

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

PHONE (218)744-2878

FAX (218) 744-5986

REGULAR MEETING OF THE FAYAL TOWN BOARD

SEPTEMBER 6, 2006

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 present were Scott Smith, Steve Shykes and Mike Erjavec.

Motion to approve the minutes of the August 15, 2005 Special Meeting made by Supervisor Beldo, support from Supervisor Pernu. Motion carried unanimously.

Motion to approve the minutes of the August 16, 2005 Regular Meeting made by Supervisor Pernu, support from Supervisor Branville. Motion carried unanimously.

REPORTS

Clerk/Treasurer's Report- For the period of August 1-31, 2005, there were \$78,502.84 in receipts and expenditures were \$70,832.51. There was a transfer of \$175,000.00 from Miners checking to Mt. Iron checking. Ending balances are as follows:

Mt. Iron Checking-	\$902,342.80
Miners Bank-	\$19,183.23
Assessment Savings-	\$343,688.94

Clerk Sersha reported there is a new water connection in the township and the property owner would like to pay the connection fee on a monthly basis, and have the late fee waived. Referred to New Business.

The final Township levy will be certified to the St. Louis County Auditor in the total amount of \$487,500.

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

Motion to bring into the record the August 2005 Police Report, made by Supervisor Branville, support from Supervisor Beldo. Motion carried unanimously.

Motion to bring into the record the August 2005 Road & Bridge Report, made by Supervisor Beldo, support from Supervisor Tamaro. Motion carried unanimously.

Motion to approve the July 12, 2005 Public Utilities Commission minutes, made by Supervisor Tamaro, support from Chairman Kniefel. Motion carried unanimously.

CORRESPONDENCE

Dept. Of Employee Relations- They have a new reporting schedule, new phone numbers and a software upgrade and electronic reporting option. A new training DVD is also available for \$15. Placed on file.

SLC Planning- Amended copy of variance application for Michael and Marguerite Radakovich. A public hearing will be held on Wednesday, Sept. 14, 9:30 am, Biwabik City Hall. Findings of fact conclusions and decision on Scott Collins variance request. Request was approved for smaller garage. Placed on file.

MAT- Membership agreement certificate for public officials liability (E & O) self-insurance program. Placed on file.

NESCU- The 2006 health insurance pool membership meeting is scheduled for September 9, 10:00 am to Noon, at the Northeast Service Cooperative in Mt. Iron. Agenda was also received. Placed on file.

Northeast Entrepreneur Fund- A new program is being sponsored by the Northeast Entrepreneur Fund's Women's Business network. Meetings will be the second Thursday of each month at the Elk's Club in Virginia from 11:30 am to 1:00 pm. Placed on file.

Admin Minnesota- We are now members of the Cooperative Purchasing Program. A permit number will be mailed to us soon so that we can access the internet site. Placed on file.

MAT- District 10 meeting will be held Thursday, Sept. 29, Grand Lake Town Hall, 7:00 pm registration, 7:30 pm, meeting. Placed on file.

OLD BUSINESS

Supervisor Beldo-

Overlay Project- Steve Verkovich met with Rich Young of St. Louis County regarding costs on the project. After adjusting for lengths of road to be paved, it is estimated the project will cost \$100,000. Mr. Young suggested that some of the shorter roads on the list for re-paving be pulled from the project because it may be more cost effective if we bid them ourselves, due to mobilization costs. Chairman Kniefel agreed that may be more cost effective, but suggested they be included as add-alternates.

Loader Project- Beldo reports he spoke with Scott Neff and some minor language changes were

made to the specifications. A bid sheet will need to be prepared. Supervisor Beldo introduced and read into the record Resolution 2005-10.

Motion to adopt Resolution 2005-10 Approving Specifications and Ordering Solicitation of Bids for a 2.5 Cubic Yard Front End Loader, made by Supervisor Beldo, support from Chairman Kniefel. Supervisor Tammaro questioned how the loader would be paid for? Beldo explained there is within the R & B budget \$15,000 per year for equipment, plus the sale or trade in of the old loader, and there is money in the capital equipment fund. Motion carried unanimously.

North Airport Road Project- Mesabi Brushing came back and brushed some more, with the R & B employees going over it again. The road is now passable and Beldo thanked Mike Erjavec for allowing brush to be dumped on his property. Cost for the road to date, including wages, is about \$4,000.

Supervisor Branville-

Speed Issue- Chief Thompson will be borrowing a radar speed sign from Gilbert and the unit will be parked in various locations around the township.

