

TOWN OF FAYAL
4375 SHADY LANE, EVELETH, MN 55734

Heidi M. Latvaaho, Clerk/Treasurer

Anthony Tamaro, Chairman

Supervisors: Lee Branville, Mark Chad, Michael Erjavec, Richard Sather

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REGULAR MEETING OF THE FAYAL TOWN BOARD

AUGUST 19, 2025

The Regular Meeting of the Fayal Town Board of Supervisors was called to order at 7:00 PM by Vice-Chair Branville. Present were: Vice-Chair Branville, Supervisor Chad, Supervisor Erjavec, Supervisor Sather and Clerk Latvaaho. Chairman Tamaro was absent. Vice-Chair Branville led with the Pledge of Allegiance.

Audience members in attendance were Steve Bottilla, Greg Chad, Nick Gianlorenzi, Matt Hoffmann, Jason Latvaaho, Erik Moe, Nick Preiner, John Ramos, Steve Shykes and Jeremy Widmer.

Motion to approve the minutes of the Regular Town Board Meeting of July 16th, 2025, made by Supervisor Sather, support from Supervisor Chad. Motion carried unanimously.

SCHEDULED GUESTS- None at this time.

AUDIENCE CONCERNS- None at this time.

REPORTS-

Clerk/Treasurer's Report-

Bank statements for the month of July have been received and all accounts reconciled. Revenues were \$686,252.86, which included levy funds of \$541,720.06 and expenditures were \$178,910.25. Ending balances for the month of July were:

Miners Checking- \$772,465.02

Assessment Savings- \$115.74

CD Savings- \$70.75

4M Fund- \$1,924,570.78

For the month of August to date, revenues are \$35,470.92 and expenditures are \$136,064.09.

Motion to approve the Clerk/Treasurer's report, made by Supervisor Sather, support from Supervisor Chad. Motion carried unanimously.

Other Reports-

Motion to accept the July Road and Bridge Report, made by Supervisor Sather, support from Vice-Chair Branville. Motion carried unanimously.

Motion to accept the Planning Commission meeting minutes from May 21st, made by Supervisor Erjavec, support from Supervisor Chad. Motion carried unanimously.

Motion to accept the Public Utilities Commission meeting minutes from July 9th, 2025 and the Delinquency Report, made by Supervisor Erjavec, support from Supervisor Sather. Motion carried unanimously.

Motion to accept the PUC Wastewater Report from July, made by Supervisor Erjavec, support from Vice-Chair Branville. Motion carried unanimously.

CORRESPONDENCE-

July 21st- A letter of thanks from the University of Minnesota Extension for the \$100.00 donation to the St. Louis County 4-H. Placed on file.

July 30th- Email from the IRRRB with notice of a grant writing workshop on August 26th. Placed on file.

August 4th- Email from St. Louis County Public Works Department with notice of 2026 aggregate crushing program. Forwarded to Road and Bridge.

August 4th- Email from the IRRRB with notice of the 2nd Annual State of the Range on Wednesday, September 17th at the Iron Trail Motors Event Center. Pre-registration is required by September 5th and there is no cost to

attend. Placed on file.

August 4th- Letter from Minnesota Association of Townships with notice of District 10 meeting on August 28th at 5:00 PM at the Grand Lake Town Hall in Saginaw. Placed on file.

August 6th- Email from the Minnesota Department of Health with results of the haloacetic acids and total trihalomethanes. The water sample results show that the public water supply is in compliance. Forwarded to the PUC.

August 11th- Letter from Couri & Ruppe that effective January 1st, the hourly rate will increase to \$285.00 per hour for all general legal work and \$315.00 per hour for all development work. Placed on file.

August 13th- Email from the IRRRB with Workforce Solutions Series 2025 at the Mt. Iron Community Center with session #1 beginning September 18, session #2 October 9th and session #3 November 13th. Placed on file.

August 13th- Email from Janelle Greschner with the IRRRB with invitation to Clerk Latvaaho for a meeting on Wednesday, September 3rd at the IRRRB at 10:00 AM to discuss a potential agency grant for the owners of the former Woodline Building in order to assist in finding a potential buyer for the property. Clerk Latvaaho requested a Town Board Supervisor attend with her if available.

August 14th- Letter from St. Louis County Land and Minerals Dept with notice of public sale of state tax-forfeited land. Parcel 340-0010-05184 will be offered for online auction beginning September 11th and close on September 25th. Clerk Latvaaho added that it appears that the building is not being demolished prior to sale as the Township was previously told, but has a message out to St. Louis County regarding that question.

OLD BUSINESS

Vice-Chair Branville-

Fire Department Rechassis Project- Assistant Fire Chief Matt Hoffmann has a meeting scheduled tomorrow with the builder and sales representative to make any final changes and should receive a final proposal ten days after that. The vehicle will be in this calendar year.

