

**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**

**SEPTEMBER 15, 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 and Clerk Sersha. Supervisor Tammaro was absent.

Audience members in attendance were: Steve Shykes, Jerry Ulman, Nels Myklebust, John Damberg, and SEH Engineer Jim Johnson.

***Motion to approve the minutes of the September 1, 2009 Regular Meeting made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.***

**SCHEDULED GUESTS**

John Damberg of the Fayal Planning Committee was in attendance. Mr. Damberg gave a presentation to the board for the sign project the committee has been working on. The sign will be located on the corner across from Shortstop and will be in two parts and constructed in a manner that will disguise the utility structures on the corner. Supervisor Branville questioned if there was going to be an electronic notice board incorporated in the sign. Mr. Damberg stated they are very expensive and at this time, it is cost prohibitive. There will be room for such an addition in the future.

Nels Myklebust of M & M Electric was in attendance. Mr. Myklebust submitted a bill for work started two years ago, and was finished last August, on the Kaleva Island project. The Board had previously voted not to pay the bill. Discussion on the billing. Mr. Myklebust explained that the initial work was done in December of 2007. Some of the work was temporary, due to the weather. In August of 2008, he completed the job. The billing was not received until January 2009. Mr. Myklebust stated he should have been more prompt about submitting the bill. Supervisor Branville stated if the work was done, he should be paid.

***Motion to pay the M & M bill, invoice 041619, made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.***

**REPORTS**

**Clerk/Treasurer's Report**- For the period of September 1-15, 2009 there were revenues of \$42,183.36 and expenditures of \$28,612.41. Tentative balances as of this date are:

Miners Bank-	\$55,653.46
Assessment Savings-	\$331,039.24
Mt. Iron Checking-	\$775,002.47

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

***Motion to accept the EFGSD Joint Rec Regular Meeting minutes of September 9, 2009 and defer the 2010 proposed budget to New Business, made by Chairman Kniefel, support from Supervisor Branville. Motion carried unanimously.***

**CORRESPONDENCE**

Wright Express- (Shortstop)- They have reduced our credit line to \$1,407.00 effective Wednesday, September 16, 2009 based on a review analysis of our purchasing volume and an assessment of our account using internal, proprietary customer management risk scoring models. Placed on file.

Brian Hoag, Tom Kallevig, Eveleth City Council Public Safety Committee- Requesting a donation of \$10 per person based on population of Fayal, towards the purchase of a new ambulance. Referred to New Business.

MAT- District 10 meeting and election notice to be held Wednesday, September 30, 7:00 PM, Canosia Town Hall, 4896 Midway Road, Duluth. Placed on file.

RCB Collections- Collection statement and bill for \$76.57. Referred to Old Business.

SEH- Copy of letter sent to Mesabi Bituminous notifying them that Fayal is in receipt of the Notice of Award for Golf Course Road, Contract Agreement, Certificate of Insurance, Performance Bond and Payment Bond. Four copies of the Notice to Proceed were included for their review, signature and return.

SEH- Letter agreement for engineering services for Golf Course Road project. The proposed fee is not to exceed \$3,175.00. Additional services shall be based on the time required to perform the services and the billable rates for principals and employees engaged directly on the project, plus charges for expenses and equipment.

EFGSD Joint Powers Rec Board 2010 proposed budget.

### **OLD BUSINESS**

#### **Supervisor Erjavec-**

**IRB Project-** Nothing at this time.

#### **Supervisor Branville-**

**Fire Hall Sites-** Eveleth officials did discuss our request regarding possibly locating a new fire hall on land owned by Eveleth near the water plant. If a decision is made to locate there, they would like a formal request and proposal.

#### **Supervisor Pernu-**

**Buildings & Grounds-** Supervisor Pernu met with Nick Domiano who originally installed the town hall floor tiles. There are many areas where the tiles are hollow underneath. This is due to expansion and contraction of the building, which breaks the glue underneath the tiles. Mr. Domiano has advised we leave the floor alone at this time because repairs would lead to more problems than we are currently having. No heavy items should be placed on the floor. At this time, we will have a wait and see attitude.

#### **Chairman Kniefel-**

**SEH Engineering Agreement-** For the Golf Course Road project, SEH has proposed a not-to-exceed price of \$3,175.00. Of that, construction oversight would be \$1,746.00. Mr. Johnson stated that if we would rather have our employees do the construction oversight, that amount would be taken off. The project should take about one week and will be finished before fall.

***Motion to accept the engineering proposal from SEH for the Golf Course Road Project, made by Supervisor Pernu, support from Supervisor Branville. Chairman Kniefel stated that when Supervisor Tamaro is back, he can discuss construction oversight with the employees and make that decision. Motion carried unanimously.***

Mr. Johnson stated that upon completion of the project they will take care of closing it out and the one year warranty period will begin.

### **NEW BUSINESS**

Supervisor Erjavec reported on actions taken by the PUC at their meeting. The PUC voted to make the commission a 5 member instead of a 7 member commission. Chairman Kniefel stated the PUC will have to amend the ordinance. One member was dismissed, because they had missed too many meetings. The PUC also is requesting forgiveness of the FWC loan for the waterline from Fayal to Gilbert. A small generator that is not being used was also voted to be sold, and sewer variances would only be given once to a homeowner with rental property—no off and on depending if they have

a renter.

**Motion to sell the 5000 watt generator on sealed bids, with no minimum price listed, made by Supervisor Erjavec, support from Supervisor Pernu. Motion carried unanimously.**

Chairman Kniefel reported on a meeting he attended in Gilbert along with Supervisors Erjavec and Branville. They met with Gilbert Mayor Bellerud, Councilor Garrity, Clerk Mackley and Gilbert Engineer John Jamnick regarding Gilbert's upcoming sewer plant improvement project. Discussions were on Gilbert's concern of paying the \$1.6 million PFA loan for the project. Gilbert has proposed to keep the rates the same but charge a \$5.44 per hookup fee. Discussion.

Chairman Kniefel read aloud Resolution 2009-09. The resolution allows for participation by Fayal to donate \$20,000.00 from mining effects money for the purchase of a new ambulance for the Eveleth Ambulance Service.

**Motion to adopt Resolution 2009-09 in Support of Ambulance Purchase by the Eveleth Ambulance Service, made by Chairman Kniefel, support from Supervisor Erjavec. Kniefel, Erjavec, Branville and Pernu voted yes. Tamaro was absent. Motion carried unanimously.**

Discussion on the success or lack thereof, of collections by RCB on delinquent utilities, and how to collect on those delinquencies.

**Motion to approve the 2010 EFGSD Joint Rec Budget, made by Chairman Kniefel, support from Supervisor Branville. Fayal's contribution will not change from past years. Motion carried unanimously.**

**CITIZEN CONCERNS AND COMMENTS**

Steve Shykes informed the Board that Jess Nuno has applied to be a firefighter.

Jim Johnson, Jerry Ulman, John Damberg and Nels Myklebust had no comment.

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

Motion to adjourn by Supervisor Pernu.

Chairman Kniefel adjourned the Regular Meeting at 8:20 PM.

Respectfully submitted,

Judy M. Sersha  
Clerk of Fayal

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

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

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