originally we received \$500,000 to go to Gilbert from the IRRRB. We need to move forward. Gilbert still has 56 customers. Check into our options.

IRRRB sewer project Tammaro says he is not sure if the road has been completed.

Bertucci says we should send a letter to the Eveleth Council asking them to study our rates again. Tammaro says look at different ways to charge. How do they charge for apartments, nursing homes, motels etc. does everyone pay a debt service. If we could get a rate based on those circumstances. There has to be a savings after the line is in. Should meet with them.

Erickson is concerned about water lines freezing again this year.

NEW BUSINESS

Pernu states we should review the past variance list and check for consistency. And verify they are still in compliance. Craig Johnson should be reviewed.

TREASURER REPORT

No report.

CABLE

Buckley reported they just paid the bills.

GAS

Bertucci reported some residents have been told they may still get connected this year.

STREET LIGHTS

Nothing at this time

FYI

Next PUC meeting will be held December 9, 2014 at 7:00 pm.

ADJOURNMENT

- **Motion to adjourn by Pernu, support from Buckley. Motion carried unanimously.**

Meeting adjourned 8:20 p.m.

Respectfully submitted,

Diane Dickson
PUC Coordinator/Billing Clerk