

TOWN OF FAYAL
4375 SHADY LANE, EVELETH, MN 55734

Heidi M. Latvaaho, Clerk/Treasurer

Lee Branville, Interim Chairman

Supervisors: Mark Chad, Michael Erjavec, Richard Sather

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REGULAR MEETING OF THE FAYAL TOWN BOARD

SEPTEMBER 16, 2025

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

Audience members in attendance were Matt Hoffmann, Jason Latvaaho, Becky Squibbs and Steve Shykes.

Motion to approve the minutes of the Regular Town Board Meeting of September 2nd, 2025, made by Supervisor Chad, support from Supervisor Erjavec. 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 August have been received and all accounts reconciled. Revenues were \$146,508.12 and expenditures were \$141,475.55. Ending balances for the month of August were:

Miners Checking- \$776,959.39

Assessment Savings- \$115.74

CD Savings- \$70.75

4M Fund- \$1,932,009.76

For the month of September to date, revenues are \$35,970.20 and expenditures are \$138,644.16.

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

Other Reports-

Motion to accept the August Public Utility Commission meeting minutes, Delinquency Report and PUC Operator's Report, made by Supervisor Erjavec, support from Supervisor Chad. Motion carried unanimously.

Motion to accept the August Road and Bridge Report, made by Supervisor Chad, support from Interim Chair Branville. Motion carried unanimously.

Motion to accept the August Fire Department Report, made by Supervisor Chad, support from Supervisor Erjavec. Motion carried unanimously.

CORRESPONDENCE-

August 20th- Letter from the Minnesota Department of Health with notice effective January 1st, 2026 the safe drinking water service connection fee will increase to \$15.22 per water service connection, per year. Shared with the PUC. Resolution 2024-01 needs to be updated from \$9.72 to reflect \$15.22 and Clerk Latvaaho will have that prepared for another meeting before January 1st.

August 21st- Email from Ashley Rannikar, who is starting a local events newsletter, Iron Range Events. Ms. Rannikar would like to meet with the Township and talk more about how we can work together. Clerk Latvaaho can contact Ms. Rannikar.

August 25th- Letter from CTC with information that the State of Minnesota has launched a grant-funded initiative to help internet providers extend fiber optic broadband to underserved areas. If your household or business receives internet speeds below 25Mbps download and 3Mbps upload, you may be eligible to apply for funding through the Broadband Line Extension Connection Program. Fayal was copied on a letter sent to another resident and it was sent to residents throughout the Township. Placed on file.

August 29th- Copied on a letter from Jon Holets from St. Louis County Attorney's Office with letter to Commander Skelton with the St. Louis County Sheriff's Department notifying them that St. Louis County Attorney's Office now serves as the prosecuting authority for all petty misdemeanor and misdemeanor offenses, in addition to felony and gross misdemeanor violations for the Town of Fayal and to direct all referrals and citations to St. Louis County Attorney's Office - Virginia for prosecution. A letter was also sent to BCA Superintendent Drew Evans on September 11th and Fayal was also copied on that letter. Placed on file.

September 3rd - Email from St. Louis County Association of Townships with meeting minutes from April 23rd, the annual meeting from May 28th and the schedule for 2025/2026 meeting dates. Placed on file.

September 15th- Flyer from Mediacom that our business internet received a free speed boost to 300 Mbps at no additional costs. Also included is free advanced Wi-Fi powered by EERO 6. If interested can contact Mediacom. Sent flyer to Roger's Online for his recommendation.

September 15th- Letter from Northern Natural Gas with notice of pipeline right of way maintenance. If the work has been completed and we are satisfied with the cleanup, there is no further action. If vegetation remains on the ground from prior helicopter saw cutting, the contractor has committed to having all debris addressed by October 31st. Placed on file.

September 16th- Email from St. Louis County with notice of adopted amendments to the St. Louis County Cannabis Ordinance 68. The amendments relate to tribal retail operations and lower-potency hemp edible wholesalers. Forwarded on to the Planning Commission.

