

**PUBLIC UTILITIES COMMISSION**  
**REGULAR MEETING**  
**May 11, 2004 7:00 P.M.**  
**FAYAL TOWN HALL**

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

**ROLL** present were: Bertucci, Campbell, M. Erjavec & Zlimen. Town Board Chairman Kniefel, Supervisors Tammaro & K. Erjavec. W/WWO Dickson and recording secretary Stewart. Absent were- Aultman, Damberg & Kingston.

**APPROVAL OF THE MINUTES**

- **Motion by Zlimen to approve the regular meeting minutes of April 13, 2004, second by Campbell. Unanimously approved. Motion carried.**

**GUEST**

1. Judy Sersha Town clerk/treasurer- The Clerk passes out a spreadsheet (see attached) of the sewer for the last three years. Page 1- the figures came from the audited figures, expenditures, maintenance contingency, debt service, and designated funds. The sewer fund #602 pays the debt service on the 3<sup>rd</sup> loan. The first year the assessments made the payment. Maintenance contingency is \$9,000 a year, the PUC should recommend some guidelines as to what expenditures will come out of this fund. The expansion fee is the \$0.10 per thousand gallons of wastewater, which we are required to put away by the PFA. The accumulated depreciation and the accumulated expansion fee will be placed in a long term CD. Gary Giroux recommended the dep. be \$50,000 & the Town Board reduced it to \$30,000. The accountant used a 40 yr formula. Page 2-These figures are from Gary Giroux, from the audit. Page 3-are the same figures in a different format Clerk Sersha did add in the PUC truck depreciation, Giroux did not. Showing a shortfall of \$(18,789). Page 4 /5 -are copies of what was sent out to the sewer customer. Page 6 the general ledger for the sewer company. The cash is in Miners and Mt Iron bank; PUC truck will be fully depreciated at 21,770 it will be at (16,973) at the end of the year, it will be fully depreciated at the end of 2005. Page 7- is the balance sheet shows to date, what has been funded, or not, the depreciation will be taken out of the funds on a monthly basis this year. Commissioners thank Clerk Sersha for her presentation.
2. Joanne Pelzer- Her yard is sinking; the basement cracked, and leaks from excavation during the sewer construction in the winter. The contractor damaged the tongue on her trailer. She hasn't talked to USA. The phone numbers were given to her and she was advised to contact USA, due to the fact the warranty period has expired.
3. Brian Pfeifer- re: the mandatory sewer connection for the cabin/shed. He is planning on using the water and connecting to the sewer if he gets a variance from paying two service charges. A variance hearing for the sewer use is set for June 8, 2004 at 7:00pm at the regular PUC meeting.
4. Ed Cvek re: request to connect his sewer for a new home into the service line of his mothers house, Ed is the owner of both properties, and will remove his mothers house from the land when she is gone. The distance from the main line is beyond the 300'. His property is L-shaped. The PUC would like a stipulation saying when he sells the property; they will make another connection, to the main line and run it parallel to the service line that is in the ground at this time.
  - **Motion by Campbell to draft a letter to Ed Cvek re: his request to make a connection into the service line going to the house his mother lives in, for his new house, with the following stipulations:**

- **Include a drawing of the property and the proposed sewer lines and new home.**
- **When the property sells they will make another connection to the main line and run it parallel to the service line in the ground, to bring the property into compliance.**
- **Second by Bertucci, unanimously approved. Motion Carried.**

Ron Beldo-Questioned the PUC as to where were they regarding increasing the rate. He felt the PUC dodged the bullet. Bertucci states last year the PUC made the recommendation to raise the rate \$1. The PUC said they would wait until they received the agreement from Gilbert, but they were headed the same direction. Campbell and M. Erjavec had an excused absence.

- **Motion by Campbell- at the meeting of April 13, 2004, material was provided that supported a \$2.00 a month increase for the sewer, due to lack of several members, action was not taken at that time, however at this meeting we support the action taken by the Town Board, second by Zlimen. Unanimously approved. Motion carried.**

Bertucci states a couple of commissioners had questions. Zlimen said they were not dodging the bullet the PUC did say the rate would be increasing, and it wasn't a surprise. Bertucci recalls questioning the Commissioners at the meeting before the annual meeting, if he should mention at the Annual meeting there will be an increase in the future. Beldo states a 40 hr workweek was brought up at the last reg. meeting and he feels this is poor timing, and should be backed up by a real need. Zlimen states we are running a tight ship. When you look at the fact we are running a \$10 million system with 2 part time employees, and we have a lot of maintenance coming up that needs to be done during the summer months. Zlimen states we are dam lucky to have Dale working for us. Beldo feels routine regular reports are costing a lot of money and time that needs to be rededicated. Campbell is annoyed by Beldo's criticism, Campbell feels his experience running a large operation, gives him the expertise to run this operation as he sees fit, and he doesn't appreciate Beldo's micro managing tactics.

Beldo asks if there was a sewer spill at the air manhole by the park? The Water Wastewater Operator states yes, a small spill did occur, and it was immediately reported to the MPCA Duty Officer. M. Erjavec reports he did stop and Dale was in a mess, and you couldn't have paid him to go into the manhole. Bertucci states he was very upset with the way Beldo put the comments in the paper. Beldo states this kind of stuff needs to be open to the people before hand. Bertucci reiterates, he did ask at a PUC meeting if he should mention at the Annual meeting with Beldo and K. Erjavec in the audience, and she said, "no, don't get everyone upset." Campbell doesn't like Beldo's statement of "Flying under the radar," which implicates we are trying to pull something fast. Everything has been above board. Everything has been discussed at the PUC meetings which are open to the public every month and if people are uninformed it is by there own choice not to attend the meetings. Bertucci states there will be more increases; that should have been done a year or two ago.

