

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

FEBRUARY 20, 2007

The Regular Meeting of the Fayal Board of Supervisors was called to order at 7:02 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, Mike Knutson, Jerry Ulman and Mike Erjavec.

Motion to approve the minutes of the February 6, 2007 Regular Meeting made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.

REPORTS

Clerk/Treasurer's Report- For the period of February 1-20, 2007, there were \$24,193.34 in receipts and \$91,929.54 in expenditures. A \$110,000.00 transfer was made from Miners Bank to Mt. Iron Checking. Tentative balances as of this date are as follows:

Miners Bank-	\$12,070.84
Mt. Iron Checking-	\$653,606.75
Assessment Savings-	\$351,264.97
Sewer Depreciation CD #1-	\$66,033.33
Sewer Depreciation CD #2-	\$58,458.90
PUC Truck Depreciation CD-	\$19,131.62
Capital Equipment CD-	\$106,288.90
Waterline Depreciation CD-	\$35,074.62

Notice has been received from Miners Bank of a new rate and fee schedule. Deposit fees will be 0.25, check fees, 0.10, monthly maintenance fee, \$5.00. Fees will be deducted from monthly earned interest, which is currently 3%.

Clerk Sersha reported on the GASB 45 seminar she attended last Thursday at NESCU.

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

Motion to accept the EFGSD Joint Rec meeting of February 14, 2007, made by Supervisor Tamaro, support from Supervisor Branville. Motion carried unanimously.

Motion to accept the February 14, 2007 Fayal Fire Department Regular Business Meeting minutes, made by Supervisor Stewart, support from Supervisor Pernu. Motion carried unanimously.

CORRESPONDENCE

MN Benefit Association- Info regarding township group life insurance plan. Placed on file.

U of M Extension Service- They have accepted an application to apply wood ash from Ainsworth of Cook as a liming agent and nutrient source from Joe Sopp, 1614 Long Lake Road, on land leased from William Niemi. Placed on file.

SEH- Water and Sewer rate report. Placed on file.

SLC Assessor- Local Board of Appeal and Equalization is set for May 2, 1-2 PM. Post.

Virginia Cable Commission- Invitation to their meeting on Wednesday, Feb. 21, Public Access Studio, Virginia City Hall. Placed on file.

Fayal Fire Department- Request to purchase new commercial washer and dryer from Keenan's for \$1,638.00. Referred to New Business.

MN Township Association- DVD on townships. Placed on file.

OLD BUSINESS

Supervisor Stewart-

Fire Department Budget- During budget and levy discussions at the last meeting, the board amended the fire budget and reduced it by \$5,000. Supervisor Stewart stated that he believes the decision is shortsighted because there are line items that are already being overspent, and insurance costs etc. are increasing. New firefighters coming on will also need turnout gear. Supervisor Tamaro stated we can use unreserved funds if the fire budget falls short. Chairman Kniefel stated that the board has never denied funds to the fire department, if needed. Discussion. Supervisor Stewart stated that as long as the board understands the department is underfunded by \$5,000 for the year 2008, there may be a need for use of unreserved funds. The board agreed.

Supervisor Pernu-

Park- Estimated cost for black dirt for landscaping the park area is \$4,500 for three inches of topsoil, if we purchase all that is needed instead of using up the supply at the waste site. The soil can be purchased as-needed and not delivered all at once.

Motion to approve the purchase of topsoil, not to exceed \$5,000.00, on an as-needed basis, made by Supervisor Pernu, support from Supervisor Branville. Chairman Kniefel suggested that the purchase be made from a vendor from the township to keep it local. The board agreed. Motion carried unanimously.

Office Carpet/Paint- The work has been scheduled to begin March 1 on the PUC and Police offices and March 15 in the Clerk's Office. Painting in the town hall will also take place during these time periods.

Supervisor Tamaro-

Gilbert Rate Negotiations- We have heard nothing formally since we sent them a letter requesting a committee be formed to negotiate the rates.

