

**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**

**DECEMBER 4, 2007**

The Regular Meeting of the Fayal Board of Supervisors was called to order by Chairman Kniefel at 7:00 PM. Present were: Chairman Kniefel, Supervisor Branville, Supervisor Pernu, Supervisor Tamaro, and Clerk Sersha. Supervisor Stewart was absent.

***Motion to approve the minutes of the November 20, 2007 Regular Meeting made by Supervisor Branville, support from Supervisor Tamaro. Supervisors Branville, Tamaro and Pernu voted yes. Chairman Kniefel abstained, due to his absence from that meeting. Motion carried.***

***Motion to approve the minutes of the November 28, 2008 Special Meeting of the Fayal Town Board and Public Utilities Commission held for discussions on water and sewer issues with Julie Kennedy of SEH, which was posted but no quorum of either the town board or utilities commission were in attendance, made by Supervisor Branville, support from Chairman Kniefel. Supervisors Branville and Kniefel voted yes. Supervisors Tamaro and Pernu abstained due to their absence from the meeting. Motion carried.***

**SCHEDULED GUESTS**

**Kaleva Sewer-** Rodney Louma was in attendance regarding his septic system. A mound system was recently installed on his property by A-1. The work was commissioned by the township to remedy the problem of Mr. Louma's municipal sewer line from consistently freezing every winter.

Mr. Louma informed the Board that the tank was installed, but the electrical wiring has not been done. Mr. Louma stated he would also like to stay connected to the municipal sewer, in case his mound system does not work. Supervisor Branville noted there is a charge on the A-1 bill for additional valves that were not a part of the original plan. Supervisor Tamaro stated the valves were added as a precaution and Louma being on municipal sewer would be temporary. At this time, Louma has been removed from monthly billing and the pump in the lift station was turned off. Discussion.

Supervisor Branville will contact M & M Electric to see to it the wiring is completed by tomorrow. Mr. Louma again asked if he could continue to stay connected to municipal sewer. Supervisor Branville expressed his frustration with the project and questioned why we bothered to install a mound system, if Mr. Louma is still going to be connected to the municipal system? The connection matter was referred to the PUC.

**REPORTS**

**Clerk/Treasurer's Report-** Bank Statements for the month of November 2007 have not yet been received. Tentatively, there were \$40,599.68 in receipts and \$90,404.77 in expenditures. Balances are as follows:

Miners Bank-           \$39,872.04  
Assessment Savings- \$283,561.06  
Mt Iron Checking-   \$622,307.58

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

***Motion to accept the November 2007 Road & Bridge Report made by Supervisor Tamaro, support from Supervisor Branville. Motion carried unanimously.***

***Motion to accept the November 2007 Police Report made by Supervisor Pernu, support from Chairman Kniefel. Motion carried unanimously.***

***Motion to accept the EFGSD Joint Rec Regular Meeting minutes of November 14, 2007, made by Supervisor Tamaro, support from Supervisor Pernu. Motion carried unanimously.***

### **CORRESPONDENCE**

Procure- They cannot approve our application for entrance into their insurance pool at this time, due to claims history. Referred to Old Business.

SLCATO- Regular meeting minutes of October 24, 2007. Next meeting Jan. 23, Cotton Town Hall. Petition for the addition of spotted knapweed as a noxious weed. Placed on file.

Julie Kennedy- Kunnari Sewer contract. Referred to Old Business.

City of Eveleth, Mike Wiskow- Water agreement, with revisions to Item 10, to include the requirement of Eveleth adhering to Fayal Excavation Ordinance 96-1. Referred to Old Business.

Quad City Sanitary Sewer District- Regular meeting minutes of October 18, 2007. Placed on file.

Scott Neff- Letter regarding the CADD drawings from RLK. Referred to Old Business.

Gary Kuyava- Info on spotted knapweed and petition for board signature. Referred to New Business.

Pickup truck bids- Five sealed bids received. Referred to Old Business.

