

TOWN OF FAYAL
4375 SHADY LANE, EVELETH, MN 55734

Judy M. Sersha, Clerk/Treasurer

Steven J. Kniefel, Chairman

Supervisors: Tony Tamaro, James Pernu, Ron Beldo, Lee Branville

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REGULAR MEETING OF THE FAYAL TOWN BOARD

DECEMBER 6, 2005

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

Audience members in attendance were Mike Erjavec and Jerry Ulman.

Motion to approve the minutes of the November 15, 2005 Regular Meeting, made by Supervisor Tamaro, support from Supervisor Beldo. Motion carried unanimously.

SCHEDULED GUESTS

Kathryn Erjavec was in attendance to report on the EFGSD Joint Cable TV Commission, of which she is a Fayal representative. Ms Erjavec reported that the school district is no longer offering a media class, and there is no media specialist employee. Due to these factors, the Commission has approached the City of Virginia media specialist with an interim contract for services for our local cable channel. The Virginia city clerk will act as fiscal agent and the contract would run to July 1. There has been discussion on forming a quad cities arrangement and the entities would share channels 5 and 12. Ms. Erjavec stated that the Virginia media specialist is seeking sponsorships to help support the local channels. Supervisor Tamaro stated that he does not see our channel 5 succeeding without the support from the school district's media class. Chairman Kniefel agreed, and stated that the media class participation was part of the joint agreement. Tamaro & Kniefel questioned if we should leave the joint agreement, due to the discontinuance of the media class. At this time, we will continue to be a part of the agreement, but will look at it further by July 1.

REPORTS

Clerk/Treasurer's Report- For the period of November 1-30,2005:

Miners Bank- The beginning balance was \$ 118,051.73. There were \$48,062.27 in receipts, a transfer out of \$117,808.37 and a bad check in the amount of \$667.00, leaving an ending balance of \$48,305.63.

Mt. Iron Checking- The beginning balance was \$674,497.27, a transfer in of \$117,808.37 Miners and interest in the amount of \$1,092.17. Expenditures were \$55,001.60 and a transfer out in the amount of \$206,000.00 was made to purchase four six-month term Certificates of Deposit at 4.25% interest, leaving an ending balance of \$523,729.31. CD's purchased were: Sewer Depreciation- \$50,000, PUC Depreciation- \$18,000, Waterline Depreciation- \$33,000, Capital Equipment \$100,000.

Sewer Assessment Savings- Beginning balance was \$361,197.38, interest receipt was \$593.75, leaving an ending balance of \$361,791.13.

CD Balances:

Employee Benefits- \$66,729.14

Sewer Depreciation #1- \$62,993.41

Sewer Replacement- \$9,571.78

On December 5, 2005 the second half of the property tax apportionment arrived in the amount of \$319,848.19, of which \$187,656.60 was receipted to the Mt. Iron Checking and \$132,191.59 was receipted to Sewer Assessment Savings. All departments have been fully funded for the year, except Road & Bridge.

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

Motion to accept the November 2005 Police Report, made by Supervisor Branville, support from Supervisor Tamaro. Motion carried unanimously.

Motion to accept the EFGSD Joint Cable TV Regular Meeting minutes of November 21, 2005, made by Supervisor Tamaro, support from Supervisor Branville. Motion carried unanimously.

CORRESPONDENCE

SLC Planning- Variance for Howard Hyde property at 7329 Ely Lake Drive was approved, with conditions. Placed on file.

CARE Commission- Request for donation for Post Prom & Grad parties. Referred to New Business.

North SLC SWCD- Order form for trees. Referred to Supervisor Pernu.

Arrowhead Heating & Cooling- Signed contract for services for heat zones in the town hall. Placed on file.

Chairman Kniefel- Copy of letter sent to Marcus Hall, SLC Highway Engineer, requesting the inclusion of a lighting plan at the intersection of 132 & 96 when they overlay 132. Placed on file.

Country Insurance- Refund of \$1,146.00.

SLCATO- Regular Meeting minutes of October 26, 2005, next meeting is Dec. 7, 7:30 PM, Cotton Town Hall. Placed on file.

RLK- East Ely Lake Easement Plat. Referred to Old Business.

Mike Wiskow- The aquaduct is closed as of November 28, 2005 because the lake is frozen. Placed on file.

OLD BUSINESS

Supervisor Beldo-

Loader- Meetings with the various vendors have been completed. Prices range from \$110-118,000. After studying all of the options, the availability of future service and parts, and the ability to rent equipment attachments, the employees are recommending we purchase a Caterpillar 924G from Ziegler, Inc. off of the state bid. The price with options is \$111,480, and follows the items listed on the original bid specifications. An additional two year warranty and the delivery charges of \$500 are included in the price. Discussion on selling the old loader. It was agreed that when it is advertized a minimum bid price will be listed. Discussion on how to pay for the purchase. Currently, there is \$24,000 that has accumulated within the R & B budget, and \$12,000 per year has been budgeted for equipment purchases going forward. The Capital Equipment fund also has a healthy balance. Taking this into consideration, the Board felt the purchase did not need to be financed.

Motion to proceed with the purchase of the loader, made by Supervisor Beldo, support from Supervisor Branville. Motion carried unanimously.

Supervisor Pernu-

Rink- The rink is in operation and the Joint Rec has hired three individuals, Cory Kwaitkowski, Dennis Pernu and Charlie Erickson, to oversee the rink activities. Pernu recommended the water fountain be removed from the shack because it is not up to code, and the heat can be turned down when the shack is not in use. The Board agreed and the fountain will be removed.

Cedar Island Drive Sign- Pernu reported the sign at the entrance of Cedar Island Drive was taken down and refinished by John Nyhus and Les Laun. Supervisor Pernu commended them and asked that they be sent a letter of appreciation.

Heat Zones in Town Hall- The work is set to commence this week.

Supervisor Tamaro-

Electrical Repairs- The garage lighting fixtures had to be replaced and Tamaro recommended one of the electrical panels also be replaced.

Chairman Kniefel-

Utility Plats- The East Ely Lake plat has arrived. Kniefel asked that Board members go over all of the plats and mark them up if they find any errors etc. The matter was tabled until the next meeting to allow time to study the plats.

CSAH 132- Kniefel reported on a meeting held here with SLC staff Earl Wilkins and Rich Young and Fayal staff- Al Jurenic, Steve Verkovich, Judy Sersha, Supervisors Beldo and Kniefel and John Damberg of the Fayal Planning Committee. The county will be milling and placing a 6" overlay on 132 in summer 06. The project is set to be let March 6, along with town roads slated for overlay. Kniefel reported there would be milling from the project and suggested we request them for use by the town and county.

NEW BUSINESS

Confusion on the joint rec budget. Tamaro would like clarification

Motion to table the joint rec budget made by Supervisor Tamaro, support from Supervisor Pernu. Motion carried unanimously.

Supervisor Tamaro reported on a meeting he, Kniefel, Dale & Diane attended with Gilbert city officials regarding the possibility of a portion of Gilbert hooking up to the Fayal sewer line. The issue will be discussed at the next PUC meeting.

Motion to make a \$200.00 donation to the CARE Commission for the Post-Prom and Post-Grad parties, made by Supervisor Tamaro, support from Supervisor Beldo. Motion carried unanimously.

CITIZEN CONCERNS AND COMMENTS

Jerry Ulman and Mike Erjavec were in attendance but had no comment.

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

Motion to adjourn by Supervisor Tamaro.

Regular Meeting adjourned at 8:30 PM.

Respectfully submitted,

Judy M. Sersha
Clerk of Fayal

Approved: _____
Chair

Attest: _____
Clerk