

TOWN OF FAYAL
4375 SHADY LANE, EVELETH, MN 55734

Judy M. Sersha, Clerk/Treasurer

Steven J. Kniefel, Chairman

Supervisors: Tony Tammaro, James Pernu, Lee Branville, Joe Stewart

PHONE (218)744-2878

FAX (218) 744-5986

REGULAR MEETING OF THE FAYAL TOWN BOARD

APRIL 1, 2008

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 Branville, Supervisor Tammaro and Clerk Sersha. Supervisors Stewart and Pernu were absent.

Audience members in attendance were Mr. & Mrs. Thomas Brascugli, Gilbert Mayor Don Bellerud, Patrick Ziegler, Jerry Ulman, Mike Erjavec, Eric Jankila and Steve Shykes.

Motion to approve the minutes of the March 4, 2008 Regular Meeting made by Supervisor Tammaro, support from Supervisor Branville. Motion carried unanimously.

REPORTS

Clerk/Treasurer's Report- Bank statements for the month of March 2008 have not yet been received. Tentatively, there were \$32,313.32 in revenues and \$56,405.54 in expenditures. Cash balances are as follows:

Miners-	\$76,177.54
Mt. Iron Checking-	\$710,559.30
Assessment Savings-	\$381,373.48

For the year 2007:

Fayal Sewer Company- For the year 2007, there were \$337,003.01 in revenues and expenditures of \$295,185.26. The cash balance as of 12-31-07 is \$46,129.98.

Accumulated within the checking account balance are the following: Maintenance Contingency of \$31,549.03, Sewer Access Charges of \$50,041.60, Depreciation not in CD- \$7,798.62 (Included in this depreciation is PUC pickup depreciation in the amount of \$1,877.26) and Sewer replacement charges of \$12,997.51.

The Sewer Access Charges are available for use to expand the sewer system.

Certificates of Deposit include three Sewer Depreciation CD's totaling \$172,201.38, one CD for the PUC Pickup Replacement totaling \$19,892.74 and one CD for Sewer Replacement of \$10,426.70.

Fayal Water Company- For the year 2007 there were \$69,535.96 in revenues and \$58,617.33 in expenditures. The cash balance as of 12-31-07 is \$16,637.35.

Accumulated with the checking account balance are the following: Standby Water- \$3,667.40, Water Access Charges- \$26,746.75, Maintenance Contingency \$5,463.38, Depreciation - \$1,082.70.

Certificates of Deposit include two Waterline Depreciation CD's totaling \$42,411.90 and one Standby Water CD of \$30,633.15.

The water access charges have not been invested so they are available for water line projects.

Public Utilities- Revenues from franchise funds received for the year 2007 totaled \$10,635.40 and expenditures were \$23,794.13, leaving an ending balance of \$10,986.89.

For the first quarter 2008:

Fayal Sewer Company- Beginning cash January 1, 2008 was \$46,129.98, revenues \$82,926.28, expenditures \$73,277.46. Cash balance as of March 31, 2008 is \$56,145.11.

Fayal Water Company- Beginning cash January 1, 2008 was \$16,637.35, revenues \$15,683.73, expenditures \$16,111.76. Cash balance as of March 31, 2008 is \$13,101.32

Public Utilities- Beginning cash January 1, 2008 was \$10,986.89, revenues \$2,654.34, expenditures \$6,707.71. Cash balance as of March 31, 2008 is \$6,933.52.

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

Motion to approve the March 2008 Police Report made by Supervisor Branville, support from Supervisor Tammaro. Motion carried unanimously.

Motion to approve the Fire Department Regular Business Meeting of March 13, 2008, made by Supervisor Branville, support from Supervisor Tammaro. Motion carried unanimously.

Motion to approve the March 2008 Road & Bridge Report made by Supervisor Tammaro, support from Supervisor Branville. Motion carried unanimously.

Supervisor Tammaro stated the need for volunteers to sit on the EFGSD Joint Cable TV Commission. Clerk Sersha stated there is also a vacancy on the Public Utilities Commission. An ad will be placed in the Mesabi Daily News.

OLD BUSINESS

Supervisor Branville-

Golf Course Road Sewer Extension- The project has been completed. Supervisor Tammaro questioned if there was any clean up to do in the right-of-way, or anything was left to be done. Supervisor Branville stated that most of the work was done on private property, and any cleanup is minimal. The contractor will come back after the snow is gone to finish any remaining residual cleanup in the right-of-way.

Chairman Kniefel-

Safety Grant- Fayal has been awarded \$7,500 in matching funds by the Department of Labor & Industry for the installation of an air exchanger for the offices.

Motion to accept and authorize the appropriate township officials to sign the grant documents, made by Chairman Kniefel, support from Supervisor Branville. Motion carried unanimously.

Humane Society Agreement- No agreement received yet.

Cell Phones- Clerk Sersha reported that AT&T will not give us cell phones without a charge card or they want to be provided with a blank check. Sersha stated they have been told that will not happen, and Verizon has been contacted.

NEW BUSINESS

Supervisor Branville reported he had a request from the E-G High tennis coach, Scott Smith, to use our tennis courts for practice between the hours of 3:30-5:00 PM daily.

