

PUBLIC UTILITIES COMMISSION

FAYAL TOWN HALL

SEPTEMBER 9th, 2025

The regular meeting of the Fayal Public Utilities Commission was called to order at 6:00 PM by Chairman Ed Vest. Members present were Commissioners Dave Hamalainen, Eugene O'Brien, Chris Erickson, Amy Jackson, and Recording Secretary Terry Hiti, Attending was Town Board Supervisor Mike Erjavec.

APPROVAL OF MINUTES

- **Motion to approve the Regular PUC Meeting Minutes of August 12th, 2025, made by Commissioner Eugene O'Brien and supported by Commissioner Dave Hamalainen. Motion carried unanimously.**

GUESTS- Jack and Patricia Alexander. Jack started off by saying he has a legitimate concern of their utility bills. When they are gone in the winter, why do they not get some kind of break? He went onto say he receives discounts from other companies. Jack feels he should be able to bank the 2500 gallons usage in a month he isn't here, but in reality, he is not paying for that anyway. You only pay a service fee on the water connection. Chairman Vest went on to explain how we need to pay for maintenance and repairs. Commissioner Jackson also explained that he is indeed getting a break on his water bill as when you do not use any water you do not pay the gallon rate pay. You do pay the \$15.00 service fee. Jackson went on to say how convenient having these services are and if you wanted to come back at any time in the winter, your services are all on and ready to use.

Commissioner Erickson explained how there are different tiers in the number of gallons used.

Vest informed them the sewer charge is the same for everyone in Fayal, regarding how many months you stay/live here. There is no-way to measure these services.

CORRESPONDENCE

Delinquency Report – O'Brien and Vest commented it does look smaller. Next month the certification process begins.

August Water/Wastewater Report -Vest commented that A-1 needed help again, O'Brien complementing Rick on his procedures and keeping the lift stations up and running properly.

Mediacom quarterly payment – Chairman Vest asked if cable issue was resolved. Erjavec explained how it has to be paid until the contract is done or we reach 366 days from termination notification.

Mn Dept of Health Letters- Fayal rec'd a letter stating that the Mn Legislature passed the amendment for Mn Statue 144.3831 to increase, as of January 1 2026, the safe drinking water service connection fee. Currently it is \$9.72 annually, it will increase to \$15.22 annually. Erickson thought the letter about contaminants from MDH was confusing because it also gives the results of the sample collected on 7/8/25 as being Fayal's "annual average". The letter says if any four quarters running average exceeds MCL, then Fayal is in violation. He doesn't see four quarterly data points in their letter so He was wondering what Fayal's actual annual average is. He doesn't see how one data point can equal an annual average?

- **Motion was made to have Hiti contact Eveleth PUC and the MDH for more information on this report, made by O'Brien and supported by Jackson. Motion carried unanimously.**

OLD BUSINESS

- a. Sewer Rate Change – No updates.
- b. Pat Ziegler Sewer line – This has been capped. Only the garage is hooked up to the sewer system.
- c. Sump Pump Letter- Approx. 247 received so far out of 392. The sump pump survey went out in statements and put on PSN for email residents.

NEW BUSINESS – N/A

TREASURER REPORT –

FWC August: *Beginning Balance \$36,697.64, Revenues \$8484.05. Expenditures \$8,632.84 ending Cash Balance of \$34,516.70. Depreciation not in 4M \$2887.20.*

FSC August: *Beginning Balance \$158,033.54 Revenues \$63,176.90 Expenditures \$60,307.29 Ending Cash Balance of \$208,475.30 Depreciation 4M \$217,577.44 PUC Truck Depreciation 4M \$40,347.43 Assessment Savings 4M \$347,758.88, Sewer Access Charges 4M \$88,700.51, Maintenance Contingency 4M \$44,166.09 and Sewer Company 4M \$209,627.43*

PUC August: *Beginning Balance \$-83.27, Revenues \$2476.280 Expenditures \$36.04, Ending Balance \$4,815.63*

Commissioner Erickson pointed out the water company was negative this month, as the wholesale water was higher than the month before.

- **Motion made to approve the August Treasurers report made by Commissioner O'Brien and supported by Commission Hamalainen. Motion carried unanimously.**

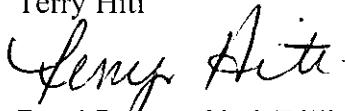
- **Motion to adjourn, made by Chairman Vest and supported by Commissioner Hamalainen Motion carried unanimously.**

Chairman Ed Vest adjourned meeting at 7:13 PM.

Respectfully submitted by,

Approved Oct 14th 2025

Terry Hiti



Fayal Deputy Clerk/Billing Coordinator