

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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FAYAL TOWNSHIP ANNUAL MEETING

MARCH 9, 2004

The Annual Town Meeting was called to order at 7:00 PM by Clerk Judy Sersha. Approximately 40 persons were in attendance.

Clerk Sersha called for nominations for moderator.

Motion by Diane Stewart, support from Keith Nelson to nominate Steve Shykes as moderator. Clerk Sersha asked if there were any more nominations. There being none, the motion to appoint Steve Shykes as moderator for the 2004 Annual Meeting was approved.

Steve Shykes explained the order of business to be conducted. The first order of business was approval of the Annual Meeting minutes of March 11, 2003.

Motion by Frank Erjavec, support from Dave Zelinski to approve the Annual Meeting minutes of March 11, 2003. Motion carried unanimously.

Moderator Shykes then called upon Clerk/Treasurer Judy Sersha to give the Financial and Treasurer's Report for 2003. A copy of the report is attached to these minutes.

Motion by Nick Domiano, support from Bob Mavec to approve the 2003 Financial and Treasurer's Report. Motion carried unanimously.

Moderator Shykes then called upon town board chair Steve Kniefel to report on the financial needs for the town in 2005.

REPORT OF FINANCIAL NEEDS OF THE TOWN IN 2005

Steve Kniefel thanked Steve Shykes for acting as moderator and expressed his appreciation to all the individuals that perform volunteer work for the township, and the employees who deliver services effectively and efficiently. Mr. Kniefel recognized the loss of Mr. Wes Ojanpa who served a total of 19 years as a member of the Town Board, and informed the people of the appointment of Mr. Jim Pernu to complete the remaining months of Mr. Ojanpa's term.

Mr. Kniefel reminded the audience that as of this year, the Township election will be held in November, and four supervisor seats are up for election. There are two seats for two years and two seats for four years. Mr. Kniefel also reported on the Re-addressing project, water and wastewater bulk service rates, the close out of the sewer construction contract with Utility Systems of America, and the impending litigation with RLK Kuusisto Engineering. Mr. Kniefel informed the people that the St. Louis County Assessor continues to provide assessing services for the town, and we have received a preliminary report from them that market values for off-lake and second tier properties will see the sharpest increases. The town board is recommending the 2005 levy be set at \$487,500.00, a 1.95% increase over 2004. A complete copy of Mr. Kniefel's report is attached to these minutes.

DESIGNATING POSTING PLACES

Moderator Shykes then stated the next order of business is setting the manner and place of posting official town notices. Presently our official posting places of notices in the Town of Fayal are located at the following places: 1) Fayal Town Hall 2) West Long Lake Road 3) East Long Lake Road 4) Ely Lake Shortstop 5) At Your Convenience (Hwy. 53 South) 6) Differding Point.

Motion to leave the posting places at the same locations, made by Frank Erjavec, support from John Damberg. Motion carried unanimously.

SETTING TOWN BOARD SALARIES

Moderator Shykes then stated the next order of business is setting compensation for the Town Officials. Presently the mileage rate is 37.5 cents per mile and salaries are as follows: Supervisors - \$3,240.00 per year or \$270.00 per month, plus mileage and expenses as incurred, and Chairman - \$3,480.00 per year or \$290.00 per month, plus mileage and expenses as incurred.

Motion to keep the salaries the same, made by Dave Zelinski, support from Frank Erjavec. Motion carried unanimously.

FIRE DEPARTMENT BUSINESS

Fire Chief Shykes reported there were 73 emergency calls in 2003 and there are currently 24 fire fighters on the department, and 7 first responders. There is one fire fighter position open. The fire department received 3 grants and payment for 7 wildfires. Removal of the Wellstone plane wreckage netted \$28,533 for the fire department to use for equipment purchases such as a 6 wheeler for wildland fires and rescue, rescue sled, generator and self contained breathing apparatus. Shykes also reported on fire member training, the ongoing FireWise Program and fire departments ISO (insurance) rating review of 6, which is the best rating of any volunteer or paid on call department in our area. A complete copy of Chief Shykes report is attached to these minutes.

SUPERVISORS REPORTS

Road & Bridge- Ron Beldo reported on the overlay of Scout Camp Road and of the shouldering that will be done in the spring to complete that project. Steve and Al also replaced all of the address signs and road signs necessary to complete the re-addressing project. Mr. Beldo gave an overview of the anticipated maintenance schedule for town roads and the duties performed by the Road & Bridge employees. A complete copy of Mr. Beldo's report is attached to these minutes.

Police Department- Steve Kniefel read an Annual Report submitted by Chief Harvey Thompson. There were a total of seven hundred ninety eight 911 calls to the township in 2003. This includes all fire, EMS and police calls. A complete copy of the report is attached to these minutes.

Planning Committee- Kathryn Erjavec reported the Planning Committee meets the fourth Tuesday of each month to review variance applications and make recommendations to the county Board of Adjustment. The recommendations are made consistent with the Fayal Comprehensive Plan. The Eveleth/Virginia Airport is updating their zoning ordinance and a joint Airport Zoning Board will be updating the outdated ordinance.

Buildings & Grounds- Since Jim Pernu is so new to the town board, Kathryn Erjavec made this report. The garage air quality project has been completed and all drains are now properly connected to the sanitary sewer. Ms. Erjavec reported on plans for 2004 complex grounds and building maintenance items.

Recreation- Kathryn Erjavec reported that Fayal is continuing to be a partner in the Joint Rec Board at a cost of approximately \$15,000 per year. Upgrades have been made to the rink and interior of the skating shack, and funds are being set aside for major repairs/replacement of the bike trail.

