

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 21, 2012

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 Jamie Lindseth, Jerry Ulman, Jim Johnson, Larry Meglan, Cynthia Meglan, Jim Nyhus, and Barb Nosan.

Motion to approve the minutes of the July 17, 2012 Regular Meeting, made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.

SCHEDULED GUESTS

Jamie Lindseth was in attendance to report on the township's insurance policies for the ensuing year. A new appraisal was done last fall on the town's property, vehicles and infrastructure and the value has increased by \$1.2 million, to a total of \$4,197,690. Due to the increase in insured value, the premium for the policy has is up by \$2,142, to \$29,866 for August 2012- August 2013. However, this amount is about the same amount paid in 2009. The Health Partners 5 health insurance employee policies will also increase on November 1 about \$5.50 per employee, per month, or a total of \$600 per year.

REPORTS

Clerk/Treasurer's Report- All statements for the month of July 2012 have been received and all accounts have been reconciled. Revenues were \$516,984.83 and expenditures were \$427,215.50. There was a transfer from Assessment Savings to Mt. Iron checking in the amount of \$288,765.90 for the August PFA loan payment. Ending balances as of July 31, 2012 are:

Miners Bank-	\$131,290.36
Assessment Savings-	\$341,388.66
Mt. Iron Checking-	\$773,727.46

Ending Cash Balances as of July 31, 2012 for:

Fayal Sewer Company	\$99,847.23
Fayal Water Company	\$16,565.37
Fayal PUC	\$4,136.65

For the month of August to date, there have been revenues of \$23,760.75 and expenditures of \$45,518.01

The state primary election was held August 14, all election judges did an excellent job and should be commended for their hard work. Filings for township offices opened on July 31 and closed on August 14. The following persons have filed affidavits of candidacy in the clerks offices to be placed on the November general election ballot. For Supervisor, 4 year term, Seat 2- Tony Tammaro and Patrick Ziegler, Seat 4- Heidi Coldagelli. Steve Kniefel has decided to retire from Seat 4. Clerk/Treasurer, 2 year term- Judy Sersha.

Clerk Sersha informed the Board the employees have been cleaning out the upstairs and the storage building and there are things that need to be disposed. Some of the items are old road signs, chain link fence and associated hardware, along with other various junk.

Motion to dispose of the unneeded property as we see fit, made by Supervisor Pernu, support from Supervisor Tamaro. Motion carried unanimously.

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

Motion to accept the June 13, 2012 Fire Department Regular Business Meeting minutes, made by Chairman Kniefel, support from Supervisor Pernu. Motion carried unanimously.

Motion to accept the August 8, 2012 E-F Joint Cable TV Regular Meeting minutes, made by Supervisor Tamaro, support from Supervisor Pernu. Motion carried unanimously.

Motion to accept the July 2012 Road & Bridge Report, made by Supervisor Tamaro, support from Supervisor Pernu. Motion carried unanimously.

Motion to accept the July 2012 Police Report, made by Chairman Kniefel, support from Supervisor Tamaro. Motion carried unanimously.

CORRESPONDENCE

Tobacco-Free Youth Recreation- Reminder to have the park and rec areas signed, also offering tobacco free signs at no cost for the signs or shipping. Placed on file.

SLC Planning- Notice of a public hearing on Thurs. Aug 9, 10 am, Northland Office Center regarding a high voltage transmission line that crosses United Taconite's North Pit at its Thunderbird Mine facility. Referred to Planning Committee, placed on file.

Mediacom- Effective Sept. 1, Family cable will increase \$2 and Star Packages will increase by \$3 per month. Placed on file.

Doug Schmitz, Mesabi Trail Manager- Requesting our section of trail be mowed and swept by Aug. 3 for the Great River Energy Ride which will be held August 4. Albert Jurenec took care of the mowing and sweeping, and the event was a great success.

Health Partners- We are not receiving a medical loss ratio rebate because Health partners has met the federal requirement for our group and has spent a certain amount on health care services and activities to improve health care quality. Placed on file.

MN Office of Administrative Hearings- A hearing will be held on the Gilbert/Fayal Township Pontinen property by the Office of Administrative Hearings-Municipal Boundary Adjustment Unit. A request for data was also received and Chairman Kniefel responded. Referred to New Business.

YMCA, Karl Oberstar Jr, - Request for resolution in support of the YMCA. Referred to New Business.

OLD BUSINESS

Supervisor Erjavec-

Gilbert Litigation- Gilbert has been served and the lawsuit filed in court.

Supervisor Tamaro-

Service Drive- Jim Nyhus and Barb Nobens of Service Drive were in attendance. Both have requested paving Service Drive. Cedar Island Drive is currently being resurfaced by KGM on behalf of St. Louis County. Both ends of Service Drive will be paved in 100 feet, so the remainder of the road will remain unpaved. Mr. Nyhus spoke with KGM and they have quoted \$10,800 to pave the rest of Service Drive with 3 inches of asphalt. Discussion by the Board. Service Drive is not on the list to be improved, and the consensus of the board is any new paving would involve special assessments to the affected property owners. The quoted price is very reasonable and there will not be another opportunity to have the work done for this cost, due to the fact the contractor is now on-site and mobilized. Supervisor Branville states that since this is such a good deal, we could waive the assessment process at this time, and if another road is to be paved in the future, the township could pay the same amount it is paying for Service Drive, for any new paving.

