TOWN OF FAYAL
4375 SHADY LANE, EVELETH, MN 55734

Judy M. Sersha, Clerk/Treasurer Steven J. Kniefel, Chairman
Supervisors: Tony Tammaro, James Pernu, Ron Beldo, Kathryn Erjavec
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REGULAR MEETING OF THE FAYAL TOWN BOARD

DECEMBER 21, 2004

The Regular Meeting commenced at 7:45 PM, following the completion of the Public Hearing for the Vacation of South Airport Road. Present were: Chairman Kniefel, Supervisor Beldo, Supervisor Erjavec, Supervisor Pernu, Supervisor Tammaro and Clerk Sersha.

Audience members in attendance were: Dale Dickson, Steve Shykes, Jerry Ulman, Mike Erjavec, and Gary Ulman.

Motion to approve the minutes of the December 7, 2004 Regular Meeting, made by Supervisor Beldo, support from Supervisor Erjavec. Motion carried unanimously.

Motion to approve the minutes of the December 7, 2004 Public Hearing on the Petition to Vacate South Airport Road, made by Supervisor Beldo, support from Supervisor Tammaro. Motion carried unanimously.

SCHEDULED GUESTS

Dale Dickson requested clarification from the town board on the posting of vacations schedules. The union contract states vacations must be posted on January 1 each year. Dickson states in the old contract, vacations were to be posted by April 1, but with the new contract the date has changed to January 1. In the past, vacations have never been posted, but the town foreman has now required the posting. Dickson questioned the board that if the vacations are posted, can changes be made during the year, or do you have to take vacation as posted? Supervisor Beldo stated that the vacations should be posted, and if there are changes they will be contingent upon the town's ability to absorb that change. Kniefel stated the intent of the vacation posting is to clarify who is going to be where, and when to ensure adequate coverage–not to lock anybody in on their vacation.

Supervisor Beldo read a memo from Steve Verkovich, which also asked for clarification. Verkovich questioned who is responsible for wastewater work when Dale is on vacation, sick, comp, etc. and that he has asked the wastewater employees to post their vacations, per the contract to assure coverage.

Supervisor Tammaro stated that when Dale is not here, Steve Verkovich is responsible, and if he is unavailable, duties fall to Al Jurenic. Tammaro stated the pager schedule should dictate who is responsible, and that schedule has been made out for the year. Dale questioned if, due to seniority,

an employee takes vacation around every holiday for nine months, does that mean he (Dale) can't take a weeks vacation at that time also? Supervisor Beldo stated that would be an abuse, and you have to allow for someone else to take vacations too. Supervisor Beldo questioned what the union stance is on this issue, and suggested the union have a unified position.

Chairman Kniefel stated that by posting the vacations for the year, it will identify abuses, and it is obviously not cast in stone for the whole year, it gives an opportunity to work it out. The Board agreed that by posting vacations, they are not cast in stone, and there will be changes throughout the year.

REPORTS

Clerk/Treasurer's Report- For the period of December 1-21, 2004, there were $322,857.16 in receipts and $46,022.74 in expenditures. Tentative balances are as follows:

Miners Bank- $102,674.28
Mt. Iron Checking- $766,402.40
Assessment Savings- $569,887.26

REPORTS (Continued)

Clerk Sersha informed the Board, several depreciation account codes were added to the chart of accounts for calculation of depreciation on the fixed assets and GASB reports. Discussion on GASB and Banyon software.

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

Motion to bring into the record the November 2004 Road & Bridge Report, made by Supervisor Beldo, support from Chairman Kniefel. Supervisors Tammaro & Kniefel commented that Verkovich did a good job plowing while Al was out on sick leave. Motion carried unanimously.

Motion to accept the November 2004 Police Report made by Chairman Kniefel, support from Supervisor Tammaro. Motion carried unanimously.

