

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

April 8, 2014 7:00 pm

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

ROLL Present were: Chairman Peter Bertucci, Dennis Pernu, Donna O'Connor, Greg Buckley and recording secretary Diane Dickson. Absent: John Damberg. Also present Town Chairman T. Tammaro and Town Supervisor M. Erjavec.

APPROVAL OF MINUTES

- **Motion to approve the Regular Meeting Minutes of 12-10-13 made by Dennis Pernu, second by Donna O'Connor.**
- **Motion carried unanimously.**
- No meeting January 2014.
- No meeting February 2014
- No meeting March 2014

GUESTS

Pam Sarvela and Robert Gibb from Minnesota Energy Resources. Pam and Robert made a presentation regarding the gas line extension. Intergys Energy (was Aquilla) is their parent company. Reviewed a map of existing and proposed coverage. Pam explained how they look at a project. They are regulated by the Public Utilities Commission, they take all the costs and estimate what the potential customers and the potential load would be. Based on all that information they plug the numbers into a model to determine if there are enough customers to cover the cost. If not they call it Contribution in aide of construction referred to as a CIAC. Once the potential customers have that number then, the customers decide if it is feasible. They have been receiving calls and names from the petition sent out with the bills from Fayal Township.

Pam provided estimated costs they need to fine tune numbers, without snow cover. They looked at the 3 areas Ely Lake, St. Mary's Lake, and Long Lake. At this time Long Lake is not feasible. St Mary's is a small extension and would be a separate project. Chairman Tammaro stated the Land Dept is trying to sell a large parcel of land next to the extension. Pam explained that would be a new project, if it were developed. Preliminary estimated costs \$16,840 for the project divided by the number of customers connecting. MN Energy Resources will contact customers directly for the St Mary's area.

Pam encouraged interested people to go to the website and plug in your own information in the online calculator it will give them the payback, and the savings. Pam did find people that are on the gas line already and just need to call 1-800-889-9508 and request gas service. Chairman Bertucci asks how the payments work. If someone comes into the area after the project. Robert explains there is a "New Area Surcharge" that may be charged to anyone that connects at anytime within the project. Or there is a onetime fee like the St Mary's project.

Ely Lake Area- the gas company is already on 3 sides. Preliminary estimated projections the project would be about 36,000' of mainline. The more potential customers are included into the allowance the better the allowance is. Total estimated cost are \$754,000 – allowance of \$168,000 = \$585,000. How many people will connect? Very important to get a good estimate of the connections. There is a "New area surcharge" where they gas company would finance the project over 15 years. Anyone that connects within that 15 years pays the same surcharge. If

more connect than estimated, then the charges end, when the project is paid off. The project would include a service line up to 75' from the property line, and \$3.29 a foot after that. Pam is hoping to have the CIAC figured out by May 1, 2014 then they could have a meeting. Robert explained the construction is in the public R.O.W. typically they bore a 2" polyethylene pipe 3' deep and stay out of the blacktop. They install up to the meter then the customer hires a contractor to bring the fuel line into the home. Once the numbers are refined Pam will be sending out a notice to potential customers, they would fill out an application, site sketch and waiver form. They lay out where underground electrical, fencing, etc. and giving them permission to come onto the property. Then we would have a good feel. It doesn't mean the homeowners are committed or the project is done. They would go to the public utility commission. Then get homeowners to sign a contract with a surcharge or payment up front. She is hoping to fine tune the numbers by May 1 but it depends on the weather. Then, get the mailing out. Fayal can remind people to fill out and return applications. A public information meeting will be held after that. She is encouraging Fayal to continue promoting the project. Pam states they are currently in a rate increase. She would like to have everything wrapped up by July 1, 2014. Look for a project page on the website.

Chairman Bertucci thanked Pam and Robert for their time.

Also attending; Nick Domiano, Cal Turner, and Charles and Janet Cutter.

Chairman Bertucci welcomed Greg Buckley the newest PUC commissioner.

CORRESPONDENCE

Delinquency report as of 1.22.14 \$34,642.20.

Delinquency report as of 2.21.14 \$36,855.33

Delinquency report as of 3.24-14 \$37,424.99

December 2013 Water/Wastewater report.

January 2014 Water/Wastewater report.

Report on the MPCA 2014 Collection System Operators conference, by Dale Dickson.

2003-2013 Pager call out report.

MPCA 12.12.2013 PFA is accepting projects for State Revolving Fund Loan programs.

Deadlines are listed for each project priority list. Clean water revolving fund is March 7, 2014.

February & March 2014 Water/Wastewater report.

2-24-2014 Proposal from TPC telemetry and Process Controls, Inc to upgrade the Lift station radio telemetry Alarm/Monitoring SCADA system. New business

OLD BUSINESS

Donna O'Connor is up 4-2014 this is her last meeting.

NEW BUSINESS

SCADA upgrade-Proposal from the TPC Telemetry and Process Controls, Inc. to upgrade the lift station radios and SCADA system. Chairman Tammaro stated they are looking for more estimates. He will look at the contingency money to pay for the project. The computer running the SCADA is very old. If something happens we cannot fix it. We need a new upgraded SCADA program, computer and many of the parts in the control panels are obsolete. We are having trouble getting replacement parts in the control panels.

Chairman Tammaro reported the PUC billing and Water/Wastewater Operator computers are going to be replaced. They are still running XP.

Donna Tini Volunteered to be on the PUC commission.

Sewer Rate increase- City of Gilbert has raised our rates from \$5.05 to \$6.71 and they also raised the Sewer Debt charge from \$4.32 to \$5.70, the town board has requested justification for the increase in the debt charge. Gilbert customers were also raised. This is according to the contract.

The town board has Walker, Giroux and Hahne doing a rate study. We have been paying the new rate.

- **Motion by D. O'Connor to have the Town Board raise the sewer rate \$5.00 to cover the rate increase from the City of Gilbert. Second by Bertucci. Discussion this may not be enough to cover the increase but, we are paying the new rate.**
- **Motion carried unanimously.**

Gas line extension. Bertucci states it's very important to get more signed up then the price goes down.

Water line thawing- Contractors working in township, the Town board is going to make changes to the excavation ordinance. Bertucci says it already exists. They need to work with Dale and have a certificate of insurance on file. If they touch our infrastructure, that includes the fire hydrants.

TREASURER REPORT

Nothing at this time.

GAS

Promote the gas line extension for Ely Lake, to get the costs down.

CABLE

Greg Buckley volunteered to be on the Cable Commission.

Buckley reports the commission is asking for a 10% increase.

Donna O'Connor left at 9:00 pm.

STREET LIGHTS

Motion by Bertucci to buy a LED street light. Died lack of a second. Chairman Tammaro states he should be able to ask for a sample on the corner of Woodlawn, Ely Lake and Park Dr.

FYI

Next PUC meeting May 13, 2014 @ 7:00 pm.

ADJOURNMENT

Variance Hearing for Lee Aultman immediately following the PUC meeting.

Motion by Pernu, support from Buckley. Motion carried unanimously.

Meeting adjourned 9:05 p.m.

Respectfully submitted,

Diane Dickson
PUC Coordinator/Billing Clerk