

**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**

**JUNE 21, 2011**

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: Tim Thompson and Jim Johnson.

***Motion to approve the minutes of the June 7, 2011 Regular Meeting made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.***

**REPORTS**

**Clerk/Treasurer's Report**- For the period of June 1- 21, 2011 there have been revenues of \$16,950.50 and expenditures of \$101,681.74. Tentative balances as of this date are as follows:

Miners Bank-	\$59,907.21
Assessment Savings-	\$460,514.82
Mt. Iron Checking-	\$668,358.25

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

***Motion to accept the June 8, 2011 EFGSD Joint Rec minutes, made by Supervisor Tamaro, support from Supervisor Branville. Motion carried unanimously.***

***Motion to accept the May 10, 2011 minutes of the Regular Public Utilities Commission meeting, made by Supervisor Erjavec, support from Supervisor Tamaro. Supervisor Erjavec reported the PUC voted to authorize an engineering study on costs for sewer from Fayal to Eveleth. Erjavec stated it is premature at this point since we are involved in litigation with Gilbert. Motion carried unanimously.***

**CORRESPONDENCE**

League of MN Cities- Appraisal report for Fayal Township. Placed on file.

Tony Sertich, IRRRB- Information regarding the potential temporary suspension of state contract performance as of July 1, 2011 if a state budget is not adopted. Placed on file.

Boyer Trucks- Information on used single axle trucks for sale. Placed on file.

Brad Anderson- Owns Anderson Land Development and has equipment for roadside mowing and brushing. If we are planning on hiring any of this type of labor, he would appreciate our consideration. Placed on file.

Ryan Turner, DSGW Engineering- Thank you card for the opportunity to give a presentation on their firm to the town board. Placed on file.

## **OLD BUSINESS**

### **Supervisor Erjavec-**

**Wastewater Rate Study-** Gilbert has stated, through their attorney Jackie Corradi, all the information needed for a study is in their audits.

**NTS Testing-** There is one more week left of testing. Comparisons will be studied once all results are in.

Chairman Kniefel stated mediation with Gilbert has been set for July 25, 9:00 AM at the St. Louis County Courthouse, and the board should make a decision on who, along with Clerk Sersha, to send to represent Fayal.

***Motion to appoint Mike Erjavec and Steve Kniefel as representatives, made by Supervisor Tamaro, support from Supervisor Branville. Discussion. Supervisor Branville added that as alternate he would recommend Tony Tamaro. Supervisor Tamaro added that the representatives will have the authority to negotiate, and if an agreement comes out of it, to settle this. Supervisor Branville added it would be temporary approval pending a final board vote. Chairman Kniefel stated it would come back to the board for a final ratification. Chairman Kniefel asked if there was any more discussion. There being none, Chairman Kniefel called for the vote. Motion carried unanimously.***

**Eveleth Water Rates-** Supervisor Erjavec stated the increase in water rates by Eveleth can be offset by using reducing the monthly maintenance contingency set-aside to the original rate. The water maintenance contingency has been funded by an extra \$600 per month since the general fund forgave the Fayal Water Company loan, and it has grown to over \$30,000. If the \$600 per month is used for general operating expenses in the Fayal Water Company, no rate increase will be needed.

***Motion to use transfer the extra maintenance contingency funds of \$600 per month to the general operating expenses of the Fayal Water Company, made by Supervisor Erjavec, support from Supervisor Tamaro. Motion carried unanimously.***

**(Clerk/Treasurer's Note- The Fayal Water Company maintenance contingency will now be funded at the former rate of \$333.34 per month, and the general operations of the Fayal Water Company will now receive the \$637.50 per month.)**

### **Supervisor Branville-**

**Fire Hall Building Committee-** Supervisor Branville stated he was impressed by the presentation given at the last meeting by DSGW, and stated their primary purpose is architecture and they have experience in community projects from fire halls to other public buildings. Supervisor Branville and Steve Shykes would like to meet with John Gerzina or Ryan Turner to ask a few more questions and get a cost to go out for bidding.

**Sign Project-** Nothing to report.

### **Supervisor Pernu-**

**Basketball Court-** No easement from the gas company is needed for the new location. We will try to have Mesabi Bituminous pave the court when they are here to pave the bike trail.

**Ballpark-** Some equipment has been ordered, Mr. Forte is working on a Twins grant for the park. Water and electric is needed at the site.

### **Supervisor Tamaro-**

**Solar Project-** A letter requesting a change to the grant has been sent to Commissioner Sertich.

**Joint Rec-** Tim Thompson was in attendance to report on the EFGSD Joint Rec Commission. Discussion on the by-laws. Supervisor Tamaro reported there are some proposed by-law changes that will be coming before the entities.

**Chairman Kniefel-**

**Korpela Plat-** A request has been made of the town by Peggy Sloan to extend sewer lines to the proposed plat. Discussion on how to proceed. A past cost estimate study shows it would be approximately \$38-40,00 to extend lines to that area. Jim Johnson of SEH explained the town needs a development agreement with the owner that spells out who pays for what, and how much. Mr. Johnson stated he has many examples of such an agreement and would be happy to provide one for the town to use.

**NEW BUSINESS**

Supervisor Tamaro informed the Board of the federal mandate for road signs and what is needed to be in compliance, namely a plan and an inventory. Foreman Steve Verkovich submitted a report on which signs are needed for our inventory.

***Motion to allocate from Road & Bridge, up to \$5,000.00 for road signs to be compliant with the first phase of the federal sign mandate, made by Supervisor Tamaro, support from Supervisor Pernu. Motion carried unanimously.***

***Motion to purchase 325 cubic yards of winter sand from Seppi Brothers at \$3.75 per yard, made by Supervisor Tamaro, support from Supervisor Branville. Motion carried unanimously.***

***Motion to purchase 50 tons of road salt, per the state bid, at a cost of \$67.25 per ton, made by Supervisor Tamaro, support from Supervisor Pernu. Motion carried unanimously.***

Discussion by the board on the proposed updated draft animal ordinance. Supervisor Branville objected to the portion of the ordinance that stated the Town of Fayal does not recognize invisible fences, and wanted it removed from the ordinance. Discussion, the board agreed that portion would be deleted, and the misdemeanor fine amount would also be deleted.

***Motion to adopt Ordinance 2011-01 Town of Fayal Animal Ordinance, made by Chairman Kniefel, support from Supervisor Erjavec. Motion carried unanimously.***

***Motion that the town cover the insurance deductible for the Fayal Firefighters Relief Association, as required by their auditor, made by Chairman Kniefel, support from Supervisor Tamaro. Motion carried unanimously.***

Supervisor Pernu reported the two new lawnmowers that were purchased last year and were stored in the storage building have been stolen. Supervisor Pernu stated the cost for the mowers was \$850, and he commented that in the past year we also had the fire department boat motor stolen which also had to be replaced.

Supervisor Tamaro reported the street improvement project went well. The shouldering has not been completed yet, and blacktop will have to be feathered in some driveways. KGM will be back to complete do the repairs and shouldering.

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

Motion to adjourn by Supervisor Tamaro.

Chairman Kniefel adjourned the Regular Meeting at 8:31 PM.

Respectfully submitted,

Judy M. Sersha  
Clerk of Fayal

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

**Chair**

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

**Clerk**