Motion to accept the December 8 ,2004 Fire Department minutes made by Chairman Kniefel, support from Supervisor Tammaro. Motion carried unanimously.

Motion to bring into the record the December 8, 2004 EFGSD Joint Rec minutes made by Supervisor Erjavec, support from Supervisor Beldo. Motion carried unanimously.

CORRESPONDENCE

Mike Wiskow- The aquaduct was closed December 8, 2004 because the lake is frozen around the gauge and he is unable to accurately monitor water elevation. Placed on file.

Mick Giblin, Greater MN Agency- Copy of executed health plan offer from Fayal sent to Paul Brinkman, Executive Director of Northeast Service Cooperative. Group information sheet. Clerk Sersha reported that changes can be made to our group coverages prior to January 1. Referred to the insurance committee.

Gary Mackley- Letter informing the Joint Powers Rec meeting for entities was rescheduled to December 15, 2004, Gilbert Council Chambers. Placed on file.

SLCATO- Minutes of December 1, 2004. Request for response as to how many town officers will be attending Lobby Day. Bus is available and dates are January 31-February 1. Placed on file.

Mesabi Daily News- Request to be named official newspaper, rate quotes for publishing. Referred to Reorganization meeting.

Patricia Anderson, State Auditor- Cooperative Efforts in Public Service Delivery. Booklet on highlighting several cooperative efforts between local governments. Placed on file.

Al Jurenic- AWAIR program meeting, Monday, January 3, 1:00 PM, with Barb Griffith of Mesabi Range Community & Technical College. All employees and board liaison are encouraged to attend. Placed on file.

Fayal PUC- Memo regarding utility easements. Tabled for the next meeting.

OLD BUSINESS

Supervisor Beldo-

Cedar Island Lane- The legal description, a map and a letter were sent to Scott Neff.

Emergency Snowplowing Posting- The internal posting drew no response from the employees.

Supervisor Erjavec-

Recreation Grant- Fayal submitted an application for a $20,000.00 grant from the SLC Land Department. At the last Committee of the Whole of the SLC Board, the grant was tentatively approved, and will go on to the consent agenda for the next county board meeting.
Fayal intends to do a $45,000 playground project with $25,000 of the project coming from mining effects monies.

Water Testing- Erjavec stated that several years ago the Lake Association donated the remainder of their funds to the PUC for water testing. Erjavec questioned if those funds are still designated for that. Sersha stated they are designated for water testing and were receipted as a separate line item as a donation.

Joint Rec- Erjavec reported on the meeting of the entities held in Gilbert. Gilbert had concerns there was not adequate coverage for them. More promotional work, the financial reserves, and

improved financial reporting were also requested by the entities. The 2005 budget was also discussed and needs approval.

Motion to approve the 2005 Joint Rec budget, which is the same as last year and the year before, made by Supervisor Erjavec, support from Chairman Kniefel. Motion carried unanimously.

Seasonal Sewer Rate- Erjavec reported she met with Kelly Campbell and Dave Zlimen of the PUC to discuss her calculations for a seasonal rate for sewer users.

Employee Retirement Health Fund- Discussion on the spreadsheet compiled by Supervisor Erjavec. Erjavec is projecting we need to reserve at least $45,000 at this time in order to fund employee retirement insurance commitments in the future. Discussion. Funds could be taken from the unreserved fund balance, designated and invested.

Chairman Kniefel-

Masters Easement- The document was executed and sent.

RLK Litigation- Nothing at this time.

NEW BUSINESS

Supervisor Erjavec stated it has been a pleasure to serve on the board.

Gilbert Sewer Connections- Supervisor Tammaro reported that Mr. Holcomb has been working with Dale and Ken Kuitinen from Gilbert on the plan for the connection. Kniefel states Holcomb will have to sign an addendum to the sewer agreement, due to it being an extra-territorial connection. Erjavec reminded the Board they should increase the sewer access fee $300 each year to reflect the increase in equity.