Grader Repair- The bill was received for repair of the grader and it was close to \$18,000.00, but Tamaro states with the purchase of the blade for the loader it will put off the purchase of a new grader for at least five years past the scheduled date of replacement.

Kaleva- Nothing at this time.

Chairman Kniefel-

Assessor Services- Will have a proposal ready for the next meeting.

2008 Levy- At the last meeting the board tentatively set the levy request at \$511,610.00, as follows: General- \$100,000, Buildings & Grounds- \$41,210, Police- \$33,000, Rec- \$17,400, Capital Equipment- \$30,000, Road & Bridge- \$235,000.

Supervisor Tamaro states he would like to amend the amount levied for Road & Bridge, but not change the total amount of the levy. Tamaro asked that the Road & Bridge levy be increased to \$250,000, the General reduced to \$90,000 and Rec be reduced to \$12,400. The total would still be \$511,610.00. Discussion.

Motion to present to the people at the Annual Meeting a levy request for the year 2008 of \$511,610.00, which would be a 2.10% increase over 2007, made by Supervisor Tamaro, support form Supervisor Branville. Motion carried unanimously.

NEW BUSINESS

Supervisors Branville and Pernu are working together to chart a route for ATV's to use, so the work that will be done at the park this spring will not be destroyed.

Motion to proceed with the purchase of the industrial washer and dryer from Keenan's in Eveleth at a cost of \$1,638.00 for the fire department, from fire funds, made by Chairman Kniefel, support from Supervisor Stewart. Motion carried unanimously.

Chairman Kniefel reminded the Board of the March meeting schedule, and stated we have traditionally adjusted the March meeting schedule.

Motion to adjust the March meeting schedule and hold the Regular Meeting of March 6, the Annual Meeting of March 13, and cancel the March 20 Regular Meeting, made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.

Chairman Kniefel states he will move the discussion of the AFSCME contract to the end of the agenda and ask to close the meeting at that time.

CITIZEN CONCERNS AND COMMENTS

Jerry Ulman and Mike Knutson had no comment.

Mike Erjavec stated the March PUC meeting will have to be re-scheduled, due to the Annual Meeting.

Fire Chief Steve Shykes stated he would be remiss in his duties if he did not communicate to the Board the Fire department's feeling that they are not being respected. Shykes stated there are dedicated people on the department and their focus is to provide the best of professional service to the township and they are not getting the respect they deserve and are being used for cheap labor. It is also to the department's detriment that the board took away \$5,000 from their budget. The department has brought in over \$271,000 in grants in the last two years, and used funds from their budget for the matching portion, and Shykes felt that the cut in budget was unjustified. Supervisor Branville answered that the Board has always made sure the fire department has everything they need, but if possible, to try to live within their means. Tammaro stated that the town has a lot of unreserved funds and they can be used, if needed. Supervisor Stewart stated that the fire department is highly qualified and professional, and that earlier tonight the board has given their assurance that the needs of the fire department will be met. Stewart states he understands how it can be hard on morale when there are cuts. The Board again assured the department they are well respected and they will see to it that the department's needs will be met.

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

Chairman Kniefel asked for a motion to close the meeting to discuss AFSCME contract issues.

Motion to close the meeting, made by Supervisor Tammaro, support from Supervisor Pernu. Motion carried unanimously.

Regular Meeting closed at 8:10 PM.

(Clerk's Note: Per MN Statute 13D.03, Subd. 2 (a) & (b) the closed portion of the meeting was tape recorded. The tape will be preserved for two years after the contract is signed and will be made available to the public after all labor contracts are signed by the board.)

Regular Meeting re-opened at 8:32 PM.

Motion to adjourn made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.

Regular Meeting adjourned at 8:32 PM.

Approved: _____
Chair

Respectfully submitted,

Attest: _____
Clerk

Judy M. Sersha, Clerk of Fayal