Sweeper bids- One sealed bid received. Referred to Old Business

### **OLD BUSINESS**

#### **Supervisor Branville-**

**Eveleth Water Agreement-** Eveleth rejected the agreement because Item 10 had been deleted by Fayal. Supervisor Branville was not pleased the agreement was forwarded with Item 10 missing. Alternate language for Item 10 was proposed by Mike Wiskow to allow for Fayal Excavation Ordinance 96-1. Much discussion.

***Motion to approve the latest Bulk Water Purchase Agreement with Eveleth, with the alternate language for Item 10, made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.***

Discussion on the type of meter to be installed to obtain Eveleth water. Additional electrical work is needed for the install, and one model will allow for the meter to run both ways. Dale will get more info and estimates.

**Golf Course Sewer Extension-** Julie Kennedy sent an agreement for her services on the project, which includes providing all the information needed to solicit three quotes for the proposed sanitary sewer improvements and obtaining the MPCA permit. The lump sum fee is \$4,150.00. Discussion on the agreement.

***Motion to accept and sign the letter agreement with Julie Kennedy of SEH with the scope of work proposed for the Golf Course Sewer Extension to connect the Kunnari property, made by Chairman Kniefel, support from Supervisor Tamaro. Clerk Sersha questioned which fund would pay for the fee? Supervisor Tamaro suggested the public utilities fund could pay for it. Motion carried unanimously.***

***Motion to authorize Julie Kennedy of SEH to proceed with the preparation of plans for the project, to be delivered by December 11, 2007, made by Chairman Kniefel, support from Supervisor Branville. Motion carried unanimously.***

**Gilbert Water Payment-** The total back charges amount to \$6,079.27, including Differding Point.

***Motion to pay the back water bill to Gilbert, made by Supervisor Branville, support from Supervisor Tammaro. Motion carried unanimously.***

***Health Insurance-*** Procare did not approve our application for entrance into their group. An insurance committee will be formed to look at different plans after the first of the year.

***Motion to renew the health care agreement with NESCU for 2008, made by Supervisor Branville, support from Chairman Kniefel. Motion carried unanimously.***

**Supervisor Pernu-**

**Rink Lights-** Lanyk Electric fixed the lights.

**Air Handler-** Architectural Resources estimates an air to air heat exchanger will cost \$9,500, with engineering to be \$2,500 for a total of \$12,000. Air samples were taken but the results have not yet been received. Once the numbers are in, we will proceed with applying for a grant from OSHA.

**Supervisor Tammaro-**

**Gilbert Rate Negotiation-** Nothing at this time.

**Sparta Sewer Project-** Wastewater operator Dale Dickson has several concerns with design issues on the extension of sewerline by Gilbert. Dickson has discussed those concerns with Julie Kennedy and they will be addressed in the agreement.

**CADD-** We have been advised by Scott Neff not to pursue a legal course of action against RLK for the CADD.

***Motion to let it die and not pursue legal action, made by Supervisor Tammaro, support from Supervisor Pernu. Motion carried unanimously.***

Supervisor Tammaro will call John Jamnick and ask if they can be purchased.

**Chairman Kniefel-**

**Sweeper Bid-** A sealed bid was received and opened by Clerk Sersha at the meeting. The bid was from Ron Erjavec in the amount of \$500.

***Motion to accept the bid for \$500 from Ron Erjavec for the purchase of the sweeper, made by Supervisor Tammaro, support from Supervisor Branville. Chairman Kniefel questioned if the sweeper had been re-advertised since it was advertised for a minimum of \$3,500 some months ago. Clerk Sersha stated she did not advertise it again, but was asked by Mr. Erjavec if the sweeper was still for sale. Sersha told Mr. Erjavec the sweeper was still for sale and that he could submit a bid. The Board has discussed at prior meetings their desire to get rid of it because of lack of storage space. The sweeper has been sitting outside along with the pickup that is for sale in the hopes someone would buy it. Tammaro, Branville and Pernu voted yes. Kniefel voted no stating his concern that the sweeper was not advertised again at a price under \$3,500. Motion carried.***