Chairman Kniefel informed the Board that Harvey Thompson has requested the time to attend a 12 hour POST approved training on Rural Patrol Drug Investigations.

Motion to authorize the request from Harvey for the time to attend the certification training, made by Chairman Kniefel, support from Supervisor Tammaro. Motion carried unanimously.

Fire Chief Shykes forwarded requests to the Board for purchases of six self contained breathing apparatus bottles of $3,300 and two 1 ½ inch nozzles for $1,100.

Motion to authorize the Fire Department to purchase the equipment, as requested, made by Chairman Kniefel, support from Supervisor Pernu. Motion carried unanimously.

Supervisor Beldo informed the Board of the need for Class 5 in the near future and reported that Steve & Al think there is still enough gravel in the pit that could be used to fill that need. However, there is no survey of the pit and one would be needed before more digging could be done.

Discussion. Beldo will contact the adjoining landowners and see if they are interested in getting a survey. Beldo questioned if we needed quotes to hire a surveyor. Sersha stated that there are a limited number of surveyors with the knowledge of the area to do the survey, and suggested first contacting a couple of them to see if they are interested, or able to do the work first. If there is only one interested, and we are unable to find anyone else, no further quotes are needed. The Board agreed that a survey should be done of the town property.

CITIZEN CONCERNS AND COMMENTS

Gary Ulman questioned if there was a leash law in the township. Chairman Kniefel stated there is no leash law, but there is an animal ordinance. Sersha stated the ordinance stops short of having an animal on a leash, but states the animal must be under control.

Gary Ulman questioned if South Airport Road will continue to be plowed. Supervisor Beldo stated the road will continue to be plowed until the issues are resolved.

Jerry Ulman and Dale Dickson had no comment.

Fire Chief Shykes reported the Fire Department held their elections, and all officers stayed the same except one. The officer who was replaced was called up for the military and is out of the area at this time. Three firefighters have resigned.

Motion to accept, with gratitude and thanks, the resignations of Patrick Cossalter, Erik Jankkila, and Gary Barker, made by Chairman Kniefel, support from Supervisor Beldo. Motion carried unanimously.

Chief Shykes also informed the board that an assessment of cold water rescue equipment was done. Our equipment is 15 years old and Shykes requested tow new water rescue suits and floating rope, totaling $1,600.

Motion to authorize the purchases made by Supervisor Tammaro, support from Supervisor Beldo. Motion carried unanimously.

Chief Shykes informed the Board that the Fire Department, in conjunction with the Trail Hawks Snowmobile Club, will be holding a raffle to raise funds for a rescue sled. All the permits have been acquired and this will be a one-time event. Five hundred tickets at $25 each will be sold.

Chief Shykes requested a per diem amount for firefighters when they attend training. Chairman Kniefel informed him the township has a travel policy that provides for per diem. Shykes questioned if receipts need to be submitted. Clerk SErsha stated they do not, as long as the training has been approved by the Board, the per diem amounts can be used. A copy of the travel policy will be provided to Chief Shykes.

Mike Erjavec was in attendance and showed the board his building and sewer permit. Mr. Erjavec distributed copies of information to the board for discussion at the next meeting. Mr. Erjavec noted

the first time he requested road maintenance was June 6, 2000.

Chairman Kniefel acknowledged Supervisor Erjavec's three plus years of hard work and expressed his thanks to her for serving in the best interests of the town. Supervisor Beldo stated Supervisor Erjavec worked very hard. Supervisor ERjavec thanked everyone for their cooperation, and enjoyed public debate.

Motion to pay the bills made by Supervisor Beldo, support from Supervisor Erjavec. Motion carried unanimously.

Motion to adjourn by Supervisor Erjavec.

Regular Meeting adjourned at 9:24 PM

Respectfully submitted,

Judy M. Sersha
Clerk of Fayal

Approved: _____
Chair

Attest: _____
Clerk