

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, Mike Erjavec

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REGULAR MEETING OF THE FAYAL TOWN BOARD

JANUARY 18, 2011

The Regular Meeting of the Fayal Board of Supervisors was called to order at 7:00 PM by Chairman Kniefel. Present were: Chairman Kniefel, Supervisor Erjavec, Supervisor Branville, Supervisor Pernu, Supervisor Tamaro and Clerk Sersha.

Audience members in attendance were: Scott Smith, Jerry Ulman, Jim Johnson, Brad Reifsteck, Harvey Thompson and two E-G High School students.

Motion to approve the minutes of the January 4, 2011 Reorganization Meeting, made by Supervisor Tamaro, support from Supervisor Pernu. Motion carried unanimously.

Motion to approve the minutes of the January 4, 2011 Regular Meeting, made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.

REPORTS

Clerk/Treasurer's Report- Ending bank balances for the month of December 2010 are as follows:

Miners Bank-	\$196,996.59
Assessment Savings-	\$450,552.07
Mt. Iron Checking-	\$768,747.05

For the month of January to date, there have been revenues of \$19,284.15 and expenditures of \$77,930.80. A transfer from Miners Bank to Mt. Iron checking was made in the amount of \$196,900.00.

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

Motion to accept the minutes of the January 12, 2011 EFGSD Joint Rec Regular Meeting, made by Supervisor Tamaro, support from Supervisor Erjavec. Motion carried unanimously.

Motion to accept the minutes of the December 14, 2011 Public Utilities Commission Regular Meeting, made by Supervisor Erjavec, support from Supervisor Tamaro. Motion carried unanimously.

CORRESPONDENCE

Iron Range Youth in Action- Request for donation for 16th Annual Young Leaders Convention. Cost is \$50 per student. Referred to New Business.

SLC Public Works, James Foldesi- Information regarding the county maintenance employees intent to strike and the impact of the snowplowing and road maintenance. Placed on file.

SLCATO- Regular meeting minutes of December 1, 2010. Next meeting is January 26, Cotton Community Center, 7 pm. Lobby day is February 16. Reservations for bus must be made by Feb. 8. Placed on file.

Jim Johnson, SEH- Letter regarding preparation of plans and specifications for the town's 2011 road maintenance and improvements. Referred to Old Business.

OLD BUSINESS

Supervisor Erjavec-

Gilbert Effluent Agreement- Clerk Sersha reported on two meetings she had with Gilbert officials. The first was with Gilbert Clerk Mike Darrow on 1-10-11. Mr. Darrow proposed an agreement with Fayal for a period of 6 months, with an interim rate of \$4.20 per thousand gallons, during which time representatives from both entities would meet once or twice a month to work out a long term agreement. Clerk Sersha stated she would bring the offer to the board, but requested a 9 month term, Gilbert's operating budget for 2011, and an answer as to whether or not debt service and depreciation was included. Mr. Darrow said he would be bring Clerk Sersha's requests to the Gilbert council at their meeting the next day.

The next meeting was with Mr. Darrow and Mayor Bellerud the day after Gilbert's 1-11-2011 regular meeting. The Gilbert officials reported to Clerk Sersha that their council had voted to pursue litigation against Fayal, but Mayor Bellerud asked the council for one more opportunity to talk with Fayal. This offer had the Mayor and Clerk proposing a rate of \$4.44 per thousand gallons for three months, during which time a long term agreement would be discussed. Clerk Sersha questioned if this new number included debt service and depreciation and Mayor Bellerud indicated that both were included in the newly proposed rate. Mayor Bellerud also indicated the operating budget for 2011 was \$396,000.00

Clerk Sersha told the Mayor and Clerk she would bring this information to the town board at tonight's meeting. Discussion by the board. No action taken.

IRR Grant Extension - The grant extension to December 31, 2011 has been received.

Motion to authorize the clerk and chair to sign the IRR grant extension, made by Supervisor Erjavec, support from Supervisor Tammaro. Motion carried unanimously.

Supervisor Tammaro-

2011 Road Projects- Supervisor Tammaro will meet with the Road & Bridge crew to decide which roads projects to undertake and the projected budget for each. Tammaro to report back at the next meeting.

Loader Tires- Two quotes were received: Pomp's Tires- \$7,722.40, which includes a \$2,000 trade-in for the current tires, and Tufco- \$9,154, which includes a \$1,600 trade-in for the current tires. Firestone was contacted, but they offered no quote.

Motion to purchase the loader tires from Pomp's Tires in the amount of \$7,722.40, made by Supervisor Tammaro, support from Supervisor Erjavec. Supervisor Branville noted that when the next piece of equipment is purchased, there should also be specifications for the tires. The board agreed. Motion carried unanimously.

Chairman Kniefel-

2010 Audit- Designation of the clerk/treasurer must be made to perform non-audit services.

Motion to designate the clerk/treasurer to perform non-audit services for the audit in conjunction with Walker, Giroux & Hahne, made by Chairman Kniefel, support from Supervisor Pernu. Motion carried unanimously.

NEW BUSINESS

Patrick Skalko, the Fayal rink attendant, has requested a budget to have a year-end skating party for the kids.

Motion to authorize \$250 for an end of year skating party, made by Supervisor Tammaro, support from Supervisor Pernu. Motion carried unanimously.

Motion to renew the license agreement for sewer lines with the Eveleth Fee Office and pay the \$50 fee, made by Supervisor Tammaro, support from Supervisor Branville. Motion carried unanimously.

Motion to donate \$100 to Iron Range Youth in Action for the 16th Annual Young Leaders Convention to be held at Fortune Bay on February 16, made by Supervisor Tamaro, support from Supervisor Erjavec. Motion carried unanimously.

Chairman Kniefel stated he would be moving the budget discussions to the end of the meeting and at this time asked for audience input.

CITIZEN CONCERNS AND COMMENTS

Scott Smith, Jerry Ulman, Harvey Thompson and one E-G student had no comment. The other E-G student stated he had been asked by his mother to relay to the board that some of the fire hydrants are inaccessible due to snow. Supervisor Tamaro explained the hydrants have all been plowed out now.

Judy Sersha expressed her gratitude to the Fayal First Responders, Eveleth Ambulance, Virginia Ambulance intercept and the Fayal Police for their quick response to her home for a recent emergency. Ms. Sersha commended everyone for their expertise, kindness and compassion and stated Fayal Township has a very valuable asset to be able to have volunteers with the skills, professionalism and dedication displayed by all that responded.

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

Short discussion on 2012 levy recommendation.

At this time, Chairman Kniefel asked for a motion to close the meeting to discuss possible litigation with the City of Gilbert with Attorney Bruce Williams.

Motion to close the meeting to discuss possible litigation with the City of Gilbert with Mr. Williams, made by Supervisor Erjavec, support from Supervisor Pernu. Motion carried unanimously.

Regular meeting closed at 7:29 PM, and re-opened at 8:35 PM.

Motion to adjourn by Supervisor Tamaro.

Chairman Kniefel adjourned the Regular Meeting at 8:35 PM.

Respectfully submitted,

Judy M. Sersha
Clerk of Fayal

Approved: _____
Chair

Date: _____

Attest: _____
Clerk