Motion to waiver from the assessment policy and pave Service Drive, made by Supervisor Tamaro, support from Supervisor Branville. Chairman Kniefel asks the width of the paving and if shouldering will be included? Mr. Nyhus states 20 feet. Kniefel states 22 feet would be better, if that is possible in that area. Supervisor Tamaro states we can do the shouldering in-house. Kniefel states he will not vote in favor unless the shouldering is included, and asks the motion to be amended.

Supervisor Tamaro, supported by Supervisor Branville amend their motion to include the shouldering. Motion carried unanimously.

Motion to have Supervisor Tamaro contact KGM and negotiate the Service Drive paving project, made by Chairman Kniefel, support from Supervisor Branville. Motion carried unanimously.

Building Construction Project- Good progress is being made, 2 doors with openers have been ordered at a cost of \$6,250, and the in-floor heat and slab have been completed. Prep work has begun for the new slab, and DSGW went out for bids for the new addition. Only one quote was received, from Northwoods Construction, in the amount of \$68,800. Tamaro states this cost is too high.

Motion to reject the quote from Northwoods Construction in the amount of \$68,000, made by Supervisor Tamaro, support from Supervisor Branville. Motion carried unanimously.

Supervisor Tamaro stated he would like permission from the board to do a design build with the contractor for the addition. We have the plans from DSGW, but not everything in the plans are needed, and we do not need DSGW at this stage of the project.

Motion to authorize up to \$75,000.00 to finish the building project, with Supervisor Tamaro doing the design build, made by Supervisor Tamaro, support from Supervisor Branville. Motion carried unanimously.

Chairman Kniefel-

RCB- Have heard nothing.

Town Hall Wireless Internet- Clerk Sersha explained the quote received from Coldsnap, and approved by the board, could not be used because they did not have \$1million in general liability insurance. The quote from Roger's Online (who does have the \$1 million in general liability) is also for \$200, plus there are other options that could also be purchased. Sersha explained the options for a better router, longer distance and enhanced security, and recommended we go with those options at a total cost of \$500.00.

Motion to authorize Roger's Online to install wireless internet for the town hall, made by Supervisor Tamaro, support from Chairman Kniefel. Motion carried unanimously.

Chairman Kniefel asked if we are online with the solar panels? Supervisor Tamaro stated we are, and are not getting the rebate from MN Power.

NEW BUSINESS

Supervisor Erjavec stated that with the increase in health insurance premium (\$5.50 per employee, per month) and the automatic renewal date of November 1, he would like to request the union re-open the contract early for negotiations.

Motion appoint Supervisors Erjavec and Branville to negotiate the employee contracts that expire on December 31, 2012, made by Supervisor Pernu, support from Supervisor Tamaro. Motion carried unanimously.

Supervisor Pernu reported the town hall will be professionally cleaned tomorrow. The grout sealing will take place on September 13-15.

Supervisor Tamaro reported the ballfield looks nice and is coming together. Two more loads of agri-lime were delivered. Fencing will be done with volunteer workers.

Motion to approve the EFGSD Joint Rec budget, made by Supervisor Tamaro, support from Supervisor Branville. Tamaro states his displeasure with having no lifeguards at the beach this summer and noted the budget line item in 2013 is -0-. Tamaro states he will contact our representatives and make it known we want lifeguards at the beach in the future. Motion carried unanimously.

Chairman Kniefel reported a quite lengthy questionnaire was requested by the Office of Administrative Hearings-Municipal Boundary Adjustment Unit, and was submitted. A hearing will be held August 30, 11:30 am at Gilbert City Hall. Kniefel stated he plans to attend.

Chairman Kniefel asked if we are online with the solar panels? Supervisor Tamaro stated we are, and are not getting the rebate from MN Power.

Chairman Kniefel introduced and read into the record Resolution 2012-04.

Motion to adopt Resolution 2012-04 to Support the Mesabi Family YMCA Capital Campaign, made by Chairman Kniefel, support from Supervisor Pernu. Motion carried unanimously.

CITIZEN CONCERNS AND COMMENTS

Jim Johnson of SEH invited everyone to the Laurentian Chamber of Commerce After Hours to be held tomorrow night at the Eveleth-Virginia Airport from 5-7. Cost is \$3. Mr. Johnson also offered sample assessment policies for roads for the board's consideration.

Larry & Cynthia Meglen voiced their concern for speeding on Miller Trunk Highway.

Jerry Ulman, Jamie Lindseth, Barb Nosan and Jim Nyhus had no comment.

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

Motion to adjourn by Supervisor Tamaro.

Chairman Kniefel adjourned the Regular Meeting at 8:05 PM.

Respectfully submitted,

Judy M. Sersha
Clerk of Fayal

Approved: _____ **Date:** _____
Chair

Attest: _____
Clerk