

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, Joe Stewart

PHONE (218)744-2878

FAX (218) 744-5986

REGULAR MEETING OF THE FAYAL TOWN BOARD

SEPTEMBER 4, 2007

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 Stewart, Supervisor Branville, Supervisor Pernu, Supervisor Tamaro and Clerk Sersha.

Audience members in attendance were Jerry Ulman, Tom Beste and Mike Erjavec.

Motion to approve the minutes of the August 21, 2007 Regular Meeting made by Supervisor Tamaro, support from Supervisor Branville. Motion carried unanimously.

SCHEDULED GUESTS

Tom Beste was in attendance. Mr. Beste questioned if the township had ever vacated Sandy Boulevard. Chairman Kniefel explained that the town has no ownership or other interest in Sandy Boulevard, it was never improved or maintained by the township and a town road does not exist, it is only dedicated by plat. If property owners who have a portion of Sandy Boulevard adjacent to their property want it vacated, they should go to district court and the court can award them the property providing certain criteria are met.

REPORTS

Clerk/Treasurer's Report- Bank statements for the month of August have not been received yet. Tentatively, there were receipts totaling \$59,269.99 and expenditures of \$401,707.02 for the month, and ending balances as follows: Mt. Iron Checking- \$423,121.32 and Miners- \$88,518.50

Enterprise funds available for CD= investment-
Standby water charges- \$30,267.17
Sewer access charges- \$61,765.92

Regarding the purchase of Certificates of Deposits, Clerk Sersha explained that it has been past practice to invest the total funds allocated and gain interest on the totals. Sersha explained that the total depreciation, less the interest is all that needs to be invested, thereby lessening the amount the enterprise funds need to allocate. By doing this, the interest earned will give the enterprise funds a break in how much they need to set aside. Clerk Sersha cited the following examples and asked for the board's input.

Accumulated Depreciation, water- \$8,866.06, less \$2,9893.70 cd interest earned= \$5,872.36
Accumulated Depreciation, sewer- \$55,000.00, less \$12,754.38 cd interest earned= \$42,245.62

Clerk Sersha also reported that there is \$30,267.17 accumulated standby water charges and \$61,765.92 in sewer access charges. Discussion. The Board agreed with Clerk Sersha that Certificates of Deposit will be purchased at Mt. Iron Bank in the following manner- FWC Depreciation- \$5,872.36, FSC Depreciation- \$42,245.62, FWC Standby Water- \$30,267.17. No CD will be purchased for the accumulated sewer access charges since those funds may be used for expansion of the sewerline.

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

Motion to accept the August 2007 Police Report made by Supervisor Stewart, support from Supervisor Tamaro. Motion carried unanimously.

Motion to enter into the record the July 10, 2007 Public Utilities Commission Regular Meeting minutes, made by Supervisor Branville, support from Supervisor Tammaro. Motion carried unanimously.

CORRESPONDENCE

IRB- Public Works Infrastructure Grant application. Referred to Julie Kennedy of SEH.

Eveleth Area Foundation Advisory Group- This is a newly formed group that is asking for our support, through a letter of support. Their goal is to help preserve the culture and lifestyle of the people in the Eveleth area through grants and awards. Referred to New Business.

MAT- District 10 Meeting will be held Thursday, Sept. 27, 7:00, Grand Lake Town Hall, Twig. Placed on file.

Greater MN Agency- 2008 rates and renewal data for BC/BS through NE Service Co-op. Referred to Old Business.

NE Service Co-op- 2006-07 Annual Report. Placed on file.

SLC Auditor- 2008 Levy certification request.

OLD BUSINESS

Supervisor Branville-

Gilbert Rate Negotiations- A meeting will be held Thursday, September 6, 4:00 PM, Fayal Town Hall, with the Gilbert Mayor, Clerk Mackley, John Jamnick and Fayal representatives Supervisors Branville and Tammaro and PUC member Mike Erjavec.

