

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, Lee Branville

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REGULAR MEETING OF THE FAYAL TOWN BOARD

FEBRUARY 15, 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 and Clerk Sersha. Supervisor Tammaro was absent.

Motion to approve the minutes of the February 1, 2005 Regular Meeting made by Supervisor Beldo, support from Supervisor Pernu. Motion carried unanimously.

REPORTS

Clerk/Treasurer's Report-

Buildings & Grounds- 2004 starting balance was \$1,813.36, the department received its full levied budget of \$27,000, there were \$ 31,784.43 in expenditures, leaving a negative \$1,976.07 at the beginning of 2005. A total of \$27,581.50 in building improvements were made for the year and were paid from the mining effects monies.

Fire Dept./EMS- 2004 starting balance was \$1,218.37, the department received its full levied budget of \$53,900.00, plus \$20,587.00 in FEMA grants, US Forestry funds of \$3,150.00, Fire Aid of \$18,169.00, misc. receipts of \$293.00, and a transfer from the general for fire relief in the amount of \$13,270.00. Total receipts for 2004- \$109,369.00. Total expenditures for the year were \$95,961.27, leaving a beginning balance for 2005 of \$14,626.49.

Recreation- 2004 starting balance was \$21,022.42, the department received its full levied budget of \$35,000.00, expenditures for the year were \$15,697.34, leaving a beginning balance for 2005 of \$40,325.08. Mining effects funds expended for the year 2004 in this department were \$907.00 for park benches.

Capital Equipment- 2004 starting balance was \$214,973.91, the department received its full levied budget of \$20,000.00, there were no expenditures, leaving a beginning balance for 2005 of \$234,973.91.

Police Dept.- 2004 starting balance was \$10,853.04, the department received its full levied budget of \$32,100.00 and fines in the amount of \$569.07, expenditures for the year were \$27,862.85, leaving a beginning balance for 2005 of \$15,659.26.

Road & Bridge- 2004 starting balance was \$8,247.18, plus a \$50,000.00 transfer in from the unreserved fund, for a total of \$58,247.18. The department received \$187,895.77 of its levied budget of \$210,000.00, and \$11,797.60 in town road aid and \$174.28 in misc receipts, for a total of \$199,867.65 in receipts. Expenditures for the year were \$154,348.83, leaving a beginning balance in 2005 of \$103,765.40.

Public Utilities- 2004 starting balance was \$37,490.68. Revenue for the year was from franchise fees in the amount of \$7948.79, expenditures were \$30,287.81. Accounts receivable were due the fund in the amount of \$2,400.00 for franchise fees and \$11,770.00 from the Fayal Sewer Co. Beginning cash balance for 2005 is \$3,451.54.

MPFA Town Interest- 2004 starting balance was \$83,955.58. Interest earned in 2004 from the special assessments was \$53,729.75. Expenditures made from this fund were for accounting and auditing services of the enterprise funds in the amount of \$7,529.50, making the beginning balance in 2005 \$130,155.83. These funds can be used for administrative expenses for the sewer department.

Diff. Pt MPFA Interest- 2004 starting balance was \$5,096.41, interest earned for the year was \$2,607.04, making the beginning balance for 2005- \$7,703.45. These funds can also be used for administrative expenses for the sewer department.

Capital Purchases Interest- This is interest received from special assessments on deposit at the Mt. Iron Bank. Beginning balance as of 2004 was \$8,153.20. Interest earned in 2004 was \$9,041.12, for an ending balance of \$17,197.32. These funds can be used to pay for capital expenditures for the sewer department. \$11,133.46 from this fund was used to purchase the PUC truck in 2001, with the remainder coming from the PUC. Instead of the \$10,000 transfer from the unreserved general funds, I suggest the accounts receivable to the PUC in the amount of \$11,770.00 be transferred from this fund.

Motion to transfer \$10,000 from the capital purchase interest account to the Public Utilities department, made by Chairman Kniefel, support from Supervisor Beldo. Motion carried unanimously.

Ending balances as of January 31, 2005 are as follows:

Mt. Iron Checking- 820,480.42

Miners Checking- 50,397.40

American Assessment Account- 527,151.44

A two year 3.5% Certificate of Deposit in the amount of \$65,000.00 was also purchased at the American Bank for employee benefits.

For the period of February 1-15, 2005, expenditures were \$13,842.16 and revenues were \$26,562.78.

CORRESPONDENCE

SLC Sheriff, Paul Lee- The All Hazard Mitigation Plan draft is open for review until April 13, 2005. Placed on file.

Estimate for surveying services received from Wayne Spragg and Northern Lights Surveying & Mapping. Referred to Old Business.

City of Gilbert- Copy of Gilbert utility rates. Placed on file.

Scott Neff- Signed easement from Louis and Karen Petrich. Easement has been recorded. Referred to Old Business.

U of MN- Workshop poster for classes they offer. Placed on file.

EFGSD Joint Rec Bd- March 9 meeting has been cancelled. Next meeting will be April 13, 6 pm. Placed on file.

Commissioner Keith Nelson- A request forwarded from the Solid Waste Dept to remove the Boy Scout's aluminum can recycling from our area. Placed on file.

Chairman Kniefel- Copy of a request letter and easement sent to Marguerite Newman asking for easement for North Airport Road. Placed on file.

Paul Cerkvenik- Copy of response sent to Mark Weir regarding the township resolution to vacate South Airport Road. Placed on file.

