

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

PHONE (218)744-2878

FAX (218) 744-5986

REGULAR MEETING OF THE FAYAL TOWN BOARD

APRIL 6, 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, Dennis Pernu and Police Chief Harvey Thompson. Jim Johnson of SEH was present for a short time later in the meeting.

Motion to approve the minutes of the March 2, 2010 Regular Meeting made by Supervisor Tamaro, support from Supervisor Pernu. Motion carried unanimously.

Motion to approve the minutes of the March 16, 2010 Special Joint Meeting with Gilbert, made by Supervisor Pernu, support from Supervisor Erjavec. Motion carried unanimously.

REPORTS

Clerk/Treasurer's Report- For the period of March 1-31, 2010, there were \$35,876.46 in revenues and \$49,879.39 in expenditures leaving ending balances as follows:

Miners Bank-	\$72,475.40
Assessment Savings-	\$408,161.49
Mt. Iron Checking-	837,320.63

For the months of February and March 2010, bank statements have been received and all accounts have been reconciled.

Supervisor Branville questioned what the cash balance of the O'Laughlin Square project consists of? Clerk Sersha explained the balance is pre-paid assessments. Supervisor Branville questioned if the funds should be invested in a certificate of deposit. Clerk Sersha answered that is a decision to be made by the board or PUC. The standby water funds were completely utilized by the project, so those funds could be invested as standby funds, if that is what the board wants to do. Short discussion. Clerk Sersha will invest the funds in a certificate of deposit.

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

Motion to approve the March 2010 Police Report made by Supervisor Branville, support from Chairman Kniefel. Motion carried unanimously.

Motion to approve the March 10, 2010 Fire Department Regular Business Meeting minutes, made by Supervisor Branville, support from Supervisor Erjavec. Motion carried unanimously.

Motion to accept the March 16, 2010 Special Planning Committee Meeting minutes, made by Chairman Kniefel, support from Supervisor Tamaro. Chairman Kniefel stated the meeting was held to review and comment to the county planning board, the variance request application from Deborah Hunter. Motion carried unanimously.

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

Motion to accept the March 10, 2010 Joint Rec Regular Meeting minutes, made by Supervisor Tamaro, support from Supervisor Branville. Motion carried unanimously.

Motion to accept the informational Eveleth-Fayal Cable TV notes of March 24, 2010, made by Chairman Kniefel, support from Supervisor Tammaro. Motion carried unanimously.

CORRESPONDENCE

SLC Fair- Request for donation. Referred to New Business.

Iron Range Youth in Action- Thank you for donation. Placed on file.

American Bank- Our Certificates of Deposit will be changing from automatically renewable to non-renewable in 30 days so the rate can be renegotiated at maturity. Placed on file.

MN Power- Notice of Public Hearings in MN Power's Rate Case. Public Hearing will be held April 13, 2 pm and 7pm, Eveleth Range Recreation & Civic Center. You may also submit written comments. Placed on file.

Jane Kingston- Thank you for the Christmas gift certificate, but it was donated to the Eveleth IGA Food Voucher program because Ms. Kingston serves on strictly a volunteer basis and did not feel it was appropriate to accept such a gift from the township. Placed on file.

SLCATO- Regular Meeting minutes of February 24, 2010. Annual banquet is Wednesday, April 28, Cotton Community Center. Main Speaker is Judge Pagliaccetti. Placed on file.

SLC Planning- Board of Adjustment will hold a public hearing on Tuesday, April 13, 9 am, Northland Office Center on the Deborah Hunter variance request. Referred to Planning Committee.

Joyce Stanaway- Letter requesting more information on proposed waste collection system. Referred to PUC.

Benchmark Engineering- Preliminary Effluent Limit Review Request. Referred to New Business.

Northeast Service Cooperative- 1) Draft for proposed bylaw changes to be voted on at a meeting of the members at 5 pm, Wednesday April 21, at Northeast Service Cooperative. 2) Northeast Service Cooperative will receive \$43.5 million in federal funding for the Northeast Middle Mile Fiber Project through the Rural Utilities Service at the US Dept. Of Agriculture. This will bring vendor neutral broadband services to more than 220 key sites across the Arrowhead region with over 915 miles of in the ground fiber backbone. Once project bids are awarded, construction will begin in 2011 and continue into 2012. Placed on file.

OLD BUSINESS

Supervisor Erjavec-

Gilbert Wastewater Treatment Contract- Our offer was sent to Gilbert for their consideration.

Supervisor Pernu-

Cold Storage Building Garage Doors- Three quotes were obtained for two new insulated doors. Costs for replacement of the two doors, not including electrical work are:

Glass & Door	\$4,560
Phil's Garage Door Services	\$5,508
Industrial Door Company	\$5,200

Motion to purchase the garage doors from Glass & Door to be paid from the Capital Equipment Fund, made by Supervisor Pernu, support from Supervisor Tammaro. Motion carried unanimously.