Chairman Kniefel opened the five sealed bids received for the 1987 pickup truck, which had been advertized in the Mesabi Daily News classifieds as "Best Offer" The board also reserved the right to reject any and all bids. Chairman Kniefel read aloud the bids as follows:

Gene Kotnik, Eveleth, MN	\$701.01
Mike Erjavec, Eveleth, MN	\$802.00
Steve Verbick, Chisholm, MN	\$213.00
Joe Nygard, Gilbert, MN	\$510.10
Nick Domiano, Eveleth, MN	\$555.55

***Motion to accept the bid from Mike Erjavec for \$802.00 for the 1987 Ford pickup, made by Supervisor Pernu, support from Supervisor Branville. Motion carried unanimously.***

***Motion to allocate the funds from the sweeper and pickup to the capital equipment account, made by Supervisor Tammaro, support from Supervisor Pernu. Motion carried unanimously.***

**Chairman Kniefel-**

**Reimbursement Request**- The claim that was tabled at the last meeting was discussed. The claim was a request for reimbursement for a portion of clothing allowance that was from a previous contract and for a portion of the contract currently in place. The issue was discussed with AFSCME representative Joe Pershern. Mr. Pershern asked if there had been past practice of reimbursement requests of this nature and was told there was not. Mr. Pershern stated he did not think denial of the claim was a grievable issue. The request can be submitted in January 2008 for the years 2007 and 2008.

***Motion to deny the claim and ask the employee to re-submit after January 1, 2008 made by Supervisor Tammaro, support from Chairman Kniefel. Motion carried unanimously.***

**Census 2010**- Kniefel stated he does not have the time to devote to the project and felt it was too time consuming for staff.

***Motion not to devote any staff time to the Census 2010 project but to forward it to a volunteer, if there is one, that will take on the project, made by Chairman Kniefel, support from Supervisor Pernu. Motion carried unanimously.***

**NEW BUSINESS**

Supervisor Tammaro questioned when 2009 budget discussions would begin? Chairman Kniefel stated everyone should start to gather their department budget info now, and discussions will begin in January.

January 2008 meeting schedule was discussed, the first meeting falls on New Years Day.

***Motion to cancel the Regular Meetings of January 1 and 15, 2008, and hold one Regular meeting on January 8, 2008 at 7:00 PM, made by Chairman Kniefel, support from Supervisor Pernu. Motion carried unanimously.***

Clerk Sersha reported the annual audit will begin January 21, 2008 and the clerk must be appointed to oversee the non audit services. Non audit services include: 1. Preparing a trial balance based on entity management's chart of accounts 2. Preparing draft financial statements based on entity management's chart of accounts and trial balance and any adjusting, correcting, and closing entries that have been approved by entity management and 3. Preparing draft notes to the financial statements abased on information determined and approved by entity management.

***Motion to designate Judy Sersha to be responsible and accountable for overseeing the non audit services, made by Chairman Kniefel, support from Supervisor Branville. Motion carried unanimously.***

Clerk Sersha read a letter in its entirety from Gary Kuyava regarding information on spotted knapweed and a request for a petition signature.

***Motion to support the petition to have spotted knapweed included in the St. Louis County noxious weed list, and authorize the chair and clerk to sign the petition, made by Chairman Kniefel, support from Supervisor Pernu. Motion carried unanimously.***

Supervisor Tammaro reported Steve & Al took delivery of the new pickup and are very pleased with it.

**CITIZEN CONCERNS AND COMMENTS**

Steve Shykes and Ron Erjavec were present but had no comment.

Mike Erjavec commended the Road Department for doing such a good job plowing Saturday night.

**Motion to pay the bills, except the A-1 bill and the Hibbing Community College bill, made by Supervisor Pernu, support from Supervisor Tammaro. Motion carried unanimously.**

Motion to adjourn by Supervisor Tammaro.

Chairman Kniefel adjourned the Regular Meeting at 8:40 PM.

Respectfully submitted,

Judy M. Sersha  
Clerk of Fayal

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

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

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