

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

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REGULAR MEETING OF THE FAYAL TOWN BOARD

APRIL 17, 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 Steve Shykes, Scott Smith, Mike Knutson, Mike Erjavec, and Jerry Ulman.

Motion to approve the minutes of the April 3, 2007 Regular Meeting made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.

REPORTS

Clerk/Treasurer's Report- Ending balances as of March 31, 2007 are as follows:

Miners Bank-	\$65,718.40
Assessments Savings-	\$382,343.77
Mt Iron Checking-	\$625,972.31

For the month of April to date, there have been \$23,133.59 in receipts and \$62,292.41 in expenditures.

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

Motion to accept the March 20, 2007 Public Utilities Commission Regular Meeting, made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.

Motion to accept the EFGSD April 11, 2007 Regular Meeting minutes, made by Supervisor Tamaro, support from Supervisor Branville. Motion carried unanimously.

Motion to accept the April 11, 2007 Fayal Fire Department Regular meeting minutes and the Fayal Firefighter Relief Association minutes, made by Supervisor Stewart, support from Chairman Kniefel. Motion carried unanimously.

CORRESPONDENCE

City of Eveleth Mayor Bill Matos- Letter regarding ambulance service and an agreement for service. Referred to New Business.

John Rinne, Eveleth Pro Shop & Eric Sundquist, Bullfrogs- Liquor license renewals. Referred to New Business.

SLC Land Dept.- List of tax forfeit properties, we may disagree with classifications. Placed on file.

MAT- 2007 Urban Town Shortcourse will be April 26, Best Western, Maplewood. Placed on file.

ARDC- Regional Transportation Advisory Committee In-Kind Grant Info and Application. Placed on file.

Melanie Ford, SLC Attorney- Invitation to a screening and presentation of a documentary produced by the MN County Attorneys Association, "Revealing Meth in Minnesota", 3:30 pm to 5:00 pm,

Monday April 23. Great Hall of the SLC Heritage and Arts Center, The Depot, 506 West Michigan Street, Duluth. Placed on file.

IRR- Mineland Rec funding is available. Placed on file.

Eveleth-Virginia Airport- Board of Adjustment will be conducting a variance meeting Tuesday, April 24, 2007, 5:00PM, Airport Authority Conference Room.

OLD BUSINESS

Supervisor Branville-

Gilbert Rate Negotiations- Supervisors Branville and Tammaro, Clerk Sersha, Mike Erjavec and Kelly Campbell met with Gilbert Councillors Omersa and Gentile, Clerk Mackley, John Jamnick and Sam Aluni of Gilbert to discuss the new rates that Gilbert has implemented. Kelly Campbell made a presentation to the group concerning our request for a wholesale rate from Gilbert for water and sewer services. Gilbert councillor Gentile thanked the Fayal group for attending, but stated there is no reason for Gilbert to consider another rate for Fayal and that the issue should go to court. Gentile then left the meeting. Further discussions were held, and it was decided Fayal would submit a proposal for consideration at the next Gilbert Council meeting. Kelly Campbell has contacted Julie Kennedy and the PUC will be discussing the proposal at their next meeting. Gilbert is also planning a renovation of their sewer plant, and Fayal has asked that we be kept informed of the scope and costs of the work.

Discussion on mediation, arbitration, and terms of a new agreement.

Supervisor Pernu-

Red Cross Survey- The survey has been completed and sent in.

Clerk Sersha left the meeting at this point, 7:15 p.m.

Town Hall Zoning- The issue has been discussed with town employees and Pete from Arrowhead Heating. The thermostat in the entry controls one of the offices, which makes the office too hot. Another zone is needed. A quote from Arrowhead Heating was received in the amount of \$825.00 to fix the problem.

Motion to authorize Arrowhead Heating to fix the problem, per the quote of \$825.00, made by Supervisor Pernu, support from Supervisor Tammaro. Motion carried unanimously.

Chairman Kniefel-

Quad Cities Meetings- Another meeting was held recently, more will follow.

Bike Trail Upgrade- Funds will be available in 2009, but could be available earlier if all of the environmental studies, pre-design, surveys, engineering etc. are in place.

Shredding- Quotes were received from Shred-It for shredding services. Kniefel noted there is also a service that can be offered to the community.

