

PUBLIC UTILITIES COMMISSION
REGULAR MEETING
JULY 10, 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 Cal Turner, Greg Buckley, Chris Erickson and Amy Jackson. Commissioner Dennis Pernu was absent. Audience members in attendance were Town Board Supervisor Pat Ziegler.

APPROVAL OF MINUTES

- **Motion to approve the regular PUC meeting minutes of June 12, 2018 made by Cal Turner, second from Amy Jackson. Motion carried unanimously.**

GUESTS

Town Supervisor Pat Ziegler nothing at this time.

CORRESPONDENCE

Delinquency Report as of 6-25-18 \$ 30,303.65. Supervisor Ziegler questions if the Town can garnish wages from an elected official who is delinquent. Greg and Chris believe we would still have to have a judgement against him before we could do that. Chris says we have pursued many options and certifying onto the county taxes are the best for us. Diane reported she is going to start the process earlier, anyone late in July is getting the letter. It will be less than a year, but we will get it to the County before they do the forfeiture in October. The delinquency will be included. We will certify the entire amount including the amount that was removed during the forfeiture process.

MN State Statute 279.37 Confession of Judgement for delinquent taxes. FYI The statute the County follows when they do a forfeiture and repurchase.

June 2018 Water Wastewater report. Reviewed and placed on file.

6-29-18 MN Dept of Health re: Drinking Water Data Review. Our system meets SDWA standards. No action required. The full (100+page) report is available online. Reviewed and placed on file.

7-18 St. Louis County Tax apportionment received \$3,896.62 in Delinquent with a total of \$177,101.35 for special assessments. Five people with delinquent amounts paid their taxes.

OLD BUSINESS

Sandy Ahlin sink hole-Town approved filling the hole and having her sign a waiver.

Bulk Water Agreement- Letter from Fayal to City of Eveleth re: Bulk Water Purchase Agreement. Nothing yet.

Sewer Line Cleaning Great Lakes Pipe Service, Inc. will be cleaning section #1 in 2018 end of August.

4 M Fund-Chris Erickson presented the 4 M money market fund to the Town Board they are working on the resolution. The auditor was looking at it and they were going to ask Miners Bank if they could match the interest rate, otherwise they are going to proceed with it. Chris will check with Heidi.

NEW BUSINESS

Water Standby Charge- Chris had a discussion with a resident about the standby water charge. It was like an insurance policy, you could pay the \$11 a month and you could hook up later and not be charged the \$3,500 Water Access Charge. He is wondering if they hit the \$3,500 if the town would consider stopping the standby fee. Pat wonders if it is legal. Cal stated it is, because we had attorneys Neff and Cerkvenik draw up the policy. Lengthy discussion on the entire process. Things to consider possibly stopping the fee once they get to \$3,500. Inflation costs to consider and not all of the people pay the

same price because of it. There still is an inspection fee when they connect. Pat still disagrees with the Town and the WAC. Cal states they were told to bring something from their attorney to the Town. IRRRB paid for the waterline extension across Hwy 53 due to the fact their water was being interrupted from the mines. So if that was wrong have your attorney bring it to IRRRB. One issue is should we sunset the standby charge at a certain amount, and is it transferable. Diane will run a report to find out how many are on standby. We have time to work on this.

TREASURER REPORT

Chris reports this is old information provided by Clerk Coldagelli as of 5-31-2018. Year to date.

FWC Beginning balance \$60,098.98 Revenues \$35,521.10 Expenditures \$27,202.80.

Current cash balance \$65,429.60.

FSC Beginning balance \$245,958.83 Revenues \$252,107.27 Expenditures \$225,064.95.

Current cash balance \$273,001.15.

The water Company is cash flow positive and the Sewer Company alternates between cash flow positive and negative. It goes in the negative with the PFA payment and then builds back up again. All in all revenues are equal to expenses. There are 5 payments left on the PFA after the August payment of \$45,000.

CABLE

Greg reports there was no cable meeting.

Media Com Franchise fees revd \$4,589.04 semiannually. This is like 5% of base charges. We pay Chanel 12 \$3,000 quarterly so we are paying out more than taking in.

GAS

Nothing at this time.

STREET LIGHTS

Nothing at this time.

FYI

Next PUC meeting will be Tuesday August 7th at 4:00 p.m. National Night Out is also that evening.

ADJOURNMENT

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

Vice Chairman Buckley adjourned the regular meeting at 7:52 p.m.



Diane Dickson
Fayal Township Deputy Clerk
PUC Coordinator/Billing Clerk

Approved 8.4.2018
