

**PUBLIC UTILITIES COMMISSION
REGULAR MEETING
MARCH 20, 2018**

The regular meeting of the Fayal Public Utilities Commissioners was called to order at 7:00 p.m. by Vice Chairman Greg Buckley. Present were: Commissioners Greg Buckley, Cal Turner, Chris Erickson, Amy Jackson and Deputy Clerk Diane Dickson. Chairman Dennis Pernu was absent. Audience members in attendance were Town Board Chairman Tony Tammaro, Town Board Supervisor Pat Ziegler, and Robert Pontinen.

APPROVAL OF MINUTES

- **Motion to approve the regular PUC meeting minutes of February 13, 2018 as amended to, “Cal states if it is not we can go ~~after~~ back to the attorneys that drew up the language.” made by Cal Turner, second from Chris Erickson. Motion carried unanimously.**

GUESTS

Nothing at this time, will wait till new business. Wait till new business.

CORRESPONDENCE

Delinquency Report as of 2-22-18 \$ 20,381.86. Reviewed and placed on file.

Cal questioned the status of the two property’s that were forfeited to the County. Diane reported one is making a repurchase plan but she will check with the land department to find out the timelines.

7:05 Amy Jackson arrives.

February Water Wastewater report. Reviewed and placed on file.

Report on MRWA conference from Dale Dickson. Dale felt it was the best conference ever.

OLD BUSINESS

Pine Dr. Sewer Extension- Tabled, nothing new at this time.

Potential Options for Pine Drive Sewer Extension- Three options were presented to the IRRRB. Tabled.

*Look at other Cities Access charges-*Chris wanted to check this out for John West. It seemed like a reasonable request. Are our access charges comparable to Cities or Townships of similar nature to us? Cal went on the internet but couldn’t find comparable communities. Pat Ziegler found out about the Crane Lake sewer assessments. They were assessed \$6600 on the initial assessment. Now the access charge is \$3,000 SAC for any new customers. Each parcel was assessed but if there is a split then they pay the \$3,000. There are no real comps to our system. Most local cities were put in 100 years ago. Chairman Tammaro explained when we set the charges it had nothing to do with comparables, it was picked because of the assessment on Differding Pt. and it became the hook up charge. There was a lot of work done with the attorneys to come up with our charges. Even our billing charges of the penalty were looked at to make sure we were legal. Supervisor Ziegler talked to different engineering firms and the PUC committee at the MRWA conference. When you come up with your charges there is no right or wrong they wouldn’t say. The assessment is due to improving the value of the property, usually lower fee for access charge but that is up to the Town. We kept the access charge at the same as the assessment.

NEW BUSINESS

Councilor Bob Pontinen, City of Gilbert met with Tony, Diane, Heidi and Dale. He is asking for a variance from our ordinance to have an interim plan for the lime pond at the water plant. They will be fined in April if they do not have a plan. It was 2014 when they were going to come up with a plan. Dale talked to John Jamnick and said he is not in favor of allowing it. Councilor Pontinen explained they have been talking about a plan A. to filter the excess water on top of the pond before pumping it into the Gilbert lift station which dumps into Fayal’s mainline. Plan B would be to truck the water out. The PH would be higher then the lake and not allowed to go into the lake. Lengthy discussion about consequences to Gilbert and Fayal. Chairman Tammaro reports our Senior Water Wastewater Operator recommends denying the request. Greg reminds the PUC of the engineer he had spoken with who dealt with lime slurry and he did not recommend allowing it.

- **Motion by Amy Jackson to deny the request for variance from the City of Gilbert regarding the lime pond, even if it is filtered, support from Chris Erickson. Motion carried unanimously.**

We had one customer call and their waterline was frozen. Diane called customers who froze in the past at that depth and recommend checking the water temperature and to run the water if it is near freezing. 2-21-18 Fayal

Town board motioned to give a credit to customers Diane called and are running water but we need to get meter readings from them. The ground is frozen to a depth of 70-73" and is remaining constant. Supervisor Ziegler said due to the timing the Town Board felt it should be moved on.

Gilbert Wastewater Treatment Upgrades-Chairman Tammaro reported he attended a work session at Gilbert regarding the wastewater treatment plant upgrades. He provided the bid results and they are looking at a \$17.84 total increase we already got \$7.50. \$11,900,000 is the total, which is \$2,000,000 over budget. There is a possibility for a WIF grant. They will have another work session on the 27th and Chris Ismill from IRRRB will be there, they are thinking maybe Fayal can apply for a grant to help buy down the cost of the project, like we did when we helped to upgrade the plant during our initial construction for Fayal's sewer. Gilbert will apply for a grant also. We may have to apply in the second year. Councilor Pontinen states there will be a membrane that needs to be replaced every 6-10 years for \$250,000. When we looked at going in with Eveleth they estimated \$1,000,000 that was nothing compared to the \$12,000,000 bill they are looking at now. Gilbert will be getting grants for the mercury reduction to bring the project back down to the original projection. More to come.

TREASURER REPORT

Chris believes there are typo's in the report. The Fayal Water Co. is cash flow neutral and the Fayal Sewer Co. Is slightly cash flow negative which we expected.

CABLE

Nothing at this time.

GAS

Nothing at this time.

STREET LIGHTS

Nothing at this time.

FYI

Next PUC meeting will be Tuesday April 10th 7:00 p.m.

Chairman Tammaro states the generator will be worked on in the spring.

ADJOURNMENT

- **Motion to adjourn the regular meeting made by Cal Turner, support from Amy Jackson. Motion carried unanimously.**

~~Chairman Penn~~ Vice Chairman Greg Buckley adjourned the regular meeting at 8:02p.m.

Respectfully submitted,



Diane Dickson
Fayal Township Deputy Clerk
PUC Coordinator/Billing Clerk

Approved

4.10.2018
