

TOWN OF FAYAL
4375 SHADY LANE, EVELETH, MN 55734

Judy M. Sersha, Clerk/Treasurer

Steven J. Kniefel, Chairman

Supervisors: Tony Tamaro, James Pernu, Lee Branville, Joe Stewart

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REGULAR MEETING OF THE FAYAL TOWN BOARD

JANUARY 16, 2007

The Regular Meeting of the Fayal Town Board was called to order at 7:00 PM by Vice-Chair Branville. Present were: Supervisor Branville, Supervisor Stewart, Supervisor Pernu, Supervisor Tamaro and Clerk Sersha. Chairman Kniefel was absent, and Vice-Chair Branville acted as chair for tonight's meeting.

Audience members in attendance were Jerry Ulman, Mike Erjavec, Scott Smith, Steve Shykes and several E-G High School students.

Motion to approve the minutes of the January 2, 2007 Reorganization Meeting, made by Supervisor Tamaro, support from Supervisor Pernu. Motion carried unanimously.

Motion to approve the minutes of the January 2, 2007 Regular Meeting, made by Supervisor Pernu, support form Supervisor Stewart. Motion carried unanimously.

REPORTS

Clerk/Treasurer's Report- Ending balances as of December 31, 2006 are as follows:

Miners Bank-	\$55,864.53
Mt. Iron Checking-	\$690,833.42
Assessment Savings-	\$410,985.36

For the period of January 1-16, 2007 there were \$18,151.94 in receipts and \$32,015.56 in expenditures.

Motion to approve the Clerk/Treasurer's Report made by Chairman Branville, support from Supervisor Pernu. Motion carried unanimously.

Motion to approve the December 2006 Road & Bridge Report made by Supervisor Tamaro, support from Supervisor Pernu. Motion carried unanimously.

Motion to accept the EFGSD Joint Rec Regular Meeting minutes of January 10, 2007, made by Supervisor Tamaro, support from Supervisor Pernu. Supervisor Tamaro requests that one of Fayal's representatives be present at the next board meeting to explain their budget request. Motion carried unanimously.

Motion to accept the January 10, 2007 Fire Department Regular Meeting minutes, made by Chairman Branville, support from Supervisor Tamaro. Motion carried unanimously.

Motion to accept the December 12, 2006 Public Utilities Commission Regular Meeting minutes made by Supervisor Tamaro, support from Supervisor Pernu. Motion carried unanimously.

Motion to accept the December 12, 2006 Public Utilities Commission Variance Public Hearing minutes made by Chairman Branville, support from Supervisor Stewart. Motion carried unanimously.

CORRESPONDENCE

SLC Auditor- List of tax forfeit properties. Placed on file.

SLCATO- Regular Meeting minutes of December 6, 2006. Lobby Day is Feb. 5, bus is available. Placed on file.

MDN- Request to be named official newspaper of the town. Clerk Sersha will inform them that action was taken at the Reorganization Meeting.

Ron Beldo- Copy of letter sent to Al & Steve complementing them on doing such a great job for the Town. Placed on file.

SLC Public Works- Info on county crushing, crack sealing and striping programs for 2007. Referred to Supervisor Tammaro and R & B.

SLC Board of Adjustment- Findings of Fact, Conclusions and Decision on Kurt & Cara Jacka variance. Variance approved with conditions. Placed on file.

Steve Verkovich- Request for clarification on overtime and vacation. Referred to Old Business.

Fayal PUC- Request for annual water fee from Fire, Rec and Buildings and Grounds in the amount of \$600 per department. Referred to New Business.

OLD BUSINESS

Supervisor Pernu-

Carpet & Paint- An estimate was received for carpet squares for the offices. Labor and materials will be \$3,500.00. The offices and town hall will also be re-painted. Estimated cost for paint and casual labor is approximately \$500. Discussion.

Motion to approve the purchase of carpet and paint from mining effects funds, not to exceed \$4,000.00, made by Supervisor Pernu, support from Supervisor Tammaro. Motion carried unanimously.

Brush Pile- Supervisor Pernu thanked the Fire Department for burning the pile on January 8. The remaining debris will be hauled away and then seeded. Chairman Branville added that the ATV ordinance will be ready by spring, so the area can be kept free of ATV traffic.

Supervisor Tammaro-

Computer Purchase- After speaking with Roger's Online, a new quote was received that was less than the quote from Dell. Roger's Online has been maintaining all of the computers, and staff felt that he has been doing a good job. Roger will also transfer all of the info from the old computer to the new one, and he is available to come on-site when needed.

Motion to purchase a computer for the sewer department from Roger's Online not to exceed \$1,300.00, made by Supervisor Tammaro, support from Supervisor Stewart. Motion carried unanimously.

Rate Negotiations- A PUC special meeting was held earlier this evening to discuss the matter with an engineer from SEH, Julie Kennedy. Ms. Kennedy has expertise in utility rate structures and the PUC felt that she should do an analysis to present to Gilbert. The PUC approved a motion to recommend to the town board to spend up to \$3,000 from the public utilities fund to hire Ms. Kennedy. Discussion.

