

TOWN OF FAYAL
4375 SHADY LANE, EVELETH, MN 55734

Judy M. Sersha, Clerk/Treasurer

Supervisors: James Pernu, Lee Branville, Mike Erjavec, Heidi Coldagelli
PHONE (218)744-2878

Anthony Tamaro, Chairman

FAX (218) 744-5986

REGULAR MEETING OF THE FAYAL TOWN BOARD

MARCH 4, 2014

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

Audience members in attendance were Jerry Ulman and Steve Shykes.

Motion to approve the minutes of the February 18, 2014 Regular Meeting, made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.

AUDIENCE CONCERNS

Jerry Ulman had no comment.

Fire Chief Steve Shykes explained to the board why he thought the fire department went over budget last year.

REPORTS

Clerk-Treasurer's Report- Bank statements have not been received yet, so this report is tentative. For the month of February 2014, revenues were \$109,009.78 and expenditures were \$72,258.38, leaving ending balances of:

Miners Checking-	\$585,898.64
Assessment Savings-	\$435,783.93
Mt. Iron Checking-	\$86,025.66

For the year January 1, 2013 through December 31, 2013, the Fayal Water Company had revenues of \$74,381.72 and expenditures of \$74,871.80. Reserves within the checking account are: Water Test Fees- \$248.26, Maintenance Contingency- \$41,316.44, Depreciation- \$4330.80, Standby Water Fees- \$15,923.98, leaving a cash balance of \$22,524.73.

For the year January 1, 2013 through December 31, 2013, the Fayal Sewer Company had revenues of \$454,681.65 and expenditures of \$367,632.82. Reserves within the checking account are: Maintenance Contingency- \$50,141.83, PUC Truck Depreciation- \$22,862.42, Depreciation- \$17,000, Sewer Access Charges- \$18,702.44 and Roads Retirement Benefit- \$706.70, leaving a cash balance of \$167,786.74.

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

Motion to accept the February 2014 Police Report, made by Supervisor Coldagelli, support from Supervisor Pernu. Motion carried unanimously.

Motion to accept the January 8, 2014 Fire Department Regular Business Meeting minutes, made by Supervisor Coldagelli, support from Supervisor Pernu. Motion carried unanimously.

CORRESPONDENCE

SLCATO- Regular Meeting minutes of 1-22-14. Annual meeting and election of officers will be Wednesday, April 23, 5:30 PM, Cotton. Lobby day is March 19. Charter bus is available. Reservation needs to be made by March 15. Placed on file.

NECSU- Playground safety, compliance, and maintenance seminar is March 12, 10:30 am to 1:30 pm. Registration deadline is March 6. Supervisor Branville suggested either Al or Joe attend.

Jared Hancock- House burned down, wonders why he is still paying sewer bill. Clerk Sersha reported the property is now being sold. Chairman Tamaro asked if Mr. Hancock requested not to be billed. Clerk Sersha stated he made no request. Chairman Tamaro stated it will be up to the new owner to make that request, and no rebate will be given Mr. Hancock.

OLD BUSINESS

Supervisor Erjavec-

Gilbert Sewer Rate Increase- Due to the rate increase, Supervisor Erjavec stated he would like to rescind a motion he made at the last meeting to set the annual sewer depreciation back to \$50,000 per year, instead of \$20,000 per year.

Motion to rescind the previous motion to set the annual sewer depreciation back to \$30,000 per year, retroactive to January 1, 2014, until more information on the rate is received, made by Supervisor Erjavec, support from Chairman Tamaro. Motion carried unanimously.

Supervisor Branville-

Fire Hall Damage- A claim has been submitted to our insurance. As for the snow on the roof, the part-time employees have taken care of that. Estimates will be obtained for roof insulation in the fire department.

Supervisor Coldagelli-

Code of Ethics- The policy has been re-written to coincide with the Conflict of Interest policy already in place. Copies have been forwarded to all for review.

Fire Relief- Supervisor Coldagelli informed the board that a motion is needed to look into other options.

Motion to authorize the Relief Association to look into other retirement options such as PERA, made by Supervisor Coldagelli, support from Supervisor Erjavec. Motion carried unanimously.

NEW BUSINESS

Supervisor Erjavec reported on the meeting with Gilbert regarding a water contract for Differding Point. There has also been testing on flow of water from Gilbert through Fayal and into Eveleth, if needed, due to freezing waterlines in Eveleth.

Supervisor Erjavec stated we are in for a hefty increase in sewer rates, but the same increase has been given to Gilbert customers. We may have to raise our rates \$5-6 per month.

Discussion on frozen water and sewer lines in the township. No main waterlines have frozen, but there are several residents have had their service waterlines freeze. Those that have been able to get them thawed have been told by their contractor to keep their water running. Residents have been asking if they will get a break on their water bill. Many residents have also contacted the clerk's office and asked if they should run their water. Clerk Sersha reported she has been telling people to use their own discretion, but there will be no break on their water bill at this time. Discussion. The board agreed we cannot afford to tell everyone to run their water and give them a break on their bill, only those who have actually had frozen lines.

Motion the bill be no higher than the monthly bill from the prior year at this time, to those who have had a frozen waterline, made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.

Clerk Sersha reported she has been keeping a list of those who have called in with frozen lines, and she will contact those customers and see to it those bills are adjusted.

Motion to accept and approve the 2013 Audit, as prepared by Walker, Giroux & Hahne, made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.

Supervisor Pernu reported the road employees have been busy removing snow from intersections. No snow is dumped on property without permission.

The board reviewed the 2013 Annual Meeting directives from the people that attended.

Chairman Tammaro reported the IRRRB sewer line extension to the proposal was given to Mike Skenzich of the IRRRB for their review.

Discussion on fire hydrant snow removal. Chairman Tammaro asked if the fire department could help? Chief Shykes stated the department can help, but will need to use the loader, and questioned if that would cause a union problem? The issue will be discussed with the road department employees.

Discussion on the 2015 levy proposal.

Motion to recommend to the feeholders at the Annual Meeting a proposed 2015 levy of \$594,000 and \$642,000 as another option if a 40 hour per week police officer is hired, made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.

Training will be held in Cotton for Board of Equalization on March 18, 6-9 pm. Supervisors Erjavec, Coldagelli and Branville plan to attend.

Motion to cancel the Regular Meeting of March 18, 2014, made by Supervisor Erjavec, support from Supervisor Pernu. Motion carried unanimously.

Motion to pay the bills made by Supervisor Branville, support from Supervisor Coldagelli. Supervisor Branville abstained from the payment of the Five Seasons bill. Motion carried.

Motion to adjourn made by Supervisor Branville, support from Supervisor Erjavec. Motion carried unanimously.

Regular Meeting adjourned at 7:54 PM.

Respectfully submitted,

Judy M. Sersha
Clerk of Fayal

Approved: _____
Chair

Date: _____

Attest: _____
Clerk