

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, Kathryn Erjavec

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REGULAR MEETING OF THE FAYAL TOWN BOARD

DECEMBER 7, 2004

The Regular Meeting of the Fayal Board of Supervisors was called to order at 7:28 PM, by Chairman Kniefel. Present were: Chairman Kniefel, Supervisor Beldo, Supervisor Erjavec, Supervisor Pernu, Supervisor Tamaro and Clerk Sersha.

Audience members in attendance were: Mike Erjavec, Jerry Ulman, Bob Mavec, Dale Dickson, Scott Smith and Dale Holcomb.

Motion to approve the minutes of the November 16, 2004 Regular Meeting, made by Supervisor Tamaro, support from Supervisor Pernu. Supervisor Beldo stated he would like to amend the minutes to say that he attended the employee safety meeting. Motion carried unanimously.

Motion to approve the minutes of the November 24, 2004 Special Meeting, held for the purpose of discussing and acting upon joining NECSU for employee health benefits, made by Supervisor Beldo, support from Supervisor Pernu. Motion carried unanimously.

REPORTS

Clerk/Treasurer's Report- For the period of November 1-30, 2004, there were \$41,471.14 in receipts, expenditures were \$58,965.32, and the ending balances are as follows:

Miners Bank-	\$85,669.54
American Checking-	\$652,215.27
Assessment Savings-	\$435,155.51

The second half of the property taxes and special assessments arrived December 3. Total received was \$304,927.69.

Clerk Sersha requested the correspondence from Scott Neff of Trenti Law firm regarding employee benefits. Supervisor Beldo stated he will supply a copy to keep on file. This correspondence was not public until the union contracts were signed.

Clerk Sersha distributed a quote for a new computer for the utility department and a backup system that can be used by all departments.

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

Motion to enter into the record the minutes of the EFG Cable TV Commission Regular Meeting minutes and financial information, made by Supervisor Erjavec, support from Supervisor Beldo. Motion carried unanimously.

Supervisor Tamaro stated he is not the only one to question the Rec Directors pay. Tamaro noted his salary has been questioned by Gilbert also.

Motion to accept the November 10, 2004 Fire Department Regular Meeting minutes, made by Chairman Kniefel, support from Supervisor Beldo. Motion carried unanimously.

CORRESPONDENCE

US Risk Underwriters- They have decided to discontinue writing Law Enforcement Liability insurance. Troy Gilchrist was contacted and he will be forwarding us quotes from another company. Placed on file.

CORRESPONDENCE (Continued)

LGA- Resolution to contract for legislative lobbying services to reform annexation laws. Referred to Old Business.

CARE Commission- Request for donation to E-G All Night Post- Prom & Grad parties. Referred to New Business.

Steve Giorgi, AFSCME- Letter concerning the insurance pool membership and contingency snow removal. Placed on file.

Les Skoog- Letter regarding the acrid smoke that was produced from fire training, and request to hold the training somewhere else.

Supervisor Pernu stated that he was under the impression the cars that were to be burned were to be towed to the waste site and training would take place there. Pernu states he spoke with Mr. Skoog that evening and Skoog was irate about the smoke. Pernu states the smoke was thick and toxic smelling.

Motion to have the Fire Department discontinue fire training by the fire hall, and instead hold it at the waste site, made by Supervisor Pernu, support from Supervisor Erjavec. Beldo states there have been complaints over the years, and that training that close to such a heavily populated residential area is not a good location. Motion carried unanimously.

Gary Mackley Gilbert Clerk- Letter stating the Gilbert council authorized Mr. Holcomb to connect to Fayal sewer line, and an agreement concerning that connection. Referred to New Business. 2003

Audit. Placed on file.

Patricia Anderson, State Auditor- MN Township Finances: 2003 Revenues, Expenditures & Debt report. This is also available online at www.auditor.state.mn.us Placed on file.