Motion to approve the expenditure from the Public Utilities fund of not more than \$3,000 to hire Ms. Kennedy to prepare a rate analysis report, made by Supervisor Tammaro, support from Supervisor Pernu. Discussion, Supervisor Tammaro stated that Ms. Kennedy will provide us with a contract and the required liability insurance statements. Other work by Ms. Kennedy will be billed at \$90 per hour, although it has been made clear that at this time she is being hired only to work on this report and will not exceed \$3,000. Motion carried unanimously.

Kaleva Island- Tammaro will speak to SLC for the guidelines, but the project will now have to wait until spring.

Overtime/Vacation- Steve Verkovich submitted a request for clarification on being called out to work when on vacation. Tammaro stated that vacation runs Monday- Friday, and if you are called out to work during that time, and you chose to come in, it is straight time. If it is after hours or on a weekend or holiday, it should be considered overtime. Also, it is the employee's pejorative to come back to work during vacation, if he/she so chooses. The Board agreed with that concept, but Supervisor Stewart questioned the protocol and whether or not that is stated in the union contract. Supervisor Tammaro stated he was not sure, but the issue should be checked into, and straightened out in the next contract.

North Airport Drive- Supervisor Tammaro reported that Steve Verkovich is recommending that North Airport Drive be taken off of minimum maintenance and be upgraded to full maintenance, now that there are two year-round homes on the road. A resolution will be needed to upgrade the road, and Tammaro will consult with Kniefel.

Supervisor Branville- Discussion on the recommendation at the Reorganization meeting to look at obtaining quotes for competitive costs on assessing services, and establishing a committee for that purpose.

Motion to appoint Chairman Kniefel to check with St. Louis County to obtain the names of independent assessors and establish the criteria for obtaining quotes for assessor services for the town, made by Supervisor Tammaro, support from Supervisor Pernu. Motion carried unanimously.

NEW BUSINESS

Supervisor Tammaro reported that Eveleth will be doing a water plant renovation and it should be done this year.

Discussion on the request from the PUC for water charges of \$600 each from the Buildings & Grounds, Rec and Fire Departments. Supervisor Stewart questioned if these were actual charges? Supervisor Tammaro answered they were not, but Dale could read the meter and actual water charges could be established after this year.

Motion to approve the charge of \$600 each for water from the Buildings & Grounds, Rec and Fire Departments, made by Supervisor Tammaro, support from Chairman Branville. Motion carried unanimously.

Supervisor Tammaro reported that the shavings were found in the transmission in the grader, and it is not being used at this time until it is repaired. Repairs may run up to \$10,000. In the meantime, Verkovich has found a used blade for the loader at a cost of \$8,200. Also the two dump trucks have blades and can be used for plowing along with the PUC truck.

The February interest payment is due on February 20, to the PFA in the amount of \$45,339.95, and has been submitted as a claim in the bills.

Discussion on the 2008 budget and levy. Preliminary levy is \$548,000.

CITIZEN CONCERNS AND COMMENTS

Fire Chief Steve Shykes questioned if the Fire Department is going to receive extra funding from the township to pay for the increased wages for firefighters and the water charges. The Board previously approved the firefighter pay to increase from \$3 to \$10. This will add \$10,900 to the fire department's annual costs. Discussion.

Motion to transfer \$10,900 from unallocated funds to the fire fund to cover the added costs to the department, made by Supervisor Tammaro, support from Supervisor Pernu. Motion carried unanimously.

At this time, the department has 20 firefighters and five more are needed.

Scott Smith had no comment.

Jerry Ulman submitted dates, for board approval, for the 2007 yard waste site opening. The sign at the sight also needs repair. Proposed dates are: April 20,21,22,27,28,29, may 4,5,6 and October 12,13,14,19,20,21,26,27,28, noon to 5:00 PM.

Motion to approve the dates, as submitted, for the yard waste site, and repair/replace the sign, made by Supervisor Pernu, support from Supervisor Tamaro. Motion carried unanimously.

Mike Erjavec stated he disagreed with the Board's decision not pay the \$50 to the Eveleth Fee Office for the license agreement, and felt the amount was a small price to pay. Supervisor Tamaro stated that John Jamnick was supposed to supply the board with a certified survey of where the easement lies, so the town is sure that our line is on their property. The survey has yet to be received, and Dan England is aware of that.

Clerk Sersha reported she spoke with Erik Garman, the secretary for the fire department, regarding payroll for the fire department. Sersha recommended the firefighters be paid on a monthly basis, for budgeting purposes, and Garman was to bring that to the department for their consideration. Fire Chief Shykes and Assistant Chief Scott Smith stated they had no problem with the firefighters being paid monthly and they would report that to the department.

Motion to approve the fire fighters be paid on a monthly basis made by Supervisor Tamaro, support from Supervisor Pernu. Motion carried unanimously.

Motion to pay the bills made by Supervisor Tamaro, support from Supervisor Pernu. Motion carried unanimously.

Motion to adjourn made by Supervisor Tamaro, support from Supervisor Stewart. Motion carried unanimously.

Regular Meeting adjourned at 8:12 PM.

Respectfully submitted,

Judy M. Sersha
Clerk of Fayal

Approved: _____
Vice-Chair

Attest: _____
Clerk