

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

SEPTEMBER 6, 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: Jerry Ulman, Brad Reifsteck, Jamie Lindseth and Ryan Turner.

SCHEDULED GUESTS

Jamie Lindseth was in attendance to report on employee health insurance renewal from Health Partners. Mr. Lindseth reported there will be a total increase of \$9.10 to the monthly premium. Mr. Lindseth stated he could not believe there was going to be such a small increase and he even called the company to make sure it was right. The loss ratio is at 65 percent for the group. Mr. Lindseth offered to check other insurance companies for rates, but the board declined.

Ryan Turner of DSGW was in attendance to answer questions from the board regarding his proposal for architectural services for a new fire hall. The proposal outlined the scope of work and project phases. Cost of the proposal is \$13,700. Mr. Turner answered the board's questions and explained the scope of work that would be included in the proposal, and what would be outside the scope of services. Some members of the board were concerned with the cost, since another plan was done previously by Architectural Resources for \$10,800. Discussion. Mr. Turner will review the other plan that was done, meet with the building committee, and try to come up with a proposal that is lower in cost.

REPORTS

Clerk/Treasurer's Report- For the month of August 2011 all bank statements have been received and all accounts have been reconciled. Total receipts were \$91,644.45, expenditures were \$182,872.49 and there was a transfer from Miners Bank to Mt. Iron checking in the amount of \$140,500.00. Ending balances are as follows:

Miners Bank- \$14,268.70
Assessment Savings- \$341,456.39
Mt. Iron Checking- \$830,300.59

Certificate of Deposit balances as of 8-26-11 are:

Employee Benefits \$110,861.21
Sewer Depreciation- \$237,991.84
Sewer Replacement- \$29,403.50
Capital Equipment- \$127,852.20
Waterline Depreciation- \$52,708.81

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

Motion to accept the August 2011 Police Report, made by Chairman Kniefel, support from Supervisor Pernu. Motion carried unanimously.

Motion to accept the August 2011 Road & Bridge Report, made by Supervisor Tamaro, support from Supervisor Pernu. Motion carried unanimously.

Motion to accept the June 1, 2011 E-F Joint Cable TV meeting minutes, made by Supervisor Tamaro, support from Supervisor Branville. Motion carried unanimously.

CORRESPONDENCE

Robert Ruppe of Couri & Ruppe- They will be holding a free township officer legal seminar on October 1, 2011 at the Cotton Town Hall. Lunch is provided. Placed on file.

MAT- District 10 meeting notice to be held Wednesday, Sept. 28 in Cotton, or Thursday, Sept. 29 at Carlton Highway Dept. Building, 7:00 pm registration, 7:30 pm meeting. Placed on file.

League of MN Cities- Acknowledgment of claim, fire truck. Payment has been received. Placed on file.

E-G Public Schools- They will be holding a special election on Nov. 8, 2011 and are requesting use of the town hall as a polling place. Polls open 9 am to 8 pm. Chairman Kniefel reported the school superintendent has asked to be placed on the agenda for the next meeting to outline the school's referendum question. Clerk Sersha stated the PUC will have to reschedule their regular meeting since it is scheduled for that date. Placed on file.

SLC Land Dept- They are proposing the sale of state tax forfeit land located in Fayal legally described as W 220 Ft of E 660 Ft of SE1/4 of SW1/4, Sec. 30, R 17 Parcel code 340-0010-05681. If we wish to acquire this land we must complete the enclosed form to withhold this property from sale. Placed on file.

OLD BUSINESS

Supervisor Erjavec-

Gilbert Wastewater Contract- Erjavec and Kniefel attended the last mediation session with Gilbert. There was no movement on Gilbert's part for a settlement.

Eveleth Water Contract- The MPCA has accepted our water conservation rate, but is recommending we add a third tier. The contract has been sent to the Eveleth council for their approval.

Chairman Kniefel reported on a meeting he and Supervisor Erjavec attended with Eveleth representatives regarding Eveleth's plan to develop their property in the gravel pit area of St. Mary's lake. Water service extension has been requested.

Supervisor Branville-

Building Proposal- Another proposal from DSGW will be forthcoming in two weeks. Discussion regarding the fire hall project.

Sign Project- Supervisor Branville will contact Mesabi Sign regarding the lettering and placement of the lights.

Supervisor Pernu-

Town Hall Air Conditioning- The unit has been placed in the hall, we are waiting for the electrical to be completed.

Basketball Court- Charlie Erickson put the lines on the court over the weekend.

Supervisor Tamaro-

Solar Project- Have been unable to reach or hear back from Mike Ferrel of Silicon Energy. We will use the proposal from Conservation Technologies for our application to the IRRRB. A new resolution will also need to be adopted by the board.

Chairman Kniefel-

Korpela plat- Still working on the development agreement.

Street Improvement Project- Final pay request from KGM was received in the amount of \$2,561.43.

Motion to authorize payment of Final Pay Estimate to KGM in the amount of \$2,561.43 for the 2011 Street Improvements Project, made by Supervisor Tammaro, support from Supervisor Pernu. Motion carried unanimously.

NEW BUSINESS

Motion to purchase tires for Road & Bridge pickup from Taconite Tire at a cost of \$982.80, which includes mounting and balancing, made by Supervisor Tammaro, support from Supervisor Erjavec. Motion carried unanimously.

Discussion on updating road equipment rental rates which is used for in-kind services (Resolution 97-1). Foreman Verkovich has recommended they be increased to \$125.00 per hour for all equipment.

Motion to set the in-kind services rental rate for road equipment at \$125.00 per hour, made by Supervisor Tammaro, support from Supervisor Branville. Motion carried unanimously.

Chairman Kniefel reported he is working on the local trail ordinance.

CITIZEN CONCERNS AND COMMENTS

Brad Reifsteck reported he will be meeting with Fahrner regarding the crack sealing of the parking lot.

Jerry Ulman and Jamie Lindseth had no comment.

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

Motion to adjourn by Supervisor Tammaro.

Chairman Kniefel adjourned the Regular Meeting at 8:17 PM.

Respectfully submitted,

Judy M. Sersha
Clerk of Fayal

Approved: _____
Chair

Date: _____

Attest: _____
Clerk