Motion to authorize use of the tennis courts by the E-G High School students daily from 3:30-5 PM, made by Supervisor Branville, support from Supervisor Tammaro. Motion carried unanimously.

Supervisor Tammaro reported the Road department is working on a schedule for road overlays, and will contact SLC regarding a piggyback program. Information is also being gathered on a roadside mower, and the possibility of leasing such equipment.

Chairman Kniefel acknowledged a memo sent out by Supervisor Stewart regarding replacement of the squad car. The replacement has been budgeted and the funds are there. Supervisor Stewart and Chief Thompson recommend replacing the squad car with a 4-wheel drive vehicle.

Motion to proceed with the solicitation of quotes and prepare specifications for a 4-wheel drive police vehicle, made by Chairman Kniefel, support from Supervisor Tammaro. Chairman Kniefel stated that Supervisor Stewart, Chief Thompson and Clerk Sersha should coordinate this project. Motion carried unanimously.

Clerk Sersha explained problems with sewer special assessments that have been removed by the county, or that are on the wrong parcel.

Motion to reaffirm the sewer special assessment on CVT 340-0070-00120 of \$460.30 per year to be collected on an annual basis by St. Louis County, through the year 2020 made by Chairman Kniefel, support from Supervisor Tammaro. Motion carried unanimously.

Motion to reaffirm the sewer special assessment in the amount of \$460.30 per year, for the years 2006, 2007 and 2008 on CVT 340-0040-00680, with all three years to be placed on pay 2008 tax statement, and thereafter to be collected in the amount of \$460.30 per year on an annual basis through the year 2020, made by Chairman Kniefel, support from Supervisor Tammaro. Motion carried unanimously.

Motion to remove the sewer special assessment from CVT 340-0010-01580 because it has been subdivided and does not have sewer access, and place the special assessment for the benefit of municipal sewer on CVT 340-0010-01581 in the amount of \$460.30 per year through the year 2020, to be collected by St. Louis County, made by Chairman Kniefel, support from Supervisor Tammaro. Motion carried unanimously.

Chairman Kniefel read aloud Resolution 2008-02.

Motion to adopt Resolution 2008-02 Authorizing Submission for a Federal Grant for the Purpose of Developing and Constructing a Quad Cities Regional Water and Wastewater System, made by Chairman Kniefel, support from Supervisor Branville. Motion carried unanimously.

Motion to approve the application for On-Sale/Sunday On-Sale 3.5% Malt Liquor license for John Roger Rinne DBA Eveleth Golf Course, Golf Course Road, Eveleth, MN 55734 with special reference to good moral character and repute, made by Chairman Kniefel, support from Supervisor Tammaro. Motion carried unanimously.

Discussion on the quote received from MAT for firefighter workers's comp insurance. The cost would be approximately half of what is currently being paid to Berkley Risk Administrators for the same coverage.

Motion to approve purchase of workers compensation insurance for the firefighters from MAT, contingent upon approval by the Fire Department and the cancellation of the Berkley policy, made by Supervisor Tammaro, support from Supervisor Branville. Motion carried unanimously.

Supervisor Tammaro stated the need for two representatives from Fayal for the EFGSD Joint Cable TV Commission, and for the PUC. Clerk Sersha will place an ad in the paper.

Motion to accept the pay raise of \$20.00 per month for each town board member, as recommended by the people at the annual meeting, made by Supervisor Branville, support from Supervisor Tammaro. Motion carried unanimously.

Chairman Kniefel opened bids submitted for the purchase of the 4 drawer file cabinet the town recently advertized on the posting boards. Two bids were received- LeAnne Surla- \$5.00, Deb Hunter - \$8.00.

Motion to accept the bid of \$8.00 for the file cabinet, made by Supervisor Branville, support from Supervisor Tammaro. Motion carried unanimously.

CITIZEN CONCERNS AND COMMENTS

Gilbert Mayor Don Bellerud reported that Gilbert is planning to go ahead with the Sparta sewer project beginning mid-April, with a completion date of July.

Patrick Ziegler questioned why he had to pay \$3,500 for connection of his property to the waterline. Mr. Ziegler stated the line belongs to Eveleth, and he should not have been charged since it is not a Fayal line.

Mr. & Mrs. Tom Brascugli were in attendance. Mr. Brascugli reported of an incident of dogs on his property, and stated we should have animal control in the township.

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

Erik Jankila was in attendance and stated his concern that there would be no quorum at the next PUC meeting. Mr. Jankila plans to build a new home, and needs to know the where the manhole will be installed on his property so he can proceed with his plans. Mr. Jankila was assured that all PUC members would be contacted and reminded of the meeting.

Fire Chief Shykes brought a recommendation letter from the Membership Committee. The committee is recommending the application of Tim Coates for membership on the Fayal Fire Department, providing he passes the required interview, written and physical test.

Motion to appoint Tim Coates to the Fayal Fire Department, pending he passes the required interview, written and physical test, made by Chairman Kniefel, support from Supervisor Tamaro. Motion carried unanimously.

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

Motion to adjourn by Supervisor Tamaro.

Chairman Kniefel adjourned the Regular Meeting at 7:50 PM.

Respectfully submitted,

Judy M. Sersha
Clerk of Fayal

Approved: _____

Date: _____

Attest: _____