Patrick Ziegler Sewer Line- The parcel was originally one parcel and later divided with one service line shared between the garage parcel and the house parcel, which is against Fayal Ordinance 98-1. The line running to the home was disconnected and capped and was inspected by Foreman Jason Latvaaho on August 16th. Clerk Latvaaho drafted a Resolution in order to move the paid sewer availability charge from the house parcel to the garage parcel due to the house split and the benefitted property gaining a new parcel identification number. Clerk Latvaaho read Resolution 2025-02.

Motion adopt Resolution 2025-02 A Resolution to Remove a Paid Sewer Availability Charge and Transfer to Another Parcel, made by Vice-Chair Branville, support from Supervisor Sather. Motion carried unanimously.

Tennis Court- The grant application cutoff ended on July 24th and it has been a struggle to get bids from vendors. The application will be available again January 1st. The pickleball group has not been meeting here anymore and they are now using Eveleth's new courts.

BCA and Master Services Agreement- Clerk Latvaaho spoke with the St. Louis County Deputy Attorney and per State statutes, the County is able to prosecute Fayal's cases because Fayal is not a city. Any ordinance violations would need to be prosecuted by an attorney that Fayal hires or Fayal can also contract with St. Louis County for prosecution for a fee. Fayal would lose any fine revenue received from cases prosecuted, but the fine revenue was averaging \$100.00 per month and spending well beyond that on monthly attorney costs. The St. Louis County Attorney's Office would need a letter from Fayal stating that they are no longer contracting with Mike Kearney as the prosecuting attorney for the monthly cases if the Town Board would like to make that change. Clerk Latvaaho estimated there is typically 10 cases a month with the monthly invoice ranging between \$600-\$1,000 per month, with the majority of the cases being highway patrol stops on Highway 53. There are very few ordinance violations that occur and estimated maybe one a year. Going back to St. Louis County prosecuting Fayal's cases was how it was previously performed back in 2015. If the highway didn't run through Fayal, would likely be profiting in regards to fine revenue and attorney costs.

Motion to revert back to the original way of prosecuting our local ordinances and forward the letter to the Kearney Firm that we no longer need their services, made by Vice-Chair Branville, support from Supervisor Sather. Motion carried unanimously.

Class 5 Production in the Road and Bridge Pit- Foreman Latvaaho has not heard a response back from Ulland and will reach out to them after the Highway 53 project winds down. St. Louis County has offered a crushing program and Foreman Latvaaho is working on that.

Solar Panel Repair- Unsure if Chairman Tammaro spoke with Hometown Electric. Hometown was going to speak

with Vice-Chair Branville. Vice-Chair Branville was not in support of spending too much money on the repair as the system is dated and to keep an eye open for other sources or opportunities for solar panels.

Vice-Chair Branville questioned what the occasion was that the meeting was being filmed? John Ramos responded that he was the publisher of the Duluth Monitor and he makes a specialty of attending outlying townships and covering their meetings.

Thunderbird Trail Patch- Supervisor Sather informed the Board that Foreman Latvaaho has been doing some work on the patch and it has hardened up quite nicely. Foreman Latvaaho heated the material and took out some of the high and low spots. He will also crack seal where it was saw cut. Discussion how much traffic the area gets.

St. Mary's Lake Development Grant- Clerk Latvaaho sent an email to Chris Ismil from the IRRRB and has not heard a response back.

Town Hall Rental Rates- Vice-Chair Branville will work with Clerk Latvaaho for some recommendations. Would still like to keep rates low.

PUC Billing Clerk/Pager Schedule- The Union met to discuss the issue and per an email from Amanda Metsa, the Union Representative, the unit employees requested that the Town Board approve offering pager duty to non-unit employees paid at the rate dictated by the contract, with a requirement that any volunteer for pager duty work a minimum of four weeks of call duty per year and receive necessary training. The PUC Billing Clerk is now carrying the pager and can talk about down the road.

Cable Access Board- The Town received an invoice for \$7,368.70 for 1st and 2nd quarters. Per the Joint Powers Agreement, the Town is only liable for what they take in from the Mediacom Franchise Fees. Chairman Tammaro had shared an email that he had spoken with the Eveleth Mayor and that Eveleth and the School District would take care of Fayal's share of the payment. In speaking with the City of Eveleth Administrator, that is something the City Council has not addressed or is aware of. According to the Joint Powers Agreement, the Town is liable to make contributions through the effective date of withdrawal which is considered to be the 366th day following receipt of the required written notice. Discussion regarding the payment and honoring the contract.

Motion to continue to pay our contractual obligation at the rate of the franchise fees that we take in from Mediacom, made by Vice-Chair Branville, support from Supervisor Sather. Motion carried unanimously.

