

**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 5, 2010**

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 included several E-G High School students and SEH Engineer Jim Johnson.

***Motion to approve the minutes of the December 15, 2009 Regular Meeting, made by Supervisor Tamaro, support from Supervisor Branville. Motion carried unanimously.***

**REPORTS**

**Clerk/Treasurer's Report**- Bank statements for December 2009 have not yet arrived so this report is tentative. There were \$365,803.23 in revenues and \$78,874.80 in expenditures. Balances are as follows:

Miners Bank-	\$74,110.40
Assessment Savings-	\$475,143.31
Mt. Iron Checking-	\$761,603.25

The Employee Health Savings Accounts have been set up and funded, total \$22,500.00. Mining Effects Report is due to the IRB by January 15, 2010.

Clerk Sersha reported on a meeting she attended in Eveleth regarding the new radio frequency for the fire and EMS services and the joint FEMA grant received for purchasing new radios. Attending were representatives from Mt. Iron, Virginia, Fayal, Gilbert, McDavitt and Eveleth. A joint agreement will be needed and a resolution will need to be adopted by each entity. Eveleth will be acting as the fiscal agent. This may trigger a single audit for Eveleth, and it was agreed that if that happens, all entities will share a proportionate cost for the portion of the audit pertaining to the FEMA grant. Fayal's portion for the matching funds for the grant are approximately \$4,400.00.

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

***Motion to accept the December 2009 Police Report made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.***

**CORRESPONDENCE**

American Bank- They are lowering our interest rate to 1% effective Jan. 1, 2010. They state they have been paying over market rate for several months assuming rates would see some increase. Rates have continued to fall, and they can no longer pay these rates in the near term. They will monitor the interest rate environment. Costs of collateralization and FDIC insurance have also seen very sharp increases in 2009 which adds to their decision. Placed on file.

SLC Auditor- List of properties that have forfeited to the State of MN for non payment of real estate tax. We may ask that these properties be classified as conservation or non conservation. Placed on file.

SEH- Request and proposal for engineering services for 2010. Referred to New Business.

Jerry Ulman- Thank you for the gift certificate.

Fire Chief Shykes- Request for \$4,400.00 in mining effects funds for Fayal's portion of the matching funds for the FEMA Radio grant. Referred to New Business.

**OLD BUSINESS**

**Supervisor Erjavec-**

**Gilbert WWTP Improvement Project/funding-** Nothing at this time.

**IRR Grant Project-** Nothing at this time.

**Supervisor Branville-**

**Employee Contracts-** A meeting has been set on January 19 with the AFSCME bargaining unit and Supervisors Branville and Erjavec. Will report at the next meeting.

**Supervisor Pernu-**

**Air Quality-** Carlson Professional Services inspected the garage area and took an air sample on Monday.

**NEW BUSINESS**

***Motion to allocate \$4,500.00 from 2009 mining effects funds to the fire department for the matching portion of the FEMA radio grant, made by Supervisor Branville, support from Supervisor Erjavec. Motion carried unanimously.***

Supervisor Tammaro reported that Al Jurenic will be re-doing the posting signs at his home using his own equipment. Supervisor Tammaro stated he will be paid his hourly wage for doing this and commended Al for offering to do this job with his equipment.

Short discussion on the request to offer engineering services from SEH. Supervisor Tammaro stated that at the last Reorganization Meeting it was decided we would use an engineer on an as-needed basis. Chairman Kniefel stated we do not have to wait until the next Reorganization Meeting, we can make a designation now, if that is what the board chooses to do. Engineer Jim Johnson stated that by making the designation, SEH can serve the township more economically. Supervisor Tammaro stated we have no projects planned at this time. The board thanked Mr. Johnson for the offer, but took no action.

Chairman Kniefel reported he received a complaint concerning street lights being burned out on the corner of Pine Drive and Miller Trunk and also on the corner of Miller Trunk and Hwy. 53. Supervisor Tammaro will contact MN Power to fix them, as Fayal pays for them.

The Board reviewed the draft mining effects report submitted by Clerk Sersha.

***Motion to reimburse the Road Department \$11,102.00 from the 2009 mining effects for the Golf Course Road project, made by Supervisor Tammaro, support from Supervisor Branville. Motion carried unanimously.***

***Motion to pay the bills made by Supervisor Tammaro, support from Supervisor Pernu. Supervisor Branville abstained from voting on the payment of the Five Seasons bill. Motion carried.***

Motion to adjourn by Supervisor Tammaro.

Chairman Kniefel adjourned the Regular Meeting at 7:27 PM.

Respectfully submitted,

Judy M. Sersha  
Clerk of Fayal

**Approved:** \_\_\_\_\_  
**Chair**

**Date:** \_\_\_\_\_

**Attest:** \_\_\_\_\_  
**Clerk**