NEW BUSINESS

Supervisor Stewart-

Fire Department Resignation- Chris Petrack has submitted a letter of resignation as of April 9, 2007.

Motion to accept the resignation of Chris Petrack from the Fayal Fire Department, made by Supervisor Stewart, support from Chairman Kniefel. Motion carried unanimously.

Fire Department Appointment- The membership committee is recommending the appointment of Stephanie Johnson as a volunteer firefighter, providing she pass the required interview, written test, and medical physical. Ms. Johnson has prior training and is trained to the EMS level.

Motion to appoint Stephanie Johnson as a volunteer to the Fayal Fire Department, provided all conditions of the membership committee are met, made by Supervisor Stewart, support from Supervisor Pernu. Motion carried unanimously.

Supervisor Pernu reported the playground opened today and the nets have been installed on the tennis courts. The Yard waste site will open this weekend, Friday, Saturday and Sunday, noon to 5:00 PM and be open for the following two weekends.

Ambulance Subsidy- An agreement was received from Eveleth for ambulance service. They are asking Fayal to subsidize the ambulance service received from Eveleth for runs to Fayal on a per capita basis. The amount they are requesting is \$27,075.00. No breakdowns were given on the 2007 estimated revenues of \$250,000, or budget of expenditures of \$337,905. The Board questioned what the estimates were comprised of, and how many runs were actually made to Fayal. Chairman Kniefel explained that for the years 2003 through 2005 there was a total average of 627 runs, with Fayal having approximately 56 runs. The board reviewed the agreement and discussed several revisions to the agreement.

Motion to have Chairman Kniefel communicate the revisions to the proposed ambulance agreement with Eveleth, made by Supervisor Tamaro, support from Supervisor Pernu. Motion carried unanimously.

Discussion held on Employee Medical Costs Flex Plan submitted by Superior USA. Pre-tax dollars can be set aside for medical costs not covered by insurance. Administrative costs for the plan are low and not subject to social security or medicare costs by the town. This benefit could be extended to all employees of the town, including the firefighters.

Motion to adopt the employee flex plan from Superior USA, made by Chairman Kniefel, support from Supervisor Tamaro. Motion carried unanimously.

Motion to grant the extension of the 2007-2008 3.2 Percent Malt Liquor License to John Roger Rinne d/b/a The Eveleth Golf Course, made by Chairman Kniefel, support from Supervisor Branville. Motion carried unanimously.

Motion to grant the extension of the 2007-2008 On/Off Sale and Sunday Intoxicating Liquor License to Eric Sundquist d/b/a Bullfrogs, made by Supervisor Tamaro, support from Supervisor Branville. Motion carried unanimously.

Discussion on recommendation by Town Foreman Steve Verkovich to establish a rural residential district on Long Lake Road. Tabled for resolution at the next meeting.

Chairman Kniefel distributed draft Resolution 2007-1 to adopt a policy for accounting procedures. The Board will review and discuss at the next meeting.

CITIZEN CONCERNS AND COMMENTS

Mike Knutson, Mike Erjavec, Jerry Ulman and Steve Shykes were present but had no comment.

Scott Smith recommended a background check also be completed on the new fire department recruit. Supervisor Stewart will contact Chief Thompson.

Motion to pay the bills made by Supervisor Tamaro, support from Supervisor Pernu. Discussion on the bill to FEMA. Fire Chief Steve Shykes explained that the grant received from FEMA was overspent by \$3,443.75 when the air packs were purchased, due to an error but the department still got over \$69,000 from FEMA for the new packs. Motion carried unanimously.

Motion to close the meeting to discuss labor negotiations made by Chairman Kniefel, support from Supervisor Pernu. Motion carried unanimously.

Regular Meeting closed at 8:20 PM.

The Meeting reconvened at 8:50 PM, and Supervisor Pernu, supported by Supervisor Branville motioned to adjourn the meeting at 8:50 PM.

(Clerk's Note- The tape recorder was inadvertently turned off during the closed portion of the meeting, therefore no audio exists.)

Respectfully submitted,

Judy M. Sersha
Clerk of Fayal

Approved: _____
Chair

Date Approved: _____

Attest: _____
Clerk