SLCATO- Regular meeting minutes of Oct. 27, 2004. Next meeting January 25, 2005, Cotton Community Center. Placed on file.

Ryan Turner- Letter stating he has decided not to renew his position on the planning commission. Placed on file.

Gary Mackley, Gilbert Clerk- A meeting has been set to discuss the Joint Rec with reps from Eveleth, Gilbert & Fayal, Wednesday, Dec. 8, 5 pm, Gilbert City Hall. Tammaro & Erjavec to attend.

Chairman Kniefel- Copy of letter sent to Terry Soderberg SLC Solid Waste informing him the town board unanimously denied his request to remove the Boy Scout's aluminum recycling bin from the recycling area. Placed on file.

OLD BUSINESS

Supervisor Beldo-

Emergency Snowplowing- Discussion on procedure for implementation. Beldo states this would only be in place if the two road employees were unavailable or unable to plow/sand, and is not meant to displace any workers. The position will be posted internally, and if no Fayal employee is qualified, the board will contract with St. Louis County for emergency road plowing/sanding.

Cedar Island Lane- The survey document has been finished. Beldo reports he met with Louis Petrich, and he is in agreement with the easement for the road. The info will now be given to Scott Neff for him to draw up an easement document for signature.

Supervisor Erjavec-

EFG Cable TV- No quorum, unable to work on the budget until January meeting.

Planning Commission- No quorum, but members that were present looked at the RFP's. John Damberg will work on the RFP and make the changes, and it will be brought to the town board for approval.

OLD BUSINESS (Continued)

Supervisor Pernu-

Janitorial position- Pernu questioned how this should be addressed. Many good applicants have applied. Kniefel states that casual labor is hired by the building & grounds supervisor, road foreman and clerk. Action on hiring will be taken after the first of the year.

Rain Gutters- The gutters were installed last week. Holiday lights were also put up on the front of the town hall, and the interior of the hall was decorated by the Sewing Club ladies. Pernu commended the Sewing ladies and thanked Dale for putting up the lights. The Board agreed the hall

looks good.

Supervisor Tamaro-

Computer purchase- Short discussion on purchasing a new computer for the public utilities department and a backup system for use by all departments. The current computer is five years old, and running low on memory.

Motion to authorize Judy & Diane to purchase a computer and backup system for the public utilities department, not to exceed \$2,000.00, made by Supervisor Tamaro, support from Chairman Kniefel. Motion carried unanimously.

RLK Litigation- Nothing at this time.

Ryan Turner Litigation- Nothing at this time.

Chairman Kniefel-

LGA- Kniefel reported there are currently about 85 members. Discussion on this years legislation. Kniefel presented and read Resolution 2004-08.

Motion to adopt Resolution 2004-08 to Contract for Legislative Lobbying Services to Reform Annexation Laws, made by Chairman Kniefel, support from Supervisor Tamaro. Motion carried unanimously.

NEW BUSINESS

Supervisor Beldo reported he attended the SLCATO meeting on December 1. Lobby day has been changed to coincide with Duluth Days in St. Paul.

Supervisor Erjavec reported that Ryan Turner will be resigning from the Planning Committee, due to other commitments. Erjavec commended Ryan for all of his hard work and the good job he has done on the committee, and she will write a letter of thanks to him on behalf of the township. There may be another member of the committee that will be resigning as well.

Motion to post and place on the cable tv channel, a notice there is a three year position available on the Planning Committee, made by Supervisor Erjavec, support from Chairman Kniefel. Motion carried unanimously.

Regarding discussions at Gilbert's council meeting concerning the Joint Rec directors salary, Erjavec states that his salary is \$34,700, not \$44,000. The rec directors total package, including benefits is \$44,000. Discussion on the directors hours, and work he does.

Supervisor Erjavec distributed a spreadsheet containing calculations for reserving funds for future employee benefits. Tabled until the next meeting.

