

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 4, 2009

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 member in attendance was Steve Shykes.

Motion to approve the minutes of the July 21, 2009 Regular Meeting, made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.

REPORTS

Clerk/Treasurer's Report- Bank statements for the month of July 2009 have not been received as of this date, so this report is tentative. There were \$472,995.13 in revenues and \$407,258.73 in expenditures, which includes a \$320,644.70 payment to the Public Facilities Authority for the wastewater loans. A transfer was made from the Miners Bank to the Mt. Iron Checking in the amount of \$98,000.00. Balances are as follows:

Miners Bank- \$1,783.68
Assessment Savings- \$329,429.37
Mt. Iron Checking- \$778,552.13

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

Motion to accept the July 2009 Road & Bridge Report, made by Supervisor Tammaro, support from Supervisor Branville. Motion carried unanimously.

Motion to accept the July 1-15, 2009 Police Report made by Supervisor Branville, support from Supervisor Erjavec. Motion carried unanimously.

CORRESPONDENCE

MPCA- Copy of letter sent to Louis Shaefbauer regarding a petroleum storage tank release investigation and corrective action at the former FAST property. MPCA is requiring Mr. Shaefbauer to take corrective action. Placed on file.

Vanlwaarden & Associates- GASB 45 Report. Referred to Old Business.

Miners Insurance, Jamie Lindseth- Insurance quote from League of MN Cities for general liability, auto, work comp, errors & omissions, police liability, fire vehicle insurance. Referred to Old Business.

OLD BUSINESS

Supervisor Erjavec-

IRB Grant Project- Nothing at this time.

Supervisor Branville,-

Fire Hall Sites- Branville will be attending the August 10 Airport Commission meeting to discuss the possibility of locating a new fire hall on airport property. Other sites discussed were the corner of Pine Drive and Miller Trunk next to the Eveleth Water Plant or right across the road from that location.

Supervisor Pernu-

Planning Committee Meeting- Supervisors Pernu and Kniefel met with members of the Planning Committee regarding the area across from the Shortstop. At their last Planning meeting, the committee met with a representative from Grusendorf Nursery and discussed his proposed plans for the landscaping and beautification of the area. The plan is in four stages and includes a sign consisting of two 12 x 8 foot sections along with an electronic scrolling sign for community info. Estimated total cost is \$30,000. The board discussed the project being done in phases over a number of years. The Planning Committee will have to submit a budget for the project for the board to consider.

Fire Alarm- Supervisors Pernu and Branville and Albert Jurenic met with a representative from ESC Fire Alarm Systems. The entire complex has sensors in place, and the new system will call Midway, Midway will page the Fire Department and the Fire Department will respond. We have been offered an extended warranty and a break on our annual monitoring costs. A new quote will be faxed.

Supervisor Tamaro-

Golf Course Road Project-

Motion to authorize Steve Verkovich to work with SEH Engineer Jim Johnson to obtain quotes for Option B of the Golf Course Road Project, made by Supervisor Tamaro, support from Supervisor Erjavec. Motion carried unanimously.

Chairman Kniefel-

Airport Master Plan Public Hearing- Consultants hired by the airport held an informational hearing to inform the community of the airport's future plans. The meeting was well attended and plans for a major expansion have been scaled back.

Town Insurance Review- Clerk Sersha reported on meetings she has had with Jamie Lindseth of Miners Insurance. By joining the League of MN Cities we can obtain insurance for the township at a reduced rate. Instead of the town having separate insurance policies for general liability, work comp, fire trucks, vehicles, heavy equipment, police liability, clerk/treasurer bond, errors & omissions etc. the LMC offers all of the coverage in one package. Replacement coverage was requested with a \$1,000.00 deductible. Preliminary quote is \$26,535. Currently, we are paying in excess of \$33,000 per year for all of the coverages. Cost to join the LMC is about \$1,700 per year. Discussion.

Motion to authorize the clerk to proceed with joining the MN League of Cities with an eye to participating in their insurance program, made by Chairman Kniefel, support from Supervisor Tamaro. Motion carried unanimously.

Motion that provided membership in the League is accepted, we authorize the to proceed clerk with putting this insurance package in place, made by Chairman Kniefel, support from Supervisor Pernu. Motion carried unanimously.

Clerk Sersha reported she also discussed health insurance coverage for the employees with Mr. Lindseth. Health insurance applications must be filled out by each employee in order to obtain quotes. During the last union contract negotiations, it was agreed an insurance committee would be set up to discuss options for coverage. Supervisors Branville and Kniefel are on the committee and requested a meeting be set up with the employees to discuss whether they would like to pursue other options. Clerk Sersha suggested that Mr. Lindseth also be present for a portion of the meeting so he can explain the options. A meeting will be set up with the employees.

GASB 45- The report has been received and forwarded to Gary Giroux of Walker, Giroux & Hahne. The report is an actuarial valuation for Fayal's retiree medical plan and outlines the liabilities, plan summary and assumptions.

NEW BUSINESS

Supervisor Branville reported that the 25 h.p. motor was stolen from the Fire Department Rescue boat. The motor was old and worth about \$380.00. A new motor needs to be purchased and can be obtained through the government purchase program. A new pull start 25 h.p. Evinrude is \$2,677.00.

Motion to authorize the purchase of the new boat motor from Duane's Marine at a cost of \$2,677.00 from the capital equipment fund, made by Supervisor Branville, support from Supervisor Erjavec. Motion carried unanimously.

Fire Chief Shykes reported that one of the firefighters has furnished his personal boat motor for the time being until the new motor is received, so the rescue boat is functional. The new motor will be locked to the boat.

Supervisor Branville reported the fire department plans to make an outdoor locking cabinet next to the fire hall for storage use.

CITIZEN CONCERNS AND COMMENTS

Steve Shykes was in attendance but had no comment.

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

Motion to adjourn by Supervisor Tammaro.

Chairman Kniefel adjourned the Regular Meeting at 8:06 PM.

Respectfully submitted,

Judy M. Sersha
Clerk of Fayal

Approved: _____
Chair

Date: _____

Attest: _____
Clerk