

# PUBLIC UTILITIES COMMISSION

## FAYAL TOWN HALL

MAY 14, 2019

5:00

The regular meeting of the Fayal Public Utilities Commissioners was called to order at ~~7:00~~ p.m. by Chairman Greg Buckley. Present were: Commissioners Greg Buckley, Chris Erickson, Ed Vest, Amy Jackson and recording secretary Diane Dickson. Town Board Chairman Tony Tammaro was also present.

### APPROVAL OF MINUTES

- **Motion to approve the regular PUC meeting minutes of April 9, 2019 made by Chris Erickson, second from Ed Vest. Motion carried unanimously.**

### GUESTS

Town Chairman Tony Tammaro nothing at this time.

### CORRESPONDENCE

Delinquency Report as of 4-23-19 \$21,088.57. Reviewed, Diane will start the certify process in July. Placed on file.

April 2019 Water Wastewater report. Reviewed and placed on file.

4-24-19 Email from Jim Paulson City of Gilbert the council approved raising the Waste Water Treatment Plant debt service fee from the current \$7.50 to \$19.50, effective August 1, 2019. Move to old business.

5-2-19 Rcvd letter of interest in serving on the Public Utility Commission from Cam Jayson.

Discussion of his qualifications he provided an extensive resume.

- **Motion by Chris Erickson to recommend the Town Board approve Cam Jayson as a Public Utilities Commissioner, second by Ed Vest. Motion carried unanimously.**

### OLD BUSINESS

*Bulk Water Agreement*- New agreement is ready for signatures retroactive to January 1, 2019 it has been approved by the Town Board.

*Annual rate review*-Sewer, notice from Gilbert to increase \$12 from \$7.50 to \$19.50 effective Aug 1, 2019. Chairman Tammaro attended the Gilbert PUC and the City Council meeting. He raised a lot of questions and did not get specific answers regarding the how they came up with the \$12 for waste water treatment plant debt service increase, which was approved by the council. By paying off the loan early we can probably reduce the amount of our increase.

Chris reported we may have to increase most of the twelve. Last time there was an increase we ran it short expecting to pay off the 3<sup>rd</sup> sewer loan, and raised it \$5 instead of \$7.50. We seem to be running about neutral possibly running a little short. If we are -\$2 then we have to raise \$10, if we are cash flow neutral then raise it \$7. That's not even looking at the normal \$1 a year for normal increases. The rate will take effect in August and we need to notify the customers. Clerk Coldagelli suggested getting a small group together and meet with her and then we would have the current balances and expenditures. And she wanted to remind you of the cleaning and televising which is \$40k. Chairman Tammaro says we can delay that a year if needed. We could use the money in the maintenance CD for televising if needed. Chris found the report he and Greg made and would like to compare what was projected as to the actual. Tony says we could change the amount we put into the depreciation fund. We are putting in \$2250 a month now. Tony does not see and big expansions in the near future. Discussion about the Gilbert project they feel they are 50% complete, they are not sure this is the last of it. Chris, Greg, Heidi and Tony will meet and work on the rates. It would be nice if we could keep it around \$70.

Copy of last letter regarding the rate increase we sent dated 9-26-2017 FYI.

*John West*-email from Steve Fenske recommended to pose the question to our Township attorney as he is in the best position to tell if our Ordinance is set up correctly.

Tony Tammaro reported John had more questions at the last Town Board meeting. The Town made a motion to send more of John West's questions to Scott Neff. Tony stated he told John this is it there will be no more. John has re worded his questions and asking the same thing but he is calling things assessments that are not actually assessments.

**NEW BUSINESS**

Quote from MN Pump Works for scheduled repairs at Lift stations P-1, J-2, K, M-1, L1, S & R \$6,586.82 this does not include freight. Dale needs approval so they can be scheduled and noting there are more repairs for next year.

- **Motion by Amy Jackson to recommend the Town Board approve the scheduled repairs on Lift stations by Minnesota Pump Works for \$6,586.82 (freight not included) second by Chris Erickson. Motion carried unanimously.**

Copy of the unpaid assessments owed to Fayal Township from St. Louis County as of 4-24-19. Chris reported he did a quick calculation and we should have enough to pay off the final sewer loan payment.

**TREASURER REPORT**

Chris stated we paid off the #3 loan \$88K that is why we were cash flow negative for the first 3 months. If you don't count the loan payoff we were \$20K cash flow positive for the first 3 months of the year. Not sure if that is a fair analysis. We will check with Heidi. It seems more cash flow positive than it's been. Treasurer report provided by Clerk Coldagelli as of 3-31-2019. Year to date.

FWC Beginning balance 2019 \$55,549.10 Revenues \$18,880.10 Expenditures \$19,402.71. Current cash balance \$54,394.55. We are maintaining.

FSC Beginning balance 2019 \$247,045.40 Revenues \$153,490.36 Expenditures \$219,631.33.

Current cash balance \$180,904.47.

PUC Beginning balance \$-3,188.26 Revenues \$ Expenditures \$. Ending balance -\$.

- **Motion by Ed Vest to approve the Treasurers report, second by Amy Jackson. Motion carried unanimously.**

**CABLE**

Franchise fee payment for Jan 1-Mar 31, 2019 \$2,366.49.

**STREET LIGHTS**

Nothing at this time.

**FYI**

Next PUC meeting will be Tuesday June 11<sup>th</sup> 2019.

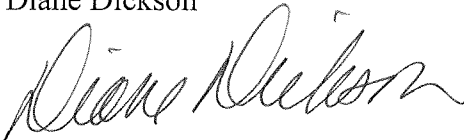
**ADJOURNMENT**

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

Chairman Greg Buckley adjourned the regular meeting at 5:38 p.m.

Respectfully submitted,

Diane Dickson



Fayal Township Deputy Clerk  
PUC Coordinator/Billing Clerk

Approved 6.11.2019  
as corrected  
