

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

DECEMBER 7, 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 in attendance were: Jerry Ulman, Steve Shykes, Chris Sailstad, Jim Johnson, Brad Reifsteck and Harvey Thompson.

Motion to approve the minutes of the November 16, 2010 Regular Meeting made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.

REPORTS

Clerk/Treasurer's Report- For the month of November 2010, there were a total of \$66,081.53 in revenues and \$167,204.75 in expenditures. Ending balances are as follows:

Miners Bank-	\$150,117.14
Assessment Savings-	\$325,919.45
Mt. Iron Checking-	\$670,677.38

The second half apportionment arrived from St. Louis County. A full report will be made at the next meeting.

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

Motion to accept the November 2010 Police Report, made by Supervisor Branville, support from Supervisor Tamaro. Motion carried unanimously.

Motion to accept the November 2010 Road & Bridge Report, made by Supervisor Tamaro, support from Supervisor Branville. Motion carried unanimously.

CORRESPONDENCE

CARE Commission- Request for donation for post-grad party. Referred to New Business.

SLCATO- Regular meeting minutes of Oct. 27, 2010. Next meeting is Jan. 26, 7 pm, Cotton Community Center. Placed on file.

MN State Auditor- Fayal Fire Relief Association Investment Report. Placed on file.

Northeast Service Coop- The advisory committee voted to uphold current pool governance, policy and practice by not reallocating resources from the insurance pool to non-participants. They invite us to consider returning to the insurance pool at any time. Placed on file.

MPCA- They are accepting projects for State Revolving Fund Loan Programs. Referred to PUC, placed on file.

Dick Walsh, IRB- Telephone call advising us that the IRB commissioner will not be accepting any amendments to grants. This means we cannot ask the IRB to change the use of our water line grant to a wastewater grant for use in the upgrade of Gilbert's wastewater plant. Mr. Walsh asked that we request an extension of our grant awarded for a water line project. Clerk Sersha sent a request for extension of the grant for use to December 31, 2011. Referred to Old Business.

US Census- Request for Chairman Kniefel to update them on our boundary information and legal name of our government. Referred to Chairman Kniefel.

OLD BUSINESS

Supervisor Erjavec-

Gilbert Wastewater Treatment Contract- Supervisor Erjavec, Chairman Kniefel and Clerk Sersha met with Gilbert representatives Mayor Bellerud, Councilor Garrity, Clerk Mike Darrow and Engineer John Jamnick on November 23 in Gilbert and December 2 in Fayal. Gilbert had proposed working toward a rate schedule based upon flow and the creation of a sewer district. The November 23 meeting was held to review a counter proposal from Fayal. Fayal submitted a proposal based on flow, which differed from what Gilbert wanted by about \$50,000. At the December 2 meeting in Fayal, Gilbert presented us with an invoice for arrears and advance payment for all of 2011 at the rate they are demanding. If we pay the invoice, in the amount of \$226,746.85 on or before December 31, 2010, they will agree to work on the development of a 20 year agreement beginning in January 2011. Discussion on the impasse.

Motion to continue to pay Gilbert at the rate of \$3.50 per thousand gallons, per the previous wastewater contract, made by Supervisor Erjavec, support from Supervisor Tamaro. Motion carried unanimously.

Discussion on implementation of non-resident sewer rates.

Supervisor Erjavec reported we received our test results from Northeast Technical Services on the strength of Fayal's sewage. Gilbert has always maintained our sewage is stronger and takes more chemicals to treat. According to the report, that is not true. Gilbert's sewage is stronger than Fayal's.

IRB Grant- Clerk Sersha has made the request to extend the grant until December 31, 2011. The IRB commissioner will not make amendments to our grant for change of use at this time.

Motion to table the resolution to amend the grant agreement for further discussion at a later date, made by Supervisor Tamaro, support from Supervisor Branville. Motion carried unanimously.

Supervisor Branville-

Building Committee- Nothing at this time.

NEW BUSINESS

Chris Sailstad of the Fayal Firefighters Relief Association reported there will be a \$392 shortfall in the fund for this year. The fire department has budgeted \$14,000 and the liability is \$14,392.

Motion to donate \$100 to the CARE Commission for the post-grad party, made by Supervisor Tamaro, support from Supervisor Pernu. Motion carried unanimously.

CITIZEN CONCERNS AND COMMENTS

Jerry Ulman was in attendance but had no comment.

Fire Chief Steve Shykes was in attendance and reported the fire department will be receiving a 50/50 matching grant of \$2,000 from the DNR for personal protective equipment.

Chris Sailstad was in attendance but had no comment.

Police Chief Harvey Thompson was in attendance and requested to read a letter of complaint for the record. Chief Thompson's complaint involved a speeding citation he issued to Supervisor Branville, who is the liaison to the police department. Chief Thompson stated Supervisor Branville made inappropriate and threatening remarks to him during the stop. Chief Thompson requested the town board appoint a different supervisor to act as liaison to the police department. Discussion. Chairman Kniefel stated the Reorganization Meeting will be held the first Tuesday in January, and suggested that may be a more appropriate time to address this issue, unless the board has a different view. No action taken at this time.

SEH Engineers Brad Reifsteck and Jim Johnson wished everyone a Merry Christmas.

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

Motion to adjourn by Supervisor Tamaro.

Chairman Kniefel adjourned the Regular Meeting at 7:39 PM.

Respectfully submitted,

Judy M. Sersha
Clerk of Fayal

Approved: _____ **Date:** _____
Chair

Attest: _____
Clerk