SLC Assessor- Board of Appeal and Equalization will be held Wednesday, May 4 1-3 pm, Fayal Town Hall. Placed on file.

OLD BUSINESS

Supervisor Beldo-

Survey Quotes- Quotes received for surveying town property located near the IRB were as follows: Wayne Spragg- Boundary survey, setting iron monuments at all property corners, and a certificate of survey—Total cost not to exceed \$1,410.00 and Northern Lights Surveying & Mapping- two options- A) GPS the area, establish control on the property, set pins and provide certificate of survey at a cost of \$3,500 and B) adds 16 additional hours to cut the property lines if they need to be marked, for a total cost of \$5,100.

Beldo states he discussed the two quotes with the R & B employees and the consensus is that the services offered by Wayne Spragg are adequate. Discussion on sharing the costs of the survey with the IRB and neighboring landowners. Beldo will pursue this, but it was decided the property will be surveyed even if there is no participation by others in the cost.

Motion to accept the quote for surveying from Wayne Spragg and have him proceed with the survey work, made by Supervisor Beldo, support from Chairman Kniefel. Motion carried unanimously.

Grader Training- Beldo reported that Ziegler has an individual available to train Dale on the grader. Beldo recommends Dale contact Ziegler and set up the training.

Safety Meeting- Beldo and Al Jurenec are working on editing a boilerplate AWAIR policy and tailoring it for the town's needs. Next safety meeting is the first Thursday of April at 1:00 PM.

Supervisor Pernu-

Town Complex Heat Bill- Pernu reports he is convinced the increase in the bill is due to the make up air unit, and the increase in the gas bill will have to be factored into the budget. Beldo suggested a programmable thermostat be installed in the skating shack. Discussion on use of the air exchange unit. Pernu will contact Otto Maki, the designer, for more info.

Playground Equipment- Pernu and Al Jurenec met with a playground equipment supplier. All of the current playground equipment is out of code and should be removed. Any new equipment installed will also have to be installed in either sand or wood chips, and trees will have to be removed. Pernu will attend the next planning committee meeting to apprise them of the playground plans. Pernu will be attending a playground safety meeting in Mt. Iron in March.

Chairman Kniefel-

Cedar Island Lane- An easement signed by Louis and Karen Petrich has been received and recorded. Kniefel presents and reads a resolution to dedicate the road.

Motion to adopt Resolution 2005-1 to Dedicate Cedar Island Lane Fayal Township Road 6716, made by Chairman Kniefel, support from Supervisor Beldo. Motion carried unanimously.

Conflict of Interest Policy- Tabled until the next meeting.

March Meeting Schedule- Discussion. The assessor is scheduled to attend the March 1 meeting and the Annual Meeting is March 8.

Motion to cancel the March 15 Regular Meeting, made by Supervisor Pernu, support from Supervisor Beldo. Motion carried unanimously.

Commission Vacancies- No one has yet volunteered for the planning committee.

RLK Litigation- Kniefel reports that RLK has requested another mediation session, if there is a new mediator picked for the session. If mediation does not take place, a court date has been set in May. Discussion.

Motion to authorize Tony Tamaro, Steve Kniefel and Judy Sersha to mediate and try to reach a settlement on the RLK issue, made by Supervisor Beldo, support from Supervisor Branville. Motion carried unanimously.

Parcel 876, Lepisto- Kniefel reported that the Lepisto's have been in and discussed options for fixing the encroachment problem on their property. A sewer assessment was not levied on the parcel by the town but they have been apprised of the possibility of their property receiving an assessment for sewer, depending upon how the property lines are drawn.

NEW BUSINESS

Supervisor Branville reported he has received a blight complaint, and will deal with it per Fayal's ordinance.

Chairman Kniefel reported on the enhanced GIS capabilities draft being done by the Land Records Management Department of St. Louis County. Kniefel distributed a draft copy for the board's review.

CITIZEN CONCERNS AND COMMENTS

Jerry Ulman was in attendance, but had no comment.

Mike Erjavec was in attendance and questioned the easement sent out to the Newman's for North Airport Road. Kniefel explained the trust property is owned by 6 individuals, and all signatures will be required.

Steve Shykes, Fayal Fire Chief was in attendance and forwarded to Supervisor Branville a recommendation that David Hartman be accepted on the Fire Department, upon passing a physical exam. Shykes reported that Mr. Hartman is a fully trained firefighter from Mankato who recently moved to Fayal, and he has already passed Fayal's written exam.

Motion to approve David Hartman as a Fayal Firefighter, upon passage of the physical exam, made by Supervisor Branville, support from Chairman Kniefel. Motion carried unanimously.

Chief Shykes reported on the raffle that was held recently by the Trail Hawks snowmobile club. Tickets were sold to raise money for a rescue sled for the fire department. The event was very successful and there are funds left over to buy additional equipment for the fire department.

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

Short discussion on the levy for 2006. Consensus of the board is to have a zero percent increase from 2005 to 2006.

Motion to recommend to the freeholders at the Annual Meeting, a levy of \$487,500 for the year 2006, which is a zero percent increase from 2005, made by Chairman Kniefel, support from Supervisor Branville. Motion carried unanimously.

Motion to adjourn made by Supervisor Beldo.

Regular Meeting adjourned at 8:25 PM.

Respectfully submitted,

Judy M. Sersha
Clerk of Fayal

Approved: _____
Chair

Attest: _____
Clerk