Fire Department Shared Services- Fire Chief Shykes informed the Town Board that a kick off meeting was held on August 13th with the two Mayors, the Town Board Chair and the Fire Chiefs to discuss proceeding with the shared services project. The assessment done by the consultant is still valid. Next meeting is August 27th at 3:15 PM at the Town Hall with the members of the committee. Discussion regarding the communities involved. Nick Preiner gave some insight into the project and brought forward that Gilbert is having some financial struggles and benefits from Fayal being a party to the project. Chief Shykes also brought forward that there will need to be discussions on the PERA pensions that will need to be equalized.

NEW BUSINESS

Transfer of Assessment Funds to 4M Fund- Clerk Latvaaho requested to transfer the assessment levy funds from the Miner's checking account to the 4M Assessment Savings Fund.

Motion to transfer from Miner's checking \$538.20 to the 4M Fund, made by Vice-Chair Branville, support from Supervisor Chad. Motion carried unanimously.

Time Clock- The Town Chair had made a request of having a time clock. Over the years there has been concerns of times being inaccurately reported. Discussion that manual timesheets are reported to the Clerk and if there is any question of time, timesheets can easily be investigated with reviewing the timesheets and the cameras. In the past there has not been anything to the allegations. Individuals have sick, compensatory time and vacation that can be used in the event of having to leave or arrive early. Vice-Chair Branville believes that the method we are using is more than adequate.

Motion to continue employee time in and out as in the past and not install a time clock, made by Vice-Chair Branville, support from Supervisor Sather. Motion carried unanimously.

LRIP Grant- The road grant is available mid-September and Clerk Latvaaho would like to apply again, but an engineer would be needed to update the quotes. Discussion regarding what can be applied for and engineering. Discussion regarding chip sealing. Recommendation to utilize Benchmark as they prepared the last estimates.

Fire Department PERA Funding Report- Fire Chief Shykes explained the PERA report to the Town Board and benefit levels can only be raised at the end of the year. The report from PERA indicates that the Fire Department

balances support a benefit increase from \$3,700.00 to \$4,700.00. The Department's concern is that if the Fire Department consolidation goes through, any surplus that remains on the table goes to pay the other entities benefits. The Fire Department is requesting an increase from \$3,700.00 to \$4,700.00, a funding ratio of 103.76%, requiring a one-time contribution of \$325.00, which is equivalent to 10% of the shortage. Discussion regarding how the PERA account is funded by the state fire aid and supplemental aid, which is approximately \$14,000.00 per year. There would be no impact on their budget with this increase. Clerk Latvaaho questioned if the 33% increase in active Fire Department members would impact these figures when the members become vested. Discussion regarding how the benefit and vesting works.

Motion to increase the benefit level to \$4,700.00 for this year, made by Supervisor Chad, support from Supervisor Sather. Discussion that a resolution will be prepared for the next meeting. ***Motion carried unanimously.***

Assistant Fire Chief Hoffmann requested a second benefit proposal. The Department requested that the 2024 truck fund of \$14,000.00 be placed into the Fayal PERA fund. Those funds were originally submitted to the Fire Relief Association annually and then were earmarked for a truck purchase and then further dedicated to make the chassis payment. There are available funds in their 2025 budget to make the chassis payment. This contribution will likely result in a projected benefit increase again. This pension benefit is a good retention and recruitment tool. Discussion that there is \$14,000.00 in the truck fund and this is a one-time ask. Discussion that after reallocation, the Department would like to go to 110%, which Assistant Chief Hoffmann estimated a projected benefit level between \$5,600.00-\$5,800.00. Discussion that Eveleth and Gilbert would need to meet Fayal's benefit levels if consolidation were to occur. Once the benefit is increased, there is no capability of reducing the benefit level. Supervisor Erjavec questioned if a decision needed to be made today or could the Board think about it? Clarification that after the \$14,000.00 contribution that the PERA 2025 benefit levels would be recalculated. Discussion. Supervisor Erjavec does not feel comfortable giving a significant increase now and then another significant one. Discussion how the PERA pension works.

Motion to take the \$14,000.00 and contribute that towards the retirement fund and the Fire Department guarantees us that they will take care of those other payments that they said they would, made by Vice-Chair Branville, support from Supervisor Chad. ***Motion carried unanimously.***

Start Times- Foreman Latvaaho requested an earlier start time of 6:30 AM and provided a list of reasons to support his request. Discussion that the original change of start times was so that all the staff were here from 7:00 AM to 3:00 PM. The morning duties assist in preparing daily tasks for the staff and will help with efficiency.

