

PUBLIC UTILITIES COMMISSION

FAYAL TOWN HALL

JANUARY 11, 2022

The regular meeting of the Fayal Public Utilities Commission was called to order at 7:01 p.m. by Chairman Ed Vest. Present were Commissioners: Ed Vest, Dave Hamalainen and Gina Brascugli. Commissioners Chris Erickson and Amy Jackson were absent.

Audience member in attendance was Town Board Chairman Tony Tammaro.

Chairman Ed Vest began with a moment of silence in honor of Diane Dickson for her service and dedication to the Commission.

APPROVAL OF AGENDA/MINUTES

- **Motion to approve the regular PUC meeting minutes of December 14, 2021, made by Ed Vest, second by Gina Brascugli. Motion carried unanimously.**

No changes to the agenda at this time. Discussion regarding Fayal's sewer rates in comparison to Gilbert's rates and debt service charges.

GUESTS- None at this time.

CORRESPONDENCE

Delinquency Reports as of 12-28-2021 \$9,213.91. Reviewed those on the list.

December Water/Wastewater Report. Gina Brascugli brought forward questions regarding the possibility of fire hydrants freezing.

12-29-21 Seaplane Base transfer of ownership from Eveleth-Virginia Airport Authority to Taconite Aviation.

OLD BUSINESS

Access to Availability Ord 98-1 & 98-2 & Access to Availability and SAC Resolution 2018-13 & 2000-14-Twin homes- Clerk Coldagelli had previously worked on changes and will need to review again.

American Rescue Plan Act- The Town Board has until 2024 to utilize. Commissioner Brascugli questioned if the funds could be used to assist in keeping utility bills lower, but it cannot. Discussion regarding use and limitations. Discussion moved to generators. The Wastewater Operator received an estimate for two natural gas generators at a cost of over \$100,000.

Waterline Survey Park Drive- No interest from the residents. Mark and Jinny Craddock would need to work with Jola & Sopp to make the connection and the Township would grant an easement through the ballfield. Potential to utilize ARPA funds to run a line to the ballfield. Town Board Chairman Tony Tammaro brought forward the old Eveleth gravel pit and questioned if the new owners had plans for the site. Town Board Chairman Tammaro recommended that the Planning Commission review the information for a waterline extension to the ballfield and then make a recommendation that would go before the Public Utilities Commission for review. Clerk Coldagelli will route the SEH estimates to the Commission members. Chairman Vest questioned who would draft the easement for the Craddock's and it would be their responsibility to have those documents prepared with approval from the Township.

Certification Fee- Clerk Coldagelli researched other entities' rates and the average certification fee was \$50. Despite the significant amount of work to prepare the certification balances, our current rate of \$200 is adequate. It is typically the same individuals certified yearly and the majority do pay their taxes in a timely manner.

- **Motion for no change recommended to the certification fee as recommended by Clerk Coldagelli, made by Ed Vest, second by Dave Hamalainen. Motion carried unanimously.**

Zebra Mussels in Ely Lake- Chairman Vest discussed that it may be necessary to not use the aqueduct to reduce the risk of infestation to St. Mary's Lake. Chairman Vest has spoken to Mr. Rosati in Eveleth regarding the zebra mussels and Chairman Vest will review Eveleth's council minutes to see if it has been addressed.

MN Pump Works- Base elbows for E-1 have arrived and work will begin on February 2nd. The American Rescue Plan funds will cover the cost.

Estimate Fee- There are a significant amount of individuals who do not read their meter. The office periodically calls those individuals to read their meter and often those individuals will receive a large bill because it has not been read in quite some time. Commissioner Chris Erickson, at a previous meeting had stated that he didn't agree with a larger monthly estimate fee, such as \$10.00, but possibly a larger estimate fee if the meter had not been read for a number of months. Clerk Coldagelli raised concerns regarding the number of snowbirds that do not submit regular readings and she also has a growing list of residents that she submits zero readings for who are absent during the winter months. Clerk Coldagelli had difficulty locating other entities estimation rates. She did include Hermantown's rate sheet that identified three different rates: residential, commercial and multi-housing units, which may be helpful when working on the Ordinance updates. Discussion regarding the billing process. Commissioner Hamalainen questioned if a higher estimation fee would encourage individuals to read their meter. Clerk Coldagelli thought it could and Chairman Vest added that somehow would need to discern who the snowbirds are. There are currently about 250 water customers. Discussion regarding self-readers. Gilbert now has remote readers and will need to discuss with Gilbert that process and cost. Clerk Coldagelli will do some more research.

NEW BUSINESS

Reschedule March 8th Monthly Meeting due to Annual Town Meeting- Can decide at the next meeting.

Town Board Chairman Tony Tammaro brought forward discussion regarding the recent Union contract negotiations. The pager pay increased \$1.00 for 2022 and \$0.50 each year for 2023 and 2024. The employees each received a \$1.00 per year wage increase. In order to avoid raising utility rates to offset those increases, the Town Board moved the remaining \$7,200 from Mining Effects to the Sewer Department to assist in covering those pager increases. There are also some additional individuals willing to assist in being on-call to help the employees. Discussion regarding the pager process. The pager costs approximately \$13,000 per year to staff and with the pager pay increase, will be approximately \$19,000 per year.

TREASURER REPORT- Clerk Coldagelli provided the financial report as of 12-31-2021 year-to-date.

Fayal Water Company Beginning balance for 2021 was \$38,907.11. Revenues were \$85,353.34 and expenditures were \$102,033.29. Ending cash balance of \$14,050.50. Depreciation CD bal. of \$101,154.48.

Fayal Sewer Company Beginning balance for 2021 was \$93,291.30. Revenues were \$777,937.10 and expenditures were \$804,024.73. Ending cash balance of \$96,019.96. Depreciation CD bal. of \$192,166.60 (\$874.25 2020 int.). PUC Truck Depreciation CD bal. of \$30,318.31 (\$89.21 2020 int.) and Assessment Savings Balance of \$430,450.75.

PUC Beginning balance 2021 of \$15.85. Revenues were \$11,000.22 and expenditures were \$10,142.29. Ending cash balance of \$873.78.

Clerk Coldagelli informed the Commission that she will have year end financials no later than March as she is waiting for completion of the audit.

- **Motion to approve the Treasurer's report, made by Dave Hamalainen, second by Gina Brascugli. Motion carried unanimously.**

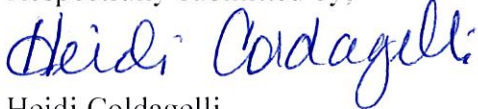
CABLE- Nothing at this time.

STREET LIGHTS- Unsure if the lights are still burned out by highway.

- **Motion to adjourn by Dave Hamalainen, second by Gina Brascugli.**

Meeting adjourned at 7:52 p.m.

Respectfully submitted by,



Heidi Coldagelli

Town of Fayal Clerk/Treasurer

Approved 2-8-2022