

**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, Joe Stewart*

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**REGULAR MEETING OF THE FAYAL TOWN BOARD**

**AUGUST 21, 2007**

The Regular Meeting of the Fayal Board of Supervisors was called to order at 7:01 PM by Chairman Kniefel. Present were: Chairman Kniefel, Supervisor Branville, Supervisor Pernu, Supervisor Tammaro and Clerk Sersha. Supervisor Stewart arrived later in the meeting.

***Motion to approve the minutes of the August 7, 2007 Regular Meeting, made by Supervisor Branville, support from Supervisor Tammaro. Motion carried unanimously.***

**SCHEDULED GUESTS**

Kevin Kunnari and Eric Kunnari were in attendance to request a sewerline extension to property they are purchasing on Pine Drive. Plans are to subdivide the property into two parcels, with one house going up within a month. The Kunnari's requested the municipal sewer line be extended. Discussion. An agreement will be drafted between the township and the Kunnari's.

***Motion to proceed with the project to extend a sewer main to the appropriate location to access these two new lots, with the understanding there would be two sewer access charges, and have Dale and the PUC proceed with the planning and the contract for the engineering, made by Chairman Kniefel, support from Supervisor Tammaro. Motion carried unanimously.***

**REPORTS**

**Clerk/Treasurer's Report-** For the period of August 1-21, 2007, there have been \$11,202.41 in revenues and \$382,952.57 in expenditures, which includes the August PFA loan payment of \$316,339.95. Certificate of Deposit interest totaling \$\$4,890.28 was also received leaving the CD balances as follows:

Sewer Depreciation Fund CD#1-	\$67,763.65
Sewer Depreciation Fund CD#2-	\$59,990.73
PUC Truck Depreciation CD-	\$19,632.94
Waterline Depreciation CD-	\$35,993.70
Capital Equipment CD-	\$109,074.05
Employee Benefits Cd-	\$71,700.62
Sewer Replacement Fund CD-	\$10,290.53

Discussion concerning investing other funds that have accumulated within the general account. Water and Sewer depreciation and other funds have been accumulating since the prior purchase of the Certificates of Deposit. Supervisor Tammaro stated those funds should also be invested, and he questioned Clerk Sersha as to how she thought that should be accomplished. Sersha stated she thought they should also be invested in CD's at the Mt. Iron Bank, offered to report to the board how many dollars had accumulated, and asked for their input.

***Motion to authorize the clerk to invest the PUC funds at her discretion, and report back to the board, made by Supervisor Tammaro, support from Supervisor Branville. Motion carried unanimously.***

***Motion to accept the EFGSD Joint Rec Regular Meeting minutes of August 8, 2007, made by Supervisor Tammaro, support from Supervisor Pernu. Motion carried unanimously.***

At this point in the meeting, Supervisor Stewart arrived.

## **CORRESPONDENCE**

Sheryl Waddick, MN Board of Peace Officer Standards & Training- Summary of the recent compliance review of the Fayal Police Department of ten required policies, Use of Force annual training, Emergency Vehicle Operation/Pursuit Driving and personnel files were all found to be in compliance and the review is complete. Placed on file.

Cellular One- They will be joining forces with AT& T, and once the transaction is completed, we will be notified of any new products and services. Placed on file.

US Census Bureau- Address list and boundary map for update for the 2010 census. Defer to future meeting.

Superior USA- Flexible benefits cafeteria plan document for adoption by the board, employee handouts and reference manual. Referred to Old Business.

SLC Land Dept.- The land department is proposing the sale of tax forfeit land located in the township, parcel code 340-0010-01848. We may acquire the property if the land serves a public purpose. Placed on file.

Northeast Service Cooperative- Health Insurance Pool Renewal membership meeting is Tuesday, August 28, 10 AM. Rates are to increase for 2008 by 28.4% for Fayal. Referred to New Business.

Rels- Assessment certification for property located on Hwy. 37. This would be a division of property from one property owner to the neighboring property owner. Referred to New Business.

Bob Rozinka Contracting- Estimate for rink repair. Referred to Old Business.

Jola & Sopp Excavating- Proposal for culvert replacement on Pine Drive. Referred to Old Business.

Koski Painting & Drywall- Proposal for painting skating shack and rink. Referred to Old Business.

## **NEW BUSINESS**

### **Supervisor Pernu-**

**Rink/Shack Painting-** The proposal from Koski Painting for painting the rink was \$1,045 and for the skating shack the cost would be \$3,400. The proposal included power washing, labor and materials. Pernu felt the cost for painting the shack was too high, but the building is in bad shape and would need two coats of paint. Discussion.

***Motion to have the rink painted by Koski Painting & Drywall, per the proposal submitted, and not do the shack at this time, made by Supervisor Pernu, support from Supervisor Tammaro. Motion carried unanimously.***

Supervisor Pernu reported the hockey nets are shot, and Craig Homola has been contacted for new nets for the rink.