Dave Zelinski- states I hope you do the same thing for the water co. as the sewer co. the users pay.

### **CORRESPONDENCE**

4-15-04 Copy of letter to Total Control Systems re: Invoice # 3140 for \$5,858.70, stating we are not paying the invoice; the problem has been rectified by US Filter.

4-20-04 Copy of Resolution 2004-3 new fee schedule as of June 1, 2004.

4-26-04 Copy of letter sent by Trenti Law Firm to residents re: Mandatory sewer connection. The customers have a June deadline to contact us and a July deadline to make connection, Dale wants to know who will make the decision of exemption or extension, this will lead to punitive

damages and forced hook-ups, so they should come to the PUC for the recommendation to be sent to the Town Board.

- **Motion by Bertucci to have the residents asking for an exemption or an extension come to the June PUC meeting, second by Zlimen. Unanimously approved. Motion Carried.**

Dale will call the residents on the list.

5-1-04 Copy of letter sent to sewer customers from Clerk / Treasurer Sersha.

Kniefel questions the Pfeifer variance; there was a complaint this spring regarding his property. The original zoning variance states he could keep the building if he turned it into a bunkhouse, which by definition is No running water. PUC feels the sewer use variance should have nothing to do with his zoning variance.

### **WATER/WASTE WATER REPORT**

1. Quality Flow serviced the 5 big lift stations, with their new truck they billed us \$650 and didn't charge for the extra trip, and they did a lot of extra work for the same bid price. Very happy with the service.
2. One plugged dead end manhole last month at Sopp's, the cover was pushed off in the winter and sod created the clog.
3. During the meter inspection he found the plastic pipe with no pressure-reducing valve, the homeowner had it fixed. Couldn't shut off the curb box, it had to be dug up it was bent. The R & B brought the backhoe and it took about 15 minutes.
4. Gorski-Ring; Dale cleared the hay off of the line. It needs to be graded and the lines need to be repaired and then restored. Dale talked to Mr. Lamma and he intends on doing the repair this month.
5. Differding Point manholes are on the list for USA to dig and repair so we can remove the bypass that is in place. USA is waiting for the frost and road restrictions to come off.
6. Tammaro wants to know what fund should pay for these repairs, maintenance contingency, guidelines, who can authorize the expenditures.
7. Pager problems- R & B didn't want to carry the pager during the day if they weren't paid extra, they filed a grievance. The problem was taken care of by purchasing 2 more pagers so there is no handing off of the pager.
8. Campbell would like to meet with Dale regarding the call out list, spare parts, relationship with Gilbert, monitor the plant operations at Gilbert, 40% of the funds to be set aside, possible generator all of the operations. Campbell is bothered by the constant criticism of Dales time. Should the job description be updated? Employee expenses are not a huge part of the expenditures.
9. Lift station B had an alarm today; Dale found a rock bigger than a pop can stuck in the pump.
10. Discussion re: hours and the work being done, what can be done to eliminate the w/wwo being a target. Tammaro meets with Dale every morning to deal with problems and take care of them as they arise. Because, we can't wait till a meeting and liaison has the right to take that action.
11. Water wastewater operator states there are approximately 75 people who have trees planted on the mainline and the sewer lines should be cleaned. Dead end manholes have to be cleaned. There is a lot of work to be completed during good weather.
  - **Motion by Bertucci to ask the Town Board to put the Water /Wastewater Operator at 40 hours per week, because there is too much work that needs to be completed and its not getting done. Second by Zlimen. Discussion – look at hours and amount of work that needs to be completed. Unanimously approved. Motion carried.**

PUC feels we should get a temporary helper for Dale, to help getting all of the summer work done.

### **SEWER**

Tammaro brings up the fact our sewer lines should be cleaned, and set up a maintenance plan to clean and camera the lines and record when the lines are cleaned. Dale reports we have to have a plan and work on the plan for maintenance.

Campbell reports the MNRWA has some interesting classes coming up, and we should take advantage of the situation.

- **Motion by Bertucci to allow Zlimen or anyone else to attend the MNRWA training rate training session May 19, 2004, and pay for the expenses. Second by Campbell. Unanimously approved. Motion Carried.**

### **WATER**

1. W/WWO reports Woodline Manufacturing has been generating a huge bill. Dale has visited many times, he told them they could put a meter at the boiler, they don't know where all of the water lines are. Bertucci wants us to send a letter, telling them they have to hire someone to locate all of these lines.
2. Bertucci reports he met with, Wiscow from the City of Eveleth regarding the engineering report and the contract, for switching over the water lines. Wiscow will generate a report with all of the costs so we have all of the information, to compare to Gilbert.

### **TREASURER**

Copy of the Utility assessments placed on the county tax role. The total amount due in 2004 is \$7,837.08; this is included in the delinquent amount.

We will be moving ahead on the water company. Campbell states he is working on a spreadsheet to include all of the last 3 years.

### **CABLE**

Tammaro states the joint cable commission fees will be based on the number of cable customers.

### **GAS**

Nothing at this time.

### **STREET LIGHTS**

Nothing at this time.

### **FYI**

A year ago at the Town Board level, it was decided to pay for the litigation fees for the sewer project, from the PUC fund.

City of Gilbert has a big modification on the sewer plant. We need to be notified of any upgrades. We will talk to them and see if we can get the notification.

Cerar project is on hold for now, due to the NPDES permit.

- **MOTION TO ADJOURN THE MEETING BY ZLIMEN, SECOND BY BERTUCCI. MOTION CARRIED. ADJOURNED AT 9:55 P.M.**

Respectfully Submitted,

Diane Stewart  
PUC Coordinator/Billing Clerk