

**PUBLIC UTILITIES COMMISSION**  
**FAYAL TOWN HALL**  
**JANUARY 14, 2020**

The regular meeting of the Fayal Public Utilities Commissioners was called to at 7:00 p.m. by Chairman Greg Buckley. Present were Commissioners: Greg Buckley, Ed Vest, Amy Jackson and Gina Brascugli. Absent: Chris Erickson and Diane Dickson. Also present were: Tony Tamaro and John West.

**APPROVAL OF MINUTES**

- **Motion to approve the regular PUC meeting minutes of December 12, 2019 made by Ed Vest, second from Greg Buckley. Motion carried unanimously.**

Chairman Greg Buckley welcomed Gina Brascugli to the board and thanked her for her service.

**GUESTS**

John West- Wondering if Scot Neff has responded. Chairman Tony Tamaro stated he talked to the Clerk today and asked her to get ahold of him. John wants to ask about the Water Access Charge and what is it used for. Greg and Amy stop John from speaking badly about the PUC. Greg states a year ago we went over this, the standby water was an insurance for the use if you use it great, if not that's ok to. Tony says and if they stop using the standby it is recorded and that amount is credited to the property for a future connection. Greg states and it is capped so they don't pay more than that fee. John's complains it is not fair and equitable. Amy repeats, the water standby users are paying a capped rate to ensure if they want to connect someday it will be at that rate. Amy asks what do you want John? He doesn't want to see someone have to pay for what he feels is unlawful charges. Amy states John, what your saying doesn't make sense to her. People made a choice at that time to take that offer at that time so people could chose to pay and not hook up at that time. Now they are paying \$11 a month, she tells John it may be \$6,000 or whatever the cost is in 10 years. You wanted to be connected so you had to pay \$3500. John does not agree with that amount. Tony says he paid \$75 to Eveleth that was there connection fee at the time. John says none of his neighbors had to pay the WAC. Then Fayal gave that line over to Eveleth until such time we can meter. So we do not charge the WAC on Eveleth's waterline. John says because it was not based on an assessment on his line. The line was put in for fire protection and there was grants but the Town always has to pay part of grants. Amy wants this resolved so we don't have to keep spending time on this. Ed states we were told by Fenske, the MN Township Attorney, what we are doing is fine. John disagrees with what was stated. Greg says we have the connection and access charges as well as the monthly service fee. As far as accounting rules and fees we are using, the connection fee can be used for ongoing maintenance and repairs of our current system. We can easily establish our finances are public and you can see the Town is not making any money off of the utilities they provide to the residents. We are doing everything we can to keep rates at a minimum level to break even. Amy says we don't know what is coming down the road, we do not have to specify where the dollars go. Greg states John may feel the rate is high or illegal all of the money is going into the water company and we are barely breaking even. John says he believes we overcharged against the legal requirements. Greg states he understands the fees were legal. Tony says at the time the resolutions were checked by the attorneys and the state and we were told we were perfectly legal in everything we have done. Ed says he had to pay \$7,000 to drill a well because there is no city water in front of his house, \$3500 is cheaper than drilling a well. John's complaint is still the assessment and a hook up charge and the rules are different. John did pay a lawyer and the statute of limitations kept him from moving forward. Amy says we have to allow the attorney to answer the question. John just wants one more reading of it then he is done. He reads his questions presented to Steve Fenske. His question is whether the connection fee is appropriate if there is not a connection being installed? If there is a property split and a \$6625 connection fee and no connection. Tony states because the line abuts the property. He asks is there a good reason for the fee. Tony says if he splits his property the next person gets a free gift to hook up to the sewer free after everyone else had to pay, that's not fair. Amy states Steve Fenske does not know all of our details, he is just stating that is a good question, but there is a reason for it. Now we are asking Scot Neff if it is a good enough reason. #3 What if for example an owner never intended to build on it or it's not a buildable lot. Amy states this is not an issue, John is interpreting what Fenske is saying and that is creating an issue. Chairman Greg says we will move on and wait for Mr. Neff's response. Amy says there is no sense in debating this every single month. Greg states at this point he is not sure how to get to a resolution. It is his opinion that the ordinances that are in place have been reviewed by attorneys and have been deemed legal. Going further I do not know how to get to resolution without a formal complaint from an attorney. We have went down this road before. Tony explains Gentilini is planning to sell his home on lakeside Dr and split his property in order to keep his garage, when he does that he will have to pay the \$6625. Tony says Korpela paid 4

different SAC and they did not hook up anything just this last fall. They are not connected and they are happy to pay.

**CORRESPONDENCE**

Delinquency Report as of 12-24-19 \$15,554.16. Ed states they are certified to the taxes, and then it is removed from our list. Gina asks if we know why they aren't paying. It could be anything. Tony says they pay 10% a month plus then they pay \$200 when we certify it to the St Louis County. Greg thinks it's around \$25,000 that is at the County for collection.

December 2019 Water Wastewater Report. Reviewed, Tony says the Gilbert plant is about 80% done.

2019 Wastewater totals report. Seems to be higher in the spring.

5 year average Wastewater report. Reviewed and placed on file.

Pager Call-out report. Greg notes the callouts have gone down the last 3 years. Gina notes he is always removing rags. People are flushing things other than toilet paper and wipes which ruin the pumps, they are not fine to put in the toilet. The PUC notes Dales dedication has kept things running smoothly or we would be in a lot worse shape.

Updated PUC Roster.

Assessment list from St Louis County as of 12-31-19 showing what is scheduled to be paid on all assessments until they are all paid off. 2020 the majority are done a couple go out later.

12-3-19 Mediacom's Cable Franchise agreement needs a motion to approve the renewal of the Franchise agreement. This is a tax that goes out to residents and they give it back to the Town which they pay to the Cable commission for channel 12.

- **Motion by Amy Jackson to extend the Mediacom contract, second by Ed Vest. Motion carried unanimously.**

**OLD BUSINESS**

*GIS SEH*-June 25, 2019 SEH Agreement for professional services for collecting all available information of all Fayal Township water main and sanitary collection for \$12,800. Tabled until the spring of 2020.

*Test Fee-MN Dept. of Health* - (yearly) change from \$6.36 to \$9.72 Heidi will update our fee schedule. It is in her pile and she is intending on creating one fee schedule sheet with all of the fees incorporated in it, when the audit is done.

Review the ordinance 98-2 regarding twin homes, apartments etc. and the sewer connection charges SAC. Tabled at this time.

**NEW BUSINESS**

Nothing else at this time.

**TREASURER REPORT**

No report the auditor will be here this month and do the year end finals.

**CABLE**

Approved the franchise agreement.

**STREET LIGHTS**

Nothing at this time.

**FYI**

Next PUC meeting will be Tuesday February 11, 2019 at 7:00 p.m.

Gina questions the twin homes, Ed says re: apartments how are we going to do the Access charges.

- **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 7:54 p.m.

As transcribed by,



Diane Dickson  
Fayal Township Deputy Clerk  
PUC Coordinator/Billing Clerk

Approved 2.11.2020