Sewerline Extension- Julie Kennedy of SEH and visited the areas of Pine Drive-Golf Course Road and South Shady Lane. Ms. Kennedy will be putting together a proposal for the project. Supervisor Branville reported that K & B Drive In is not interested in being connected to the sewerline at this time.

Kaleva Island Sewer- Supervisor Branville will call the contractor to see to it the project gets done this month.

NESCU Renewal- We have until October 15 to renew. Discussion on the rate increases for BC/BS.

Supervisor Pernu-

Buildings & Grounds- Hall maintenance was completed last week. The boards on the rink were fixed, and painting of the rink should take place this week. As for the exterior of the skating shack, after further examination it was found that the siding should be replaced. Supervisor Pernu obtained two quotes from Bob Rozinka. One was for replacing the siding with T-111 for \$3,300 and the other was for siding replacement using primed batten board siding in the amount of \$5,030. Both quotes included all labor and materials, but did not include painting. Pernu stated we could do the painting with township labor, and recommended going with the quote for \$3,300. The small garage door also needs replacement and that was quoted to cost \$430. The interior of the skating shack was painted by volunteer Charlie Erickson with paint that was paid for with a donation from the Eveleth Youth Hockey Association. The interior of the shack looks good. Supervisor Pernu commended Mr. Erickson for all the work he did and the Hockey Association for their donation. Discussion on re-siding the shack.

Motion to accept the quote from Bob Rozinka for \$3,300 for residing the shack, authorize the purchase of the garage door for \$430, do the exterior painting in-house, and pay for the project with recreation funds, made by Supervisor Pernu, support from Supervisor Tammaro. Motion carried unanimously.

Supervisor Pernu commented that the playground lights have not been fixed yet. Supervisor Tammaro will contact MN Power.

Tennis Courts- Discussion on the cracks in the tennis courts.

McBroom Construction will be contacted to see if it is possible to have the courts fixed this fall.
Supervisor Tamaro-

Pine Drive Culvert- Still waiting to hear from SLC.

Chairman Kniefel-

Flex Plan- Chairman Kniefel read aloud Resolution 2007-05.

Motion to adopt Resolution 2007-05 to adopt a Section 125 Plan to include a Dependant Care Flexible Spending Account and Health Flexible Spending Account, made by Chairman Kniefel, support from Supervisor Branville. Motion carried unanimously.

2008 Levy- The levy needs to be certified to the SLC Auditor by September 15, 2007.

Motion to certify to the St. Louis County Auditor the levy, based on the amount approved by the people at the Annual Meeting, of \$261,610 for the general levy and \$250,000 for Road & Bridge for a total of \$511,510 for the year 2008, made by Chairman Kniefel, support from Supervisor Tamaro. Motion carried unanimously.

NEW BUSINESS

Supervisor Pernu questioned if we have heard anything regarding grants for the bike trail improvements? Chairman Kniefel explained that right-of-way easements are still being obtained from RGGGS and have not yet been finalized. Funding is on track through the Mesabi Trail for 2010.

Clerk Sersha questioned if there was going to be any brushing on the bike trail this fall, as many portions of the trail are not visible from the road, and it is a safety issue. Supervisor Tamaro suggested we contact the same vendor as last time to brush the area, and maybe have some of the town road intersections done at the same time. Tamaro to contact vendor.

Supervisor Tamaro stated the need for an upgrade to the R & B pickup.

Motion to have the R & B department compile specifications for a new pickup, to be purchased this December or January, made by Supervisor Tamaro, support from Supervisor Pernu. Motion carried unanimously.

Clerk Sersha reported she was unable to reach anyone about advertizing the sweeper on the county online auction, and requested that an ad be placed in the newspaper instead. The board agreed, and the ad will be placed.

Motion to send a letter of support to the Eveleth Area Foundation Advisory Group, made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.

CITIZEN CONCERNS AND COMMENTS

Jerry Ulman, Tom Beste and Mike Erjavec were in attendance but 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: _____

Attest: _____