

# PUBLIC UTILITIES COMMISSION

FAYAL TOWN HALL

JANUARY 9<sup>th</sup>, 2024

The regular meeting of the Fayal Public Utilities Commission was called to order at 6:02 p.m. by Chairman Ed Vest. Members present were Commissioners: Dave Hamalainen, Eugene O'Brien, Ed Vest, Recording Secretary Terry Hiti, and Clerk Heidi Coldagelli. Members absent were Amy Jackson and Chris Erickson. Guests were Gina Brascugli and Tony Tamaro.

## APPROVAL OF MINUTES

- **Motion to approve the Regular PUC Meeting Minutes of December 12<sup>th</sup>, 2023, made by Commissioner Dave Hamalainen and supported by Eugene O'Brien. Motion carried unanimously.**

GUESTS - No comments.

## CORRESPONDENCE

Delinquency Report – Vest commented it looks the same as last time, has anything changed? Clerk Coldagelli added we have received some payments.

Water/Wastewater Reports – Comments made on how people are flushing rags/wipes that they should not be. It causes the pumps to get plugged up.

## OLD BUSINESS

St. Mary's Lake Development – Clerk Coldagelli to meet with Brad Scott on Thursday.

EPA Lead and Copper Survey – O'Brien asked where we are at with the surveys? We have received about a dozen more in from the last month, and still continuing to work on them.

Sewer Camera and Locator – Clerk Coldagelli will re-apply for the OSHA safety grant, if the Town Board approves. It was denied initially.

Smith Property – Not sure where the County is at with it.

## NEW BUSINESS

City of Eveleth Water Rate Changes -

Chairman Vest asked how it will affect us? Clerk Coldagelli discussed Eveleth's new rates. Discussion. Proposal to raise our water rates to: Service Charge of \$13.00 will go to \$15.00. \$5.50 to go to \$6.00 per 1000 gallons, over 2500 gallons will go from \$10.00 to \$11.00. It was asked for Clerk Coldagelli to go back to Eveleth to negotiate the service charge increase they are proposing. The increased rates will be effective in Fayal's March billing.

- **Motion was made by Eugene O'Brien, that in order to comply with Eveleth's January 24<sup>th</sup> proposal, to accept the water rate increase, other than the service charge, and go back to Eveleth to re-negotiate the service charge. Supported by Dave Hamalainen. Motion carried unanimously.**

Renewal of Eveleth Bulk Water Purchase Agreement -

Chairman Vest lead the discussion of the 5-year bulk rate water purchase agreement with Eveleth, the need to establish new dates, and try to re-negotiate the service charge.

- **Motion was made by Dave Hamalainen, and supported by Eugene O'Brien to renew Eveleth Water Purchase Agreement. Motion carried unanimously.**

**Horseshoe Lake Grant** - Clerk Coldagelli informed us that the \$35,000.00 disbursement from the Horseshoe Lake Project has been approved. This will have utilized all the funds.

**Debt Service** - Chairman Tamaro asked if Gilbert's debt service is reducing? Clerk Coldagelli informed us that she believes it was effective this year, but will need to check.

**Treasurer's Report** – Fayal Water Company- beginning balance was \$36,138.45. Revenues were \$6,970.83 and expenditures were \$3,730.00. Ending cash balance was \$38,399.74 and depreciation not in the CD was \$4,330.80.

Fayal Sewer Company- beginning balance was \$146,992.06. Revenues were \$59,145.64 and expenditures were \$45,271.92. Ending cash balance was \$160,289.31. Depreciation CD was \$193,096.76 and PUC Truck Depreciation CD was \$35,807.76.

PUC- beginning balance was \$2,183.55. Revenues were \$101.26 and expenditures were \$22.64 for an ending cash balance of \$2,262.17.

- **Motion to accept the Treasurer's Report, made by Commissioner Eugene O'Brien, and supported by Dave Hamalainen. Motion carried unanimously.**

Next PUC meeting to be held on February 13th, 2024 at 6:00 P.M.

- **Motion to adjourn made by Commissioner Dave Hamalainen, and supported by Eugene O'Brien. Motion carried unanimously.**

Chairman Ed Vest adjourned meeting at 6:42 P.M.

Respectfully submitted by,



Terry Aiti  
PUC Billing Coordinator

Approved 