Tennis Court- An estimate will be obtained to fill the cracks in the tennis court.

Supervisor Tammaro-

Tennis Court- SEH estimates it will cost \$25-50,000 for a new court. The fence is not in good shape either. Tammaro states we will have to start looking at replacement.

Backhoe- There have been some problems with the controls on the backhoe, estimated cost \$1,000-\$1,500 for repairs.

Motion to authorize repair of the backhoe at a cost of \$1,000-\$1,500, made by Supervisor Tamaro, support from Supervisor Pernu. Motion carried unanimously.

Grader- New tires are needed, they are cupping. Costs were obtained for new tires and recapping of the old ones from Tire Retread and Pumps. New ones are \$1200 each, 6 needed. Recapping is \$600 each from Pumps.

Motion to authorize recapping of the grader tires this summer, made by Supervisor Tamaro, support from Supervisor Erjavec. Motion carried unanimously.

Chairman Kniefel-

Ratification of Public Works Contract- A signed copy of the contract was received from the union.

Motion to ratify the AFSCME contract for the public works employees made by Supervisor Branville, support from Supervisor Erjavec. Motion carried unanimously.

Motion to authorize the clerk to proceed to calculate and compensate the retro pay to the first of the year, made by Chairman Kniefel, support from Supervisor Pernu. Motion carried unanimously.

NEW BUSINESS

Supervisor Erjavec reported Dale would like to attend a class on stabilization ponds on April 27-29 in Fergus Falls. The training is needed to be certified to have ponds.

Motion to authorize the wastewater operator Dale Dickson to attend stabilization pond training in Fergus Falls April 27, 28, and 29, made by Supervisor Erjavec, support from Supervisor Branville. Motion carried unanimously.

Supervisor Erjavec reported the application fee to begin the process to submit the Preliminary Effluent Limit Review Request, made by Supervisor Erjavec, support from Supervisor Tamaro. Discussion on how the fee will be paid. Fee will be paid from sewer fund, and with the possibility of reimbursement from the grant we have in place. Motion carried unanimously.

Supervisor Branville read a letter from the Fayal Fire Department stating that Jess Nuno was tested and interviewed for membership, passing all criteria and they are recommending he be hired upon favorable results of his physical exam.

Motion to hire Jess Nuno as a firefighter pending favorable results of his physical exam, made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.

Supervisor Branville reported he and Supervisor Erjavec met with Police Chief Harvey Thompson and his union representative Joe Pershern. Contract proposal for essential unit was salary increases of 3/3/2 over three years, and increase in clothing allowance from \$200 to \$300, not to exceed \$900 maximum. Discussion. Supervisor Erjavec stated the Martin Luther King holiday was not included in the proposal, and to keep all contracts consistent, suggest the holiday be given instead of the increase in clothing allowance. Consensus of the Board was to agree to the proposal. Supervisors Branville and Erjavec will be meeting with Mr. Thompson and his union rep on Thursday.

Motion to approve the new amended Joint Powers Cable TV agreement, made by Supervisor Tamaro, support from Chairman Kniefel. This agreement is between Fayal and Eveleth, Gilbert has opted out. Motion carried unanimously.

The board declined to make a donation to the St. Louis County Fair.

Discussion on the new delta dental plan through Arrowhead Procure. Clerk Sersha explained this plan has better coverage, but is not a one premium plan. The plan costs \$39 for single and \$102 for family. Employee and spouse are \$78 per month. The former plan was a flat \$77.45 per month making no differentiation on single or family coverage. Total cost of old plan was \$387.25, new plan if dependants are included would be \$399 per month at this time. Sersha explained all employees

and dependants were included in the old plan at no cost to the employee, but the contract states the township only has to provide for the employee.

Motion to authorize a monthly automatic payment to Arrowhead Procure for the dental premium from our Mt. Iron checking account, made by Chairman Kniefel, support from Supervisor Erjavec. Motion carried unanimously.

Motion to offer the dental coverage to employees only and to make it available at their cost to dependants, elected officials and retirees, made by Chairman Kniefel, support from Supervisor Tamaro. Chairman Kniefel stated the difference between the two plans are only \$12 per month, but wanted to stick to the contract, due to the fairness doctrine. Motion carried unanimously.

Chairman Kniefel stated we have two liquor license renewals to pass along to the county board.

Motion to approve the request of John Roger Rinne d/b/a Eveleth Golf Course for renewal of 2010-2011 3.2 Percent Malt Liquor License with special reference to good moral character and repute, made by Chairman Kniefel, support from Supervisor Pernu. Motion carried unanimously.