Dale Holcomb from Gilbert was present and requested to be connected to the Fayal sewer. Chairman Kniefel stated that would not be a problem, but there are several things Holcomb must do first. Kniefel apprised Holcomb that he must: 1) fill out and submit application to the PUC, 2) submit

a plan as to how the connection will be made, using a township approved contractor 3) establish a contract with the township which states the connection and maintenance of connection line, is all at Holcomb's expense, with no expense to the township 4) pay the access charge up front to the town 5) agree to pay a monthly service charge.

Discussion on the agreement drafted by Sam Aluni, Gilbert attorney, forwarded to Fayal by Gary Mackley. The agreement was drafted to allow for the possibility that if Holcomb should ever default on his monthly sewer charge, it would allow for Gilbert to place any of Holcomb's unpaid monthly sewer service charges that are generated in Fayal, onto Holcomb's property taxes.

The agreement falls short of saying that Fayal will deduct Holcomb's unpaid utility charges from the amount Fayal pays Gilbert each month for wastewater treatment, and that is one condition Fayal would require. A meeting to discuss possible future connections by Gilbert residents to the Fayal line will be planned after the first of the year.

Clerk Sersha informed the Board that the notary public licenses will expire January 31, 2005. Sersha reports the cost has increased since they were last renewed. Cost for each license is now \$40.00, recording signature with the court administrator is \$100, and new stamps are needed. Sersha requests authorization for renewal for notary license for the deputy clerk/treasurer, billing clerk and clerk/treasurer. Tamaro states he would like to have his renewed too, as he also has done notary work for the town.

Motion to authorize at township expense, four notary licenses, and the costs associated with the license, made by Chairman Kniefel, support from Supervisor Beldo. Motion carried unanimously.

Motion to donate the same as last year, to the CARE Commission for the Post-Prom and Post-Grad parties, made by Supervisor Tamaro, support from Supervisor Erjavec. Motion carried unanimously.

(Clerk's Note- Donation was \$200.00 total)

CITIZEN CONCERNS AND COMMENTS

Bob Mavec was present and had the following: 1) The fire department should not burn by the town hall and should do their training at the waste site. 2) The board should do something about the sleds going up and down the roads, Birch Lane, Woodlawn, Lakeside etc. 3) The clerk should oversee the casual labor for cleaning the hall instead of the road foreman, 4) Dale should plow by the hydrants when he is out plowing lift stations.

Jerry Ulman was in attendance and reported that he did not apply for the casual labor cleaning position because, per PERA rules, he can only work 180 calendar days, but after January 1 he can apply.

Dale Dickson was in attendance but had no comment.

Mike Erjavec was in attendance and reported he is building a house on the SE of SE of Section 10 and is waiting to get his sewer permit and 911 address. Erjavec states we should put pressure on Gilbert to get their residents on the Gilbert side of Ely Lake to connect to the sewer.

Assistant Fire Chief Scott Smith was in attendance. Smith apologized for the fire training and the resulting smoke. Smith states it was a poor choice to hold the training by the hall. Efforts were made to move the training, but two other departments were scheduled to train also.

Motion to pay the bills, except for a portion of the Banyon support bill, made by Supervisor Tammaro, support from Supervisor Erjavec. Sersha explains Banyon has only one person to call for support for GASB and fixed assets, and that there have been many times when there is no one available to ask a questions. SErsha states she is unsatisfied with the level of support and is going to write them a letter. Motion carried unanimously.

Discussion on investing town funds. Interest rates have increased at Edward Jones and there has been recent legislation that also allows towns to invest at credit unions that are NCUI insured. Investments will be made after the first of the year, after the Reorganization meeting.

Chairman Kniefel informed the board that the training burn scheduled for the Long Lake area will not be held, in response to concerns from those living in the area.

Motion to adjourn made by Supervisor Tammaro.

Regular Meeting adjourned at 9:00 PM.

Respectfully submitted,

Approved: _____
Chair

Attest: _____
Clerk

Judy M. Sersha
Clerk of Fayal