

**PUBLIC UTILITY COMMISSION  
REGULAR MEETING  
FAYAL TOWN HALL  
March 17, 2015 7:00 pm**

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

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

**APPROVAL OF MINUTES**

- **Motion to approve the Regular Meeting Minutes of February 10, 2015 made by Buckley, second by Erickson. Motion carried unanimously.**

**GUESTS**

Matt Reid SEH Engineering introduced himself and said he has been working with the town board. He wants the PUC to recommend the SCADA upgrade project go out for advertisement. Diane Dickson brought forward Dales concerns regarding the radio specified and the one recommended. The guy wires location on the antennas, staying clear of accessing the pumps, and plowing. Matt assured us he will find out the difference on the radios and make the change before it goes to bid or add and addendum.

- **Motion by Buckley to recommend the town board authorize SEH advertise for bids on the SCADA upgrade project, second by Erickson. Motion carried unanimously.**

Rebecca and Robert Krantz were present asked why we are upgrading. Matt stated the parts are obsolete and the system isn't working well, and we need the software updated.

Rich Sather nothing. Tony Tammaro will wait for new business. Jim Pernu nothing. Krantz's nothing.

**CORRESPONDENCE**

February 2015 Water Wastewater Report. The Town board ordered a new truck for the PUC from Lundgrens. Delinquency Report as of 2/23/2015 \$43,227. Pernu reports it up again about \$2,000.

Response from MPCA and League of MN Cities re: sewer disconnects. Provided by Dale Dickson. MN Dept of Health had no concern they only deal with water. #1 recommendation is certify on the taxes.

Sewer disconnect valve. Provided by Dale Dickson. This has to be dug up and installed.

**OLD BUSINESS**

*SCADA Upgrade*- Tammaro has been asking a technician at work to give his comment if it might work. Wait and see, Diane asks what is the cost difference and why didn't they use the Viper base radio. We have not settled on a radio yet. Sather asks if it is on radio frequency.

*Delinquency Disconnects*- Pernu reports he called two places in Michigan. One gets paid via the taxes in full every year. Variance Springs, Michigan has disconnected a lot of people. They have no problem digging up. Erickson reports he talked to an attorney, who authored the book for the League of MN cities on how to collect. She says sometimes the county is not coding them correctly when they are certified. In theory when delinquents are certified, they have to pay both when they pay their county taxes. Some counties have coded them as special assessments not delinquent utilities then they are not top priority. Judy called the auditor and the land department is the collector of delinquents. Delinquents are equal to the taxes even in foreclosures, special assessments get put on the next owner. Tammaro states we lost some due to them going tax forfeited. The county said they just started doing things the right way last couple years. Greg explains, if you fall back on your taxes, that creates a default on your mortgage and most should have a mortgage. Banks monitor that, because property tax has priority lien over bank mortgage, so if a property goes tax forfeited the bank loses there collateral. Banks watch and monitor and pay property taxes to protect their collateral position. During a title search the bank will have to pay the utility bills because they are not transferable. Greg and Chris will work on our list to verify if they have been paying taxes and have a mortgage. Chris reports one town is "suspending service" they have an ordinance saying due and payable immediately or if they provide financial statements showing difficulties, then they give them 6 months.

Another town just shuts off the water, that doesn't work for us.

Another town uses Sewer grouting which is used to fix leaks, they use a remote with a camera that goes into the line, they plug a service line with caulk and then they come back with a grinder to pull it out. There is no digging, cost is about \$1500 less if doing more, and then \$500 to ream it out again.

Crosslake just certifies on the taxes.

Pine River dug up 2 people 7 years ago, they were threatened with law suits. Their implementation was flawed now they just certify on the taxes.

All towns notified the county of disconnecting and then the home is not fit for human occupancy. Chris did not find anything that says we need permission. They just need to be notified. One town had 80% pay up when they put the ordinance in place and they had to dig up about 20%.

Greg said he had towns in California and all he got was voicemails.

Dennis says the one town puts a red condemned tag on the house.

Dennis feels we need to get an ordinance written up so it can go to the attorney.

*Frozen Water lines-* Tammaro says Judy got some calls about frozen waterlines, He feels we should not let the water run at this time. The mainline is not freezing. Last year the customers with frozen lines did get a credit.

According to MN Rural water if they run ¼ gallon a minute, pencil width, equals \$130 extra for month. We lose \$89 on the sewer. PUC feels if their line froze we can credit them up to \$130 for the month.

- **Motion by Erickson to credit customers with frozen waterlines up to \$130 on water for one month.**

**Assuming their bill is more than \$130, second by Pernu. Motion carried unanimously.**

### **NEW BUSINESS**

New PUC truck as presented by Dale Dickson.

### **TREASURER REPORT**

Erickson has nothing exceptional to report. The SCADA upgrade is to be paid for thru the grant, the sewer access charges, the sewer replacement fund, and the mining effects money will reimburse the sewer depreciation account. So the project should not affect the \$57 per month fees.

Greg is wondering why the sewer fund cash balance is \$127,000 at 2014 year end our projection was \$152,000.

They will check it out.

### **CABLE**

Buckley reported usual meeting.

### **GAS**

Tammaro thinks they should be starting up soon. But, the road restrictions are on now.

St Mary's extension only one person responded, so no extension.

Long Lake is not dead, but Pam Sarvela needs help with the mailing lists. She does not have a helper this year.

They are open to starting the project. We will ask Vicky Tuscan if she would help. Maybe ask Pam to have another open house just for Long Lake. They did turn in 35 names on the petition.

- **Motion by Erickson to recommend the Town board initiate Long Lake natural gas survey feasibility study and request MN Energy Resources come back and do their presentation for the Long Lake area residents, second by Buckley. Motion carried unanimously.**

### **STREET LIGHTS**

Nothing new.

By laws have been updated with the new amendments in them. They have been published and are in effect.

Erickson would like everyone on the commission to be current by the next meeting.

### **FYI**

Next PUC meeting will be held April 14, 2015 at 7:00 pm.

### **ADJOURNMENT**

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

Meeting adjourned 8:00 p.m.

Respectfully submitted,

Diane Dickson

PUC Coordinator/Billing Clerk