

TOWN OF FAYAL
4375 SHADY LANE, EVELETH, MN 55734

Judy M. Sersha, Clerk/Treasurer

Steven J. Kniefel, Chairman

Supervisors: Tony Tammaro, James Pernu, Lee Branville, Mike Erjavec

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REGULAR MEETING OF THE FAYAL TOWN BOARD

AUGUST 17, 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 Tammaro and Clerk Sersha.

Audience members in attendance were: Jerry Ulman, Donna O'Connor, Mike Johnson, Steve Shykes, Jim Johnson, Katie Hildenbrande and Scott Sosalla.

Motion to approve the minutes of the Regular Meeting of July 20, 2010, made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.

SCHEDULED GUESTS

Katie Hildenbrande and Scott Sosalla of Architectural Resources were in attendance regarding the expansion plans for the town hall and fire hall. Ms. Hildenbrande gave a recap of the plan and asked if the board was ready to go on to the next process. Supervisors Branville and Pernu both stated that once we received the conceptual drawing, we heard no more from Ms. Hildenbrande, despite having made several calls to her. Ms. Hildenbrande stated there must have been a mis-communication, she was waiting for us to find a location for the fire hall. Fire Chief Steve Shykes stated he had also received no contact from Ms. Hildenbrand, and the conceptual drawing left out many of the items the fire department wanted. Ms. Hildenbrand explained the drawing was not to scale and was only to be used as a marketing tool to obtain funding, but that all of the fire department's needs were incorporated into the budget.

Supervisor Branville questioned if Architectural Resources helps find funding? Mr. Sosalla replied that they are design architects and do not generally get into the funding process, but they can recommend several firms to help the township obtain funding. Mr. Sosalla explained how their fee structure works for such a project. Supervisor Branville added that we tentatively have two locations for a new fire hall- the airport and the Eveleth water plant, both of which will be at no cost or very low lease cost.

At this point in the meeting, 7:30 PM, Supervisor Tammaro had to leave the meeting.

Mike Johnson was in attendance. Mr. Johnson proposed screening the compost for the township for half of the end product. The township employees would haul it to his pit, the compost would be processed, and the town employees would then haul half of it back to the town's pit. There would be no cost to the township for the screening. Supervisor Pernu stated that Al Jurenec had spoken with three vendors to screen the compost, and there was no interest. Referred to New Business.

REPORTS

Clerk/Treasurer's Report- For the month of July 2010 there were revenues of \$496,438.56 and expenditures of \$426,720.56. All bank statements have been received and reconciled. Ending balances are:

Miners Bank-	\$150,142.54
Assessment Savings-	\$312,865.66
Mt. Iron Checking-	\$1,146,298.03

For the month of August to date, there have been revenues of \$20,278.05 and expenditures of \$14,733.52.

At the primary election held August 10, 2010 there were a total of 1,378 registered votes and 25 new registrants on election day. A total of 588 ballots were cast. Only 400 ballots were received from St. Louis County, so duplicated ballots needed to be made for 188 voters and those ballots had to be hand counted. The Fayal election judges did an excellent job at the primary and all of them should be commended for their service.

Filings have closed for town officers as of 5:00 PM today. Affidavits of candidacy were filed as follows: Seat 1- Mike Erjavec, Seat 3- Lee Branville, Seat 5- Jim Pernu, Clerk/Treasurer- Judy M. Sersha. All officers are running unopposed.

The tax-forfeit property at 7511 Ely Lake Drive has been sold and there are delinquent utilities and delinquent special assessments owed to the township. Referred to New Business.

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

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

Motion to accept the Fayal Firefighters Regular Business Meeting minutes of July 14, 2010, made by Supervisor Branville, support from Chairman Kniefel. Supervisor Branville questioned what changes have been proposed to the by-laws? Fire Chief Shykes explained the by-laws are being amended to set up a probationary period of one year for new fire fighters, with a review after six months, the assignment of a mentor to each new firefighter, and the option to terminate within one year for no cause if the firefighter has not completed all training. Also, the by-laws will be amended to extend the time period to 90 days to make up training instead of 30 days. The fire department has approved these by-law changes and will be forwarding them to the town board for their approval. ***Motion carried unanimously.***

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

Motion to accept the EFGSD Joint Rec Regular Meeting minutes of August 11, 2010, made by Chairman Kniefel, support from Supervisor Branville. Motion carried unanimously.

Motion to accept the E-F Joint Cable TV Special Meeting minutes of July 14, 2010, made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.

CORRESPONDENCE

SLC Planning- The 2011 CDBG funding cycle is underway, information on applications and time lines are included. Placed on file.

Fayal Firefighters Relief Association- 2009 audit and 2010 Schedule Form for Lump Sum Pension Plans. There is no required contribution by the town for 2010. Placed on file.

MN Revenue- Information on market value credit reductions for 2010 and future years. Placed on file.

Iron Range Youth in Action- Thank you for donation in helping them continue to rebuild homes for victims of Hurricane Katrina. Placed on file.

Joe Uhan- Letter of Resignation from the Fayal Planning Committee, dated August 2, 2010. Referred to New Business.