### **Supervisor Tammaro-**

**Playground lights-** MN Power will be coming out to fix the lights.

**Gilbert Rate Negotiations-** Tammaro and Mike Erjavec have contacted Gilbert several times regarding this matter, but Gilbert has not gotten back to us with dates for a meeting.

**Pine Drive Culvert-** A proposal was received from Jola & Sopp. We are waiting to hear back from St. Louis County on their cost for the repair. Issue deferred until we hear from the county.

**Aggregate Crushing-** Steve Verkovich is putting a plan together. We have enough Class 5 to last until spring. Further report once Verkovich's plan is received.

**Sparta Sewer-** The City of Gilbert is advertizing for bids but there is still no contract between Fayal and Gilbert for the project. We have requested a contract several times, but none has been received.

## Chairman Kniefel-

**Office Manager Contract-** Kniefel and Branville met with Judy Sersha and came to an agreement. The agreement was forwarded to the board.

***Motion to approve the office manager contract and authorize the chair to sign the contract, made by Chairman Kniefel, support from Supervisor Branville. Motion carried unanimously.***

**Flex Plan-** A resolution for board passage was sent by Superior USA. Clerk Sersha stated she had many questions regarding the agreement that were not previously brought to light.

***Motion to table the agreement for further review and have the clerk report back at the next meeting, made by Chairman Kniefel, support from Supervisor Pernu. Motion carried unanimously.***

**Kaleva Sewer-** Supervisor Tammaro reported the project will be starting in the next two weeks. Rod Louma had asked the project to be deferred until this time.

## **NEW BUSINESS**

**Waterline Extensions/Replacement-** Supervisor Branville reported on a meeting he attended with Julie Kennedy of SEH, Kelly Campbell and John Damberg of the PUC. Old plans for reconstructing the O'Laughlin Square water lines and extending lines to Lakeside Drive and Shady Lane were reviewed. Discussions also centered on updating the existing plans for today's costs and procuring grant funds for the projects. Ms. Kennedy submitted a proposal in the amount \$90 per hour, not to exceed \$2,550.00 for work on the projects.

***Motion to authorize Julie Kennedy of SEH to do the study, per her proposal of \$90 per hour, not to exceed \$2,550, for extensions/upgrade to water lines, updating existing plans and advise as to available grant funds for the year 2008, with the study to be paid for from PUC funds, made by Supervisor Branville, support from Supervisor Stewart. Motion carried unanimously.***

Boundary Adjustment- An assessment certification request from Rels Title concerning a property sale between two neighbors on Hwy. 37 (CVT 340-0010-05360;05530) was discussed. Clerk Sersha explained that the sale is between project parcel 757 (Mattson) and parcel 756 (Gams). Both parcels have been assessed for sewer and the sale will not create another sewerable lot, but is merely a boundary adjustment between the two properties.

***Motion not to object to the boundary adjustment of Project Parcels 757 and 756, since it does not create a new sewerable lot, made by Chairman Kniefel, support from Supervisor Tammaro. Motion carried unanimously.***

The Board discussed the increase in medical insurance premiums for 2008 and the NESCU administration of the plan.

***Motion to table the issue for further study, made by Supervisor Pernu, support from Chairman Kniefel. Motion carried unanimously.***

Clerk Sersha informed the board that the Eveleth Youth Hockey Association has made a \$200 donation to the Fayal Rec for paint for the interior of the skating shack. The painting will be done with volunteer labor.

***Motion to accept the donation from the Eveleth Youth Hockey Association in the amount of \$200 for paint for the skating shack, and send a letter of thanks, made by Supervisor Pernu, support from Supervisor Branville. Motion carried unanimously.***

Discussion by the Board on how the Kunnari sewer connection is going to be built—if it can be engineered in-house or if we should hire someone.

***Motion to hire Julie Kennedy of SEH to come up with a contract and bid for the Kunnari sewer connection, made by Supervisor Branville, support from Chairman Kniefel. Dale to work with SEH to accomplish this ASAP, due to time constraints. Motion carried unanimously.***

**CITIZEN CONCERNS AND COMMENTS**

Jerry Ulman was in attendance and questioned if the mesh on the ground across from the Shortstop could be pulled up because it catches in the mower and weed whacker. Chairman Kniefel stated it could be pulled up and cut out. Mr. Ulman also informed the Board that there are some large cracks in the tennis courts. Supervisor Tammaro stated we will have McBroom Construction come in the spring and fix those.

Mike Erjavec was in attendance but had no comment.

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

Motion to adjourn by Supervisor Tammaro.

Chairman Kniefel adjourned the Regular Meeting at 8:25 PM.

Respectfully submitted,

Judy M. Sersha  
Clerk of Fayal

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

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

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