Joint Cable Commission- Kathryn Erjavec reported that Fayal is now a member of the Joint Cable Commission along with Eveleth, Gilbert and the School District. The EFG Cable 12 public access channel is available for public announcements. Citizens are needed to sit on this board, which meets the first Thursday of the month.

A complete copy of all of Kathryn Erjavec's reports are attached to these minutes.

Public Utilities Commission- PUC Chair Peter Bertucci reported on the water and sewer rates we are paying Gilbert, and the need for variances for outbuildings such as saunas to be connected to the sewer. The water system has needed no major repairs this year. Mr. Bertucci also reported on cable TV, natural gas and street lights. A complete copy of Mr. Bertucci's report is attached to these minutes.

ANY OTHER BUSINESS TO COME BEFORE THE MEETING

Moderator Shykes stated the first order of business is to set the time of the 2005 Annual Meeting.

Motion by Frank Erjavec, support from Les Laun to set the 2005 Annual Meeting at 7:00 PM on the second Tuesday in March. Motion carried unanimously.

Frank Erjavec requested that Keith Nelson report on plans the county may have for upgrades to the roads in Fayal. Mr. Nelson, St. Louis County Commissioner, deferred and stated that this is a township meeting meant for town business but that he would be willing to entertain any questions after the meeting is concluded.

Mary Maki stated that she had something that would cost the township no money.

Mary Maki made a motion that notices of all Fayal Town Board meetings be published in the Range Scene and Mesabi Daily News as news items, at no cost to the township. Mary Maki stated that it would make people aware that meetings are being held. ***Frank Erjavec supported the motion.*** Moderator Shykes asked if there were any discussion. Elana Pfeifer questioned if notice could also be included on the local cable access channel. Kathryn Erjavec answered yes, that is what the local channel is for.

Keith Nelson added that if there is a cost for putting the announcements in the papers, we bear that cost and stick with those announcements of the meetings in the paper. Moderator Shykes asked Mary Maki if she would amend her motion to consider paying for those if it is asked for by the paper. ***Mary Maki answered she would amend her motion to include paying if the paper changes their rules.*** Mrs. Maki stated they do not charge for meeting notices—they are news and they welcome the news. Moderator Shykes asked Frank Erjavec if he would support the amendment. Mr. Erjavec stated that it is a free thing, because other cities use it too. Moderator Shykes asked Mr. Erjavec if he would support the motion if the township would have to pick up that expense. ***Mr. Erjavec stated he did not think we should go for it if we had to pay, and would not support the amendment.***

Bob Mavec supported the amendment to Mrs. Maki's motion. Moderator Shykes asked if there were any more discussion. There being none, Mr. Shykes called for the vote. On a show of hands there were 15 votes in favor and 18 votes against. Motion fails.

Frank Erjavec made a motion to go with Mary's original motion. Moderator Shykes stated the original motion is to have the meeting notices in the Mesabi Daily and the Range Scene if there is no charge. Nick Domiano supported the motion. Keith Nelson stated his concern that if the paper would not accept the notices free, the notices would not be in the paper and it is important to advertise the meetings. ***Mr. Nelson stated he would go along with Mary's original motion. Frank Erjavec stated we are required by law to publish annual meeting notices and board of review, but this we are not are not required by law, so he would go along with the original motion.*** John Damberg called for the question. ***Moderator Shykes reiterated the motion to have Fayal Town Board meeting notices in the Mesabi Daily News and Range Scene as long as no charge is encumbered upon the township—only if it is free. Motion carried unanimously.***

SETTING OF THE 2005 LEVY

Moderator Shykes stated the next order of business is a motion to set the levy for 2005. The town board recommends the levy be set at \$487,500.00, a 1.95% increase.

Frank Erjavec made a motion to accept the proposal from the town board. Les Laun supported the motion. John Damberg questioned what the increase is. Shykes answered it is a \$9,500.00 increase making it a 1.95% increase over 2004. Bob Mavec questioned what we are getting for \$35,000 for the Rec Department and why the increase of \$900 to the Police Department?

Kathryn Erjavec answered that approximately \$15,000 of the rec budget goes to the Joint Rec. We also incurred additional expenses last year for cleaning and updating of the skating shack, and some initial work on the rink that needed to be done. We are also trying to accumulate funds to repair or replace the bike trail. The bike trail needs extensive work, and to replace it the cost is estimated to be \$180,000.00. Bob Mavec questioned what do we get for the \$15,000.00 we pay to the Joint Rec? Ms. Erjavec answered the Joint Rec provides a person to take care of and coordinate all of the different recreation programs, including the coaches, referees, rink workers etc. The Joint Rec hires

and pays these people.

Steve Kniefel explained the Police Department is funded totally upon the levy, that means the cost of having it depends on the levy dollar amount. Traditionally, we have funded that position at half-time twenty hours a week and replacement of equipment and squad car, primarily on a five year rotation. So the \$30,000 which has generally been levied goes for that purpose. The increase was put in there primarily because of inflation, and also this is a contract year—all the AFSCME contracts, of which Harvey is one, are up for renewal this year, and we are trying to increase that just a tad. The expenditures for the Police department were \$25,485 in 2003 and the year before they were \$27,687, so any additional is put into the squad car replacement.

Moderator Shykes asked if there were any more discussion. There being none, ***Shykes repeated the motion to approve the town board recommendation for the 2005 levy in the amount fo \$487,500.00 and called for the vote. Motion carried unanimously.***

There being no other business from the floor, ***Bob Mavec made a motion to adjourn, supported by Dave Zelinski. Motion carried unanimously.***

Annual Meeting 2004 adjourned at 8:13 PM.

Respectfully submitted,

Judy M. Sersha
Clerk of Fayal