

PUBLIC UTILITIES COMMISSION

FAYAL TOWN HALL

June 9th, 2026

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, Chris Erickson, Curt Wercinski, Kris Wilson and Clerk Heidi Latvaaho. Becky Squibbs arrived at 6:07PM. Attending was Town Board Supervisor Mike Erjavec.

PREVIOUS MEETING

No quorum was present at the previous meeting; therefore, no official business was conducted. **Approval acknowledged by Chairman Vest and supported by Commissioner Wercinski.**

APPROVAL OF MINUTES

Motion to approve the Regular PUC Meeting Minutes of April 14th , 2025, made by Commissioner Ed Vest and supported by Chairman Chris Erickson. Motion carried unanimously.

GUESTS- N/A

CORRESPONDENCE

Delinquency Report – Reports reviewed for April and May. Commissioner Vest noted penalties are nearly 10% per month. Clerk Latvaaho reported that a high-balance account is being paid down.

April and May Water/Wastewater Report – A1 lift station replacement – Clerk Latvaaho stated CNN is working on the culvert replacement. Tracks still need to be removed, causing delays.

Mediacom Quarterly Payment – Final quarterly payment was paid; funds will be deposited into the PUC account. Historically, Mediacom revenue covered street lights; going forward, four street lights will be charged to the PUC. MN Power charges approximately \$50/month per light.

St. Mary's Lake was discussed at the Eveleth Council meeting; no movement on water system matters.

Commissioner Becky Squibbs arrived at this time.

OLD BUSINESS

- a. **Sump Pump Letter-** Quarterly letters will be mailed with the next billing cycle. Six inspections remain. Jason and Rick continue working on them.
- b. **Generators for Lift Stations** Still waiting for one additional bid. Hometown Electric is waiting for the vendor to respond. Commissioner Wercinski asked about requirements. Clerk Latvaaho noted the price and the Board is reviewing pricing.
- c. **Delinquent Gilbert Resident –** Gilbert Council made a motion requesting Fayal to transfer the customer to Gilbert for certification to taxes. Fayal will assist with the certified tax process; however, the Fayal Town Board will still need to approve the transfer. The customer will be officially transferred effective July 1, 2026. Fayal will receive the funds from Gilbert when the customer pays their property taxes next year.

NEW BUSINESS

- a. **August Meeting Date:** Motion to reschedule the August meeting to **August 4, 2026**, due to the Primary Election on the 11th, **Motion made by Chairman Vest and supported by Commissioner Hamalainen. Motion carried unanimously.**
- b. **St. Mary's Lake Development:** Discussion regarding shoreline.

TREASURER REPORT – April and May financials reviewed.

Commissioner Erickson noted irregular sewer balances due to Gilbert not billing Fayal correctly. April revenues were \$72,550.81 with \$30,021.91 in expenditures, resulting in an unusually high gain. May revenues were also approximately \$72,000 with \$32,000 in expenditures, showing similar discrepancies. Clerk Latvaaho explained that Rick is sending the volume calculations, so the bill should include the wastewater fee, debt service, and metered sewer—items that are always part of the monthly billing, but Gilbert is not issuing accurate bills. The March bill was correct, but the April bill should have been approximately \$15,000, instead April was \$0, and May was \$450. The current bill of \$45,000 is high due to recent rain events. Gilbert was made aware of the billing error.

The Water Department had one-time annual testing fees in May, approximately \$13,000 in revenues versus \$5,000 in expenses. The difference reflects the annual testing charges.

Motion to approve the Treasurer's Reports as presented, made by Chairman Vest and supported by Commissioner Hamalainen. Motion carried unanimously.

Motion to adjourn, made by Chairman Vest and supported by Commissioner Erickson Motion carried unanimously.

Chairman Ed Vest adjourned meeting at 6:26 PM.

Respectfully submitted by,

Kris Wilson

Fayal PUC/Billing Coordinator

Approved