AFSCME, Joe Pershern- The union has rejected the boards offer to settle the grievance adding the language regarding other dental coverage and will appeal the grievance to mediation, per Article IV, Section 4C. A copy of the petition filed with BMS to have a hearing scheduled is included. Placed on file, referred to Supervisors Erjavec and Branville.

Supervisor Erjavec- Copy of letter to IRB requesting change in grant from water to wastewater. Reply from Dick Walsh of the IRB on procedure to make the request.

OLD BUSINESS

Gilbert Wastewater Contract- Supervisor Erjavec reported he spoke with Gary Mackley to obtain the needed information for the request he is working on with the IRB to change our grant status. Erjavec discussed with Mackley the possibility of using Fayal's grant on the Gilbert wastewater improvements to try to come to an agreement for effluent treatment.

In June, Gilbert began charging the higher rate for treatment of Fayal's wastewater. The June payment was made, but the July bill now also includes a fee for debt amounting to and additional \$3,024.30. Since we are still operating under the terms of the old contract, there has been an overpayment.

Motion to subtract the June and July overage from the July bill and send a letter to Gilbert explaining why, and to copy the letter to our attorney, made by Supervisor Erjavec, support from Chairman Kniefel. Motion carried unanimously.

Wastewater Ponds- Information from the MPCA was received and we could probably get a permit for the ponds if we had 120 acres for a spray irrigation system.

Supervisor Branville-

Fire Radio Grant- The six fire department entities would like to purchase additional accessories with the grant funds, but an amendment is needed to allow for the purchase. Each entity has to contribute a 5% match, so the budgeted amount would not change.

Motion to authorize the clerk to inform Eveleth there is no objection to the purchase of accessories from the FEMA grant, made by Chairman Kniefel, support from Supervisor Branville. Motion carried unanimously.

Supervisor Branville-

Health Insurance- Supervisor Branville reported that our former insurance agent informed him that had Fayal stayed with the NESCU BCBS health insurance we would have received a \$45,000 refund. The refund is going to entities that had many years of high increases. Clerk Sersha questioned why all of a sudden, they are giving refunds and asked to see the paperwork. Supervisor Branville stated he will provide a copy of the paperwork to Clerk Sersha and urged her to contact Paul Brinkman of the Northeast Service Cooperative.

Supervisor Pernu-

Buildings & Grounds- The handicap parking area has been repainted, and the crack sealing on the tennis courts was inspected by the installer. Certain areas of the crack sealing have stayed soft, but that is the way it is supposed to be.

Grader- The retread tires will be here on Thursday.

NEW BUSINESS

Clerk Sersha reported the tax forfeit property located at 7511 Ely Lake Drive, Parcel Code 340-0010-01847 has been sold. The special assessment for sewer has never been paid since it was certified in 2000. There are also delinquent utilities of \$2,295.86 on the property for the years since the former owners moved out and the property went tax forfeit.

Motion to certify to the St. Louis County auditor a sewer assessment of \$6,625.00 plus 3.5% interest on parcel code 340-0010-01847 in the following manner: \$460.30 per year on the property taxes starting in pay 2011 through the year 2030, made by Chairman Kniefel, support from Supervisor Pernu. A memo will be kept in the utility billing and the parcel file for this particular piece of property making note of the special assessment being for different years than all of the others. Motion carried unanimously.

Jim Johnson of SEH Engineering explained their specialty areas of expertise, one being public works and fire buildings. Their firm also has experienced staff to help entities with obtaining funding.

Supervisor Branville suggested a building committee be formed so the project can go forward.

Supervisors Branville and Pernu and Fire Chief Shykes volunteered to sit on the committee.

Supervisor Pernu stated a new computer is needed for Road & Bridge.

Motion by Supervisor Pernu, support from Supervisor Branville, to authorize the purchase of a new computer from Roger's Online at a cost of \$1,199 and purchase the three year service and warranty package for \$300, total cost \$1,499. Motion carried unanimously.

Supervisor Pernu reported quotes will be obtained by Supervisor Tammaro for air conditioning in the town hall area, to be purchased with mining effects funds.

Motion to authorize the proposal from Mike Johnson for screening compost, made by Supervisor Pernu, support from Supervisor Erjavec. Motion carried unanimously.

Motion to accept, with gratitude, the letter of resignation from Joe Uhan from the Fayal Planning Committee and send a letter of thanks, made by Chairman Kniefel, support from Supervisor Pernu. Motion carried unanimously.

Motion to post for the vacancy on the Planning Committee, made by Chairman Kniefel, support from Supervisor Pernu. Motion carried unanimously.

CITIZEN CONCERNS AND COMMENTS

Donna O'Connor questioned what was in the proposal from SEH.

Fire Chief Shykes reported the fire department has received a \$4,000 training grant for specialized training, with one year to exercise the grant.

Jerry Ulman had no comment.

Jim Johnson stated he will have quotes for the crack sealing, overlay program, crushing aggregate and repair of the tennis court fence by the first meeting in September.

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

Motion to adjourn by Supervisor Pernu.

Chairman Kniefel adjourned the Regular Meeting at 8:45 PM.

Respectfully submitted,

Judy M. Sersha
Clerk of Fayal

Approved: _____
Chair

Date: _____

Attest: _____
Clerk