OLD BUSINESS

Interim Chair Branville-

Fire Department Rechassis Project- Assistant Chief Matt Hoffmann has not received an update from the vendor. Supervisor Erjavec asked for clarification for the price of chassis and the price of upgrades. The upgrade was originally quoted for \$231,000.00, which included moving the old truck to the new chassis.

Class 5 Production in the Road and Bridge Pit- Foreman Jason Latvaaho had contacted St. Louis County regarding the aggregate crushing program. While the cost was only \$3.80 per ton, the employees would need to travel all the way to Cook to pick up the material and would need to transport the loader there in order to load the material. It would take a considerable amount of time and wear and tear on the vehicles. It would make more financial sense to get material from Highway 97. Currently the pit has approximately 350 yards.

Solar Panel Repair- Hometown Electric has not looked at the panel yet.

St. Mary's Lake Development Grant- Clerk Latvaaho has not heard a response back from the IRRRB.

Town Hall Rental Rates- Clerk Latvaaho and Interim Chair Branville met to discuss rates and recommended changing the residential rental rate from \$30.00 to \$50.00, the nonresident rate from \$100.00 to \$125.00 and the non-profit/community group rate from \$10.00 to \$20.00 per month. Clerk Latvaaho would like to review the policy for any updates for renters and have the rates effective January 1st.

Motion to adopt the new rates of \$50.00 for residents, \$125.00 for nonresidents and \$20.00 for groups, effective January 1st, 2026, made by Interim Chair Branville, support from Supervisor Chad. Clerk Latvaaho will have an updated resolution for the next meeting. ***Motion carried unanimously.***

Fire Department Shared Services- Fire Chief Steve Shykes provided the Town Board an update from the meetings. He is working with the other Chiefs to meet with PERA. Eveleth and Gilbert had requested to meet after October 2nd in order to finish working on their budgets. It was also discussed to add additional individuals to the committee.

LRIP Grant- Alan Johnson from Benchmark Engineering will meet with Foreman Latvaaho either Friday or next week.

Supervisor Opening- Advertising has ran in the Mesabi Tribune and Hometown Focus. Have not received any letters of interest yet, but Clerk Latvaaho has spoken to three individuals that were interested. Letters are due by October 7th.

Quad Cities Fire/Police/EMS Services- Clerk Latvaaho and Chief Shykes attended a meeting at RAMs with the mayors from Virginia, Mt. Iron and Gilbert. The Virginia mayor was seeking interest in forming a fire district and shared services for police and EMS. Virginia currently has a \$1.8 million dollar budget for those services. Chief Shykes recommended to politely decline participating at this time as the City of Virginia currently does not serve Fayal in any capacity with police, fire or ambulance services and why burden our tax payers with that cost of their budget. Currently, the Fayal Fire Department has a 20 person roster and healthy financially. Clerk Latvaaho had also brought forward in the meeting at RAMS that Fayal's taxpayers would be paying a disproportionate

share of the taxes as a home in Virginia that is valued at \$100,000.00 would likely be valued double to triple in Fayal and that tax burden would fall on our residents. A fire district has the authority to tax residents.

Motion that the Clerk draft a letter to Paul Peltier at RAMS that Fayal is not interested in pursuing any further cooperation on that venture, made by Interim Chair Branville, support from Supervisor Chad. Motion carried unanimously.

Cerar Waterline- The Cerar's are no longer making a connection to the waterline at this time and will no longer proceed with the promissory note. They still have the promissory note for the sewer line.

NEW BUSINESS

Delinquent Certifications- Resolution 2025-04- This is the yearly certifications to St. Louis County. A delinquent utility customer was removed from the list as they are a Gilbert resident and unable to certify at this time. Clerk Latvaaho is working with the City of Gilbert to certify in the future. The total amount certified was \$11,725.97 and \$1,600.00 in certification fees. Clerk Latvaaho read the resolution.

