

TOWN OF FAYAL
4375 SHADY LANE, EVELETH, MN 55734

Judy M. Sersha, Clerk/Treasurer

Steven J. Kniefel, Chairman

Supervisors: Tony Tammaro, James Pernu, Lee Branville, Mike Erjavec

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REGULAR MEETING OF THE FAYAL TOWN BOARD

JANUARY 4, 2011

The Regular Meeting of the Fayal Board of Supervisors was called to order at 7:16 PM, immediately after the adjournment of the Reorganization Meeting. Present were: Chairman Kniefel, Supervisor Erjavec, Supervisor Branville, Supervisor Pernu, Supervisor Tammaro and Clerk Sersha.

Audience members in attendance were: Jerry Ulman, Scott Smith, Steve Shykes, John Zlimen, Paul Tokarczyk, Jim Johnson, Brad Reifsteck and six E-G High School students.

Motion to approve the minutes of the December 21, 2010 Regular Meeting, made by Supervisor Erjavec, support from Supervisor Branville. Motion carried unanimously.

SCHEDULED GUESTS

John Zlimen was in attendance regarding a piece of tax-forfeit property he is considering purchasing on Golf Course Road. The property is bordered on three sides by property he already owns, with the fourth side being on the township road. The township's sewer line and lift station go right down the center of the property. Mr. Zlimen questioned if the property would be subject to a sewer access charge or an assessment. Mr. Zlimen already has an assessment for sewer on the surrounding property that he is paying. Chairman Kniefel explained that in the past, the board has waived the fee for property owners that acquire a bordering piece of land and combine it with their home site. Chairman Kniefel stated the board could not make a guarantee at this time on waiving the fee on the property until it is sold. If the property is sold to someone else who does not own the surrounding property, it would be subject to the sewer access fee. Chairman Kniefel recommended Mr. Zlimen make the request to the board after he purchases the property.

REPORTS

Clerk/Treasurer's Report- Bank statements for December 2010 have not been received, so this report is tentative. For the month of December, there were revenues of \$340,244.01 and expenditures of \$79,412.72. Ending balances are as follows:

Miners Bank-	\$181,295.00
Assessment Savings-	\$450,384.68
Mt. Iron Checking-	\$764,303.49

Clerk Sersha reminded the board the employee's Health Savings Accounts are to be funded the first of each year. Referred to New Business.

Fire Relief needs \$2,398 in additional funding, due to the investment markets. Fire Department is requesting the funds from unreserved funds instead of the fire budget. Referred to New Business.

Clerk Sersha informed the Board the annual audit will begin on January 24.

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

Motion to accept the December 2010 Road & Bridge Report, made by Supervisor Tammaro, support from Supervisor Pernu. Motion carried unanimously.

Motion to accept the December 2010 Police Report, made by Chairman Kniefel, support from Supervisor Tammaro. Chief Thompson provided information on a new POST Board policy regarding forfeitures. Chairman Kniefel questioned if any action was needed by the board?

Chief Thompson stated it is up to the chief law enforcement officer to adopt the policy, and that has been done. ***Motion carried unanimously.***

CORRESPONDENCE

SLC Land Dept- They are proposing the sale of state tax forfeited land located on: Lot 16 Block 0000 Auditors Plat No. 39. If we wish to acquire this land we must request to withhold the property from sale. Placed on file.

Mesabi Daily News- Request to be named official newspaper of Fayal Township. Placed on file.

League of MN Cities- The township meets the criteria they have established for sewer operations and the mandatory minimum deductible for sanitary sewer backups will not apply. (\$1,000 to \$2,500) Placed on file, referred to PUC.

SLC Sheriff Ross Litman- Letter stating he understands the Town of Fayal might have an interest in St. Louis County Sheriff's Office providing law enforcement services. Cost would be \$55 per hour. Chairman Kniefel stated he had also received this letter and it is good information, but nothing we were not aware of. Chairman Kniefel questioned who made the request for this information, if it was something the board did? No one on the board knew who made the request. Placed on file.

OLD BUSINESS

Supervisor Erjavec-

Gilbert Wastewater Agreement- No response to our last letter.

Chairman Kniefel informed the board that Bruce Williams will be attending the next meeting to discuss strategy options and pending litigation.

Sewer Pond Study- Rod Flannigan of Benchmark Engineering attended the last PUC meeting to explain the costs. A spray irrigation system and pond is estimated to cost \$5.8 million, with a yearly maintenance cost of \$75,000. Paul Tokarczyk of Benchmark was in attendance and stated the numbers are conservative, but could come down due to the many variables in such a project. The existing system would also need to be upgraded and modified.

Supervisor Tamaro-

IRB Grant- Connection between our Cedar Island Drive and Differding Point waterlines as a possible water project is being studied.

Chairman Kniefel-

Fire Relief- Due to the investment markets being down, there is a shortage in the fund of \$2,398 for 2009 and \$1,500 in 2010. The township is liable to fund the shortages. Discussion whether to fund the shortage from the fire budget or unreserved funds.

Motion to fund the 2009 and 2010 fire relief fund from the general fund unrestricted cash, made by Supervisor Erjavec, support from Supervisor Branville. Motion carried unanimously.

NEW BUSINESS

Supervisor Pernu reported due to the heavy snow and ice, water was leaking into the fire department. Range Cornice and Roofing was called to clean the roof at a cost of \$938.40. The town hall has heavy snow and ice accumulation also.

Motion to have the town hall roof cleaned of snow by Range Cornice and Roofing, made by Supervisor Tamaro, support from Supervisor Pernu. Motion carried unanimously.

Supervisor Tamaro reported the specifications for the new dump truck are being compiled and should be ready for the next meeting. The loader also needs winter tires, prices will be obtained.

Discussion on funding the employee health savings accounts.

Motion to fund the employee health savings accounts, made by Supervisor Tammaro, support from Supervisor Erjavec. Motion carried unanimously.

Chairman Kniefel reminded the board to start working the 2012 levy recommendations. Supervisor Tammaro suggested we start at the next meeting.

CITIZEN CONCERNS AND COMMENTS

Paul Tokarczyk, John Zlimen, Harvey Thompson, Jerry Ulman, Brad Reifsteck and Jim Johnson were in attendance but had no comment.

Steve Shykes thanked the board for their action on the fire relief fund and reported there are hydrants that need to be cleaned of snow.

Scott Smith reported the cascade trailer has been moved.

The E-G High School students had no comment.

Motion to pay the bills made by Supervisor Tammaro, support from Supervisor Erjavec. Motion carried unanimously.

Motion to adjourn by Supervisor Tammaro.

Chairman Kniefel adjourned the Regular Meeting at 7:56 PM.

Respectfully submitted,

Judy M. Sersha
Clerk of Fayal

Approved: _____
Chair

Date: _____

Attest: _____
Clerk