Motion to change Foreman Latvaaho's start time to 6:30 AM, made by Supervisor Sather, support from Supervisor Chad. Vice-Chair Branville added that he will support the motion but wanted everyone aware there was a reason it was changed the first time. He wants the employees aware that there is supervision despite Foreman Latvaaho being gone a half hour before them. ***Supervisor Erjavec abstained. Motion carried.***

Supervisor Chad brought forward a request from the Fire Department that two of their ladders failed the annual test and requesting to purchase a 28' aluminum extension ladder and a 12' attic ladder for a total of \$1,350.00 plus shipping.

Motion to approve, made by Supervisor Chad, support from Supervisor Sather. ***Motion carried unanimously.***

Menards Rebate Checks- Vice-Chair Branville requested Clerk Latvaaho give the background regarding the rebate checks. Clerk Latvaaho had noticed back in July that the Menards rebate checks that were located in the Clerk's Office were missing. Those can easily be tracked at Menards rebate center and they were used on Juneteenth (June 19th) when the Town Hall was closed and no employees worked that day. None of the paid Menard's receipts showed any usage of the rebates either. In order for Menards to investigate who had used them, a police report needed to be filed. Clerk Latvaaho contacted Supervisor Chad in his capacity as a police officer and a supervisor to get his opinion and he recommended to proceed with filing a police report. The camera footage came back with Tony Tammaro using the Menards rebate checks. There were four checks for a total of \$82.97. They were clearly addressed to the Town of Fayal and clearly stamped received by the Town of Fayal with a date stamp. Vice-Chair Branville added that he works at Menards and when the Security Office located the footage, they asked Vice-Chair Branville to identify the individual on camera and he was able to also see the rebate checks used were made to the Township. He identified that it was Tony Tammaro. Clerk Latvaaho went on vacation following filing the police report and when she had returned, Chairman Tammaro came into the office that morning and stated that he heard he was the Township's suspect. He had spoken with Eveleth Police Chief Jesse Linde and Chairman Tammaro wrote a check for all the rebates used that day, which included one of his rebate checks made out to him. That check has not been cashed and Chairman Tammaro stated to Clerk Latvaaho that will clear everything up. He went on to claim that he must have accidentally knocked the rebates off the wall where they are kept, accidentally picked them up and then spent them. Clerk Latvaaho spoke to a Township Association attorney and Mike Kearney and they informed her that the Town Board can do whatever they would

like in this situation. They can ask for resignation, press charges or restitution, or all the above and it's totally up to the Town Board how they wanted to handle it. She also contacted the State Auditor's Office per state statutes.

Supervisor Chad added that any theft of public funds is felony theft regardless of dollar amount. Supervisor Erjavec questioned if it was premature taking action now without giving Chairman Tammaro due process? Question is do they want to charge him? The police and attorneys are willing to charge it out. Discussion that the Town Board has a responsibility to protect tax payer money. Supervisor Chad added that we do not have a burden of proof on Fayal's end when it involves an employee potentially stealing public funds and we have a responsibility to the Township to take some sort of action. Vice-Chair Branville added that the Town Board cannot force Chairman Tammaro to resign as he is an elected official and he would need to voluntarily do that. All Supervisors concurred that they don't believe the checks were accidentally taken. Discussion how to proceed and different scenerios. Discussion that another court case happened in Stearns County with a school district employee stealing Menards rebates and he was initially charged with a felony and it was close to the same dollar amount. That individual resigned, his charges were reduced, he had to pay restitution and was fined. Supervisor Erjavec reiterated that due process should be involved. Supervisor Sather recommended that then the case should be charged out in order to achieve due process. Discussion to immediately remove him from any Chair position, request his key for the building, request is resignation and to press charges. Discussion regarding pressing charges. Chairman Tammaro did request to have the item on the agenda to discuss but was not in attendance.

Motion to request Chairman Tammaro tender his resignation, turn in his township key, stripped of core Chair duty and then send charges over now and let the attorneys decide with what they please, made by Supervisor Chad, support from Supervisor Sather. Supervisor Erjavec abstained. Motion carried.

A reorganization meeting can take place at 7:00 PM on September 2nd with the Town Board meeting to follow. Discussion regarding naming a new chairman.

Motion to have Vice-Chair Branville as the Interim Chair, made by Supervisor Sather, support from Supervisor Chad. Supervisor Erjavec abstained. Motion carried.

Discussion to draft a letter to Supervisor Tammaro regarding the Board decision.

Motion to contact the Bank and have Tony Tammaro removed as a signer, made by Interim Chair Branville, support from Supervisor Chad. Supervisor Erjavec abstained. Motion carried.

Motion to pay the claims in the amount of \$157,172.51 plus the Cable Access bill, made by Supervisor Chad, support from Supervisor Sather. Motion carried unanimously.

Interim Chair Branville adjourned the Regular Meeting at 8:35 PM.

Respectfully submitted,



Heidi M. Latvaaho

Clerk/Treasurer Town of Fayal

Approved: _____



Chair

Date: _____



Attest: _____



Clerk