Motion to approve the request of Candy's Land of Eveleth, Inc. d/b/a K & B Drive In for renewal of 2010-2011 3.2 Percent Malt Liquor License and Wine License with Authorization to Sell On-Sale Intoxicating Malt Liquor with special reference to good moral character and repute, made by Chairman Kniefel, support from Supervisor Branville. Motion carried unanimously.

Chairman Kniefel asked if there was any more New Business. Supervisor Branville stated that he has a lot of contact with Fayal residents due to where he works and he has been asked on a regular basis how the proposals will be dealt with at the Annual Meeting. Supervisor Branville questioned if we are going to be getting legal opinions on levy item for the police department, and if the board is going to be taking any action?

Chairman Kniefel stated it is his personal opinion the levy item takes care of itself, it is within the purview of the annual meeting to set the levy. Supervisor Branville questioned if we are going to be looking into is it in the townships best interest to eliminate the police department, or is it in the public's interest to keep the police department or will the townspeople eliminate it? Chairman Kniefel stated there are certain items that are in the purview of the annual meeting, and there are certain things that are not. The setting of the tax levy is in their purview, so without having another town meeting that levy is what the levy is going to be. With regards to making decisions on personnel, that is a decision of the town board, not something that is done at an annual meeting. If the town board wishes to take action on something that was done at the annual meeting, that is certainly up to us to do that, but we are not bound to take that particular action. Chairman Kniefel further stated that the annual meeting cannot force a town board to do something the town board feels is not in the best interest of the town—you cannot bring in a gang of people and force the town board to take an action that is not in the best interest of the town. Supervisor Branville objected to the term "gang of people". Chairman Kniefel stated that was not a correct term. Supervisor Branville stated, for the record, that is not what was meant—to bring in a gang of people to do that? Kniefel and Branville then discussed different statutes pertaining to actions taken at the annual meeting and discussed the actions taken by the people. Chairman Kniefel again stated the annual meeting does not hire and fire personnel.

Supervisor Branville stated he would make a recommendation we seek a legal opinion, because these people want answers. Chairman Kniefel stated he has no problem with that. Chairman Kniefel stated he was asked for a timeline, gave his opinion, and the board will deal with it as it sees fit. There was much more discussion and opinions given by the board members. A legal opinion will be sought.

Discussion on the directive from the annual meeting concerning hiring an independent assessor. No action taken.

CITIZEN CONCERNS AND COMMENTS

Jerry Ulman was in attendance but had no comment.

Dennis Pernu was in attendance and stated that if we hired the sheriff, in ten months it would cost what we are paying for a whole year for our own police department. Supervisor Branville stated we would only need the sheriff on an as-case basis, if there is a local ordinance where a ticket needs to be served, and questioned if in a years time, we are going to run up a bill of \$36,000 for three or four tickets? Mr. Pernu stated we have a dog law, speeding laws, and if you get a ticket, pay the ticket. Mr. Pernu stated that if he gets a ticket, he pays it, it's that simple. Supervisor Branville asked Mr. Pernu what his point was. Mr. Pernu stated that the people that came here, got tickets, and they weren't happy about it. Supervisor Branville agreed that was probably one of the reasons, but they also bring up the reason that it costs \$36,000. Mr. Pernu questioned if one life out here is worth \$36,000, if somebody out here hits a kid, and we have no one with radar on? Supervisor Branville stated he is not going to go that route tonight, but added that we could spend a million dollars and still have deaths in the township, and questioned where do you draw the line? Mr. Pernu stated that when Harvey is not out and about, people drive faster, and stated a police presence is needed.

Police Chief Harvey Thompson was in attendance and stated that this whole thing is because they don't like him, and that should have nothing to do with it. Chief Thompson stated he heard that Supervisor Branville voted at the annual meeting to eliminate the police department, but did not ask Supervisor Branville if that was so. Chief Thompson stated Branville is liaison to the police department and has not spoken to him for five months, except for the other day with the union rep. Chief Thompson stated this shows a definite bias on Branville's part against the police department, and against him. Chief Thompson stated he is not comfortable with Supervisor Branville being his liaison. Supervisor Branville stated he is not comfortable being the liaison. Chief Thompson requested the board appoint a different supervisor to the police department because of that bias. There was much discussion between the two, and Chairman Kniefel stated the board will address the issue of police liaison at the next meeting.

SEH Engineer Jim Johnson was in attendance but had no comment.

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

Motion to adjourn by Supervisor Tammaro.

Chairman Kniefel adjourned the Regular Meeting at 8:23 PM.

Respectfully submitted,

Judy M. Sersha
Clerk of Fayal

Approved: _____
Chair

Date: _____

Attest: _____
Clerk

