

PUBLIC UTILITIES COMMISSION

FAYAL TOWN HALL

MARCH 21, 2023

The regular meeting of the Fayal Public Utilities Commission was called to order at 6:58 p.m. by Chairman Ed Vest. Members present in person are Commissioners Dave Hamalainen, Chris Erickson and Eugene O'Brien. Members absent are Amy Jackson. Audience members are Town Board Chairman Tony Tammaro and Katherine Disterhaft.

APPROVAL OF MINUTES

- **Motion to approve the Regular PUC Meeting Minutes of February 14th, 2023 made by Commissioner Eugene O'Brien and supported by Dave Hamalainen. Motion carried unanimously.**

GUEST

Guest in audience is Katherine Disterhaft. Chairman Ed Vest gave Katherine Disterhaft time to speak. Ms. Disterhaft explains she is attending to see if there is a follow up from the Annual Town Board meeting. Town Board Chairman Tony Tammaro explains that nothing further will be done with motions that were made at the Annual Township meeting until that information is presented to the Town Board at their next meeting.

CORRESPONDENCE

Delinquency Reports – Secretary Rebecca Waldorf reminds the PUC members that this information is printed on the day the new bills are created and since then all but 7 have made partial payments or are fully caught up with their bill balance.

Water/Wastewater Reports – Commissioner Eugene O'Brien commends Wastewater Operator Rick Bieganeck for taking his own initiative to seek out an alternative and less expensive company to send our monthly water tests to. We are now using RMB with a cost savings of \$200.00 per month.

MDH Sanitary Survey Report – Letter received from the MN Department of Health with a copy of the sanitary survey report summarizing an on-site inspection of the community public water system. No deficiencies were reported and recommendations included minimizing dead ends by looping or hydrant flushing where looping is not feasible. We will keep this on file for 10 years and have it available for public review. Chairman Ed Vest suggests that the PUC put the front page of the report on posting boards and a full copy on the website and a notice in the bills. The report is retained in the Township records for a minimum of 10 years and can be made available by request.

Water Resolution 2022-19 – Water Tap In Inspection Fee of \$200.00. Town Board Supervisor Patrick Ziegler would like the PUC to discuss removing this fee. Supervisor Ziegler feels this fee is already being paid when the customer pays the Water Availability Charge (WAC) of \$3,500.00. The Tap In Fee was to cover curb stop and meter expenditures, this fee no longer covers the cost of those items.

- **Motion made by Commissioner Eugene O'Brien to remove the Water Tap In Inspection Fee of \$200.00 and supported by Chris Erickson. Motion carried unanimously.**

EPA Lead and Copper Rule survey – To be compliant with the EPA Lead and Copper Rule the Township needs to provide an inventory of residential and commercial water service lines entering the home or business by October 2024. Fayal Township water lines were installed in the fall of 1988 and later. Installation occurred after the lead pipe ban of 1986 and after the effective lead ban date in 1988. Guest Katherine Disterhaft shares a personal experience with this survey in another area where customers had to have the water pipes inspected. Customers had to dig up if necessary to view the pipe and may have needed to do a scratch test where you scratch the pipe and test for galvanized steel. In this location, the town was able to have grant money pay for repairs such as use of PEX tubing. Katherine expressed that she hopes the Township would use another means of replacement other than PEX as it leeches a "plastic-y" taste into the water. Chairman Ed Vest shares that to his knowledge the waterline that goes to the Golf Course is lead jointed and was installed sometime in the 1930's and is owned by the City of Eveleth.

OLD BUSINESS

Gilbert Sewer Rates – Town Board Chairman Tony Tammaro shares that he did go to Gilbert and he met with their clerk, Gilbert was supposed to have a work meeting to make the decision about what they will charge us for rates. They will let our Township office know as soon as they make that decision.

Fayal Sewer Rates – At this time, it is still believed that the Township will have to increase the sewer rate by about \$2.00. Fayal Township will have to wait to make this decision until after they have heard back from City of Gilbert and their proposed sewer rate increase.

Eveleth Water Agreement – At this time the Eveleth Water Agreement terms in May of 2023. As of yet we have not heard anything from City of Eveleth regarding and rate increase in rates. The DNR has told City of Eveleth that they cannot open the aqueduct.

McLean Sewer – The Township did cash the \$1,000.00 bond check from the contractor as the contractor did not comply with sewer connection guidelines. The sewer connection will have to be inspected in the spring and if there are repairs needing to be made this money will be put towards that cost and the remainder of the expense will be billed to the customer.

NEW BUSINESS

May 9th PUC – Secretary Rebecca Waldorf unable to be at this meeting, need someone to record and take minutes. Commissioner Chris Erickson will record the meeting.

Zebra Mussels – Guest Katherine Disterhaft asks if there is any more discussion regarding contacting the DNR about filters for the aqueduct for zebra mussels? Chairman Ed Vest shares that the City of Eveleth and the DNR will be responsible for the aqueduct. This is an ongoing issue that has been discussed for approximately 18 months. The fix for stopping the spread of Zebra Mussels from Ely Lake into St. Mary's Lake is up to City of Eveleth.

Treasurer Report - Fayal Township is slightly cash flow positive for both the Sewer and Water company. Operation costs do keep going up. Treasurer Chris Erickson is waiting to know what Gilbert is going to do for sewer rates then we will figure out in more detail what we need to do to keep our revenues and expenditures balanced. The Township has requested a 60-day notice from Gilbert for our customers, this gives the Township some time to decided what needs to be done to our sewer rate and gives time for our customers to understand what the increase is and why.

- **Motion made by Commissioner Eugene O'Brien to accept the Treasurer Report as read. Supported by Dave Hamalainen. Motion carried unanimously.**

Chairman Ed Vest questions Treasurer Chris Erickson if the money that was used to buy the Airpaks for the Fire Department is coming back yearly, can some of that money be used to offset the sewer rate increase? Town Board Chairman Tony Tammaro explains that money used was put into the sewer fund but not really specifically for the sewer. It's money that was placed in the PUC but really is a part of the general fund that can be used when it is needed. The Township has already absorbed a rate increase once. Chairman Ed Vest would really like to get the rate increase down to around \$10.00 or \$11.00 instead of \$15.00. Treasurer Chris Erickson explains that the numbers will all have to be laid out on a spreadsheet to really see the full impact of the rate increase and fund value. The goal is to have our revenues support our operating expenses; we want them in line with each other.

Next PUC meeting to be held on April 11th, 2023 at 7:00 p.m.

- **Motion to adjourn by Commissioner Chris Erickson and supported by Commissioner Ed Vest. Motion carried unanimously.**

Chairman Ed Vest adjourned meeting at 7:46 p.m.

Respectfully submitted by,



Rebecca Waldorf

Town of Fayal PUC Coordinator/Billing Clerk

Approved 4-11-2023