Supervisor Pernu-

Town Hall Heating- Supervisors Pernu and Branville, along with Al, met with Peter Bertucci of Arrowhead Heating & Cooling. Bertucci agrees we are losing energy with the current system and suggested a direct heating system, with no water tank and an on-demand hot water heater. Cost is estimated at \$2,300. Pernu states he will do more research on the issue before making a recommendation.

Building Ventilation- Supervisor Beldo reported that Al called OSHA regarding the air ventilation in the building. In order to apply for a grant from OSHA, we must either submit an engineer's study or undergo a compliance visit from OSHA. It is unknown how much an engineering study will cost, and if we request a compliance visit we may be found in non-compliance, subject to a fine, and disqualified for a grant. Discussion. Otto Maki will be contacted to see if he did an engineering study on the entire complex when the air exchanger was installed in the garage. If one exists, we may be able to use it for the grant application.

Supervisor Tammaro-

Kaleva Island Sewer- Tom Kingston met with Benchmark regarding the project. No contract has been received from Benchmark yet, and work will not start until there is a proper contract.

Ryan Turner Litigation- A September 20 trial date has been set.

Pressure Reducer Valve- A quote was received from Jola & Sopp for the manhole around the main valve. Tammaro will also contact USA regarding their quote for the project, and will make recommendation at a later date. There have been some recent problems with high water pressure,

but the high pressure valve has been replaced and there is a spare.

Promissary Note- Gary Malenius has requested a payment plan be set up for his water connection, and that the late fee be waived. The connection fee is \$3,500 and a late fee of 10 percent was imposed.

Motion to waive the late fee and issue a promissary note to Gary Malenius for his water connection fee, made by Supervisor Tamaro, support from Chairman Kniefel. Motion carried unanimously.

Discussion on bill from Custom Fire for chassis. We have received grant money to cover the invoice, but there are budgeted funds available as well. Discussion on how much to pay Custom.

NEW BUSINESS

Supervisor Beldo forwarded information regarding the service cooperatives and the health insurance pools that were recently audited by the state.

Supervisor Branville reported that Harvey Thompson is requesting three hours of time to attend DUI and traffic safety courses.

Motion to allow three hours of time for Harvey Thompson to attend required training, made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.

Supervisor Branville commended the Fire Department for receiving two large grants— one from FEMA for \$75,000 for SCBA's, with a 5% match from the town, and one from the DNR for \$5,500.

Supervisor Pernu reported the Boy Scouts have completed their project near the playground. A wooden fence was put up and the area was landscaped. Supervisor Tamaro stated the Board authorized the project and the bills for the materials will be paid by the town. The Scouts were commended for their hard work on the project.

Chairman Kniefel introduced and read Resolution 2005-09.

Motion to adopt Resolution 2005-09 Designating a portion of Airport Drive North (Twp. 6715) a Minimum Maintenance Road, made by Chairman Kniefel, support from Supervisor Tamaro. Chairman Kniefel explained the road should be designated as such for liability purposes. Signs will be posted notifying drivers the road is minimum maintenance. Motion carried unanimously.

Motion to pay for half of the invoice costs for the fire truck to Custom Fire, made by Supervisor Tamaro, support from Supervisor Branville. Motion carried unanimously.

(Clerk's Note- Payment was made to Custom Fire for \$125,000.00, which is approximately half of the total cost of the truck)

CITIZEN CONCERNS AND COMMENTS

Mike Erjavec voiced his concern over North Airport Road being designated as minimum maintenance and questioned if the road would be plowed and graded? Supervisor Beldo answered that maintenance will still take place, and when needed, to notify the R & B employees.

Fire Chief Shykes distributed copies of a change order (#2) for the fire truck, from Custom Fire. The change is for sleeve compartments to enclose the ladders and to upgrade the rear fill valve to a 5 inch connection. The change order will increase the contract by \$2,227. Discussion.

Motion to approve Change Order #2 to Custom Fire, made by Supervisor Branville, support from Supervisor Pernu. Motion carried unanimously.

Supervisor Beldo stated, for the record, that it would be more cost effective to have the casual labor do the brushing on the sewer easements rather than having the wastewater operator do it.

Motion to pay the bills made by Supervisor Tammaro, support from Supervisor Beldo. Tammaro questioned the bill for McAfee software for the R & B computer, stating that all the computers should have the same anti-virus software so there is uniformity. Beldo agreed. Motion carried unanimously.

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

Regular Meeting adjourned at 8:45 PM.

Respectfully submitted,

Judy M. Sersha
Clerk of Fayal

Approved: _____
Chair

Attest: _____
Clerk