Motion to adopt Resolution 2025-04 A Resolution Authorizing the St. Louis County Auditor to Assess Delinquent Utility Charges to the Property Tax Statement of Delinquent Property Tax Owners Per Exhibit A, made by Interim Chair Branville, support from Supervisor Chad. Motion carried unanimously.

Conflict of Interest Resolution 2025-05- Foreman Latvaaho is seeking individuals for carrying the pager. Clerk Latvaaho read resolution 2025-05. The resolution allows Supervisor Chad to assist in carrying the pager for the PUC. The resolution needs a unanimous vote and due to Supervisor Sather's absence will present at the next meeting.

Eveleth Police Car Contribution- The City of Eveleth is currently working on their budgets and requesting a contribution to a police car that they will be ordering next year. In 2020, contributed \$15,000.00 towards a new car. Discussion regarding the amount and that the Public Safety Fund can fund the contribution.

Motion to earmark \$25,000.00 for the police car, made by Supervisor Erjavec, support from Interim Chair Branville. Supervisor Chad informed the Board that the City is looking at a larger contribution for the next police contract in 2027, but the Eveleth Police Chief is trying to encourage keeping the amount in the 10% increase range. Discussion regarding current budget and next year's increase of 10%. ***Motion carried unanimously.***

Minnesota Paid Leave- The State of Minnesota passed a new law for paid leave effective January 1st, 2026. It sounds as though all employees are covered by the law and the employer and employee are responsible for sharing .88% of the premium cost. By December 1st, employers need to communicate to employees the paid leave benefits and the employer can provide more than 50% share of the premium cost. The paid leave covers 90% of wages and is offered through the State. The Board will need to decide prior to December 1st what percentage they will share with the employee and Clerk Latvaaho will give an estimate what the cost will be. At a minimum, the employer is responsible for .44%.

Minimum Wage Increase 2026- Minimum wage increases to \$11.41 effective January 1, 2026. This wage would apply to the Fire Department.

Quote Road Salt- Foreman Latvaaho received a quote for road salt for a total of \$4,649.50 for 25 tons. Salt was last purchased in 2019 and has only increased by \$600.00 since.

Motion to approve the total price of \$4,649.50, made by Supervisor Chad, support from Supervisor Erjavec. Motion carried unanimously.

Foreman Latvaaho added that dirt would need to be purchased from Seppi for the mix.

PUC Truck Depreciation- The 2015 truck has only 70,000 miles, but has a considerable amount of rust. Current balance in the PUC truck depreciation fund is \$40,347.43 and the balance will be short when it comes time to purchase a new truck. Funding stopped in 2022 and was previously setting aside \$443.84 per month. Will send to the PUC to discuss. Setting aside Depreciation was also stopped at that time.

Rink Attendants- Clerk Latvaaho would like to advertise in the bills and on the posting boards for the upcoming season.

Motion to start advertising for the rink attendants and put in the bills and the posting boards, made by Interim Chair Branville, support from Supervisor Chad. Motion carried unanimously.

Supervisor Erjavec brought forward again supervisor pay. He considered at the last meeting that supervisors do other things besides attend meetings and he suggested a base pay and the remainder of the wage based upon the percentage of meetings attended. He would like the Board to think about that and take that under consideration. Discussion that in the past it has not been an issue and occasionally each supervisor misses a

meeting. Interim Chair Branville wasn't against revising pay somewhat and suggested that a pay percentage be withheld if a meeting is missed.

Motion to pay the claims in the amount of \$40,645.68, made by Supervisor Chad, support from Supervisor Erjavec. Motion carried unanimously.

Interim Chair Branville adjourned the Regular Meeting at 7:50 PM.

Respectfully submitted,

Heidi M. Latvaaho

Heidi M. Latvaaho

Clerk/Treasurer Town of Fayal

Approved: _____

[Signature]

Chair

Date: _____

10/7/25

Attest: _____

Heidi M. Latvaaho

Clerk