

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, Mike Erjavec

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FAYAL TOWNSHIP ANNUAL MEETING

MARCH 12, 2013

The Town of Fayal Annual Meeting was called to order at 7:00 PM by Clerk Judy Sersha. According to the sign-in sheet, 29 persons were in attendance. A list of those attending is attached to these minutes.

Clerk Sersha welcomed everyone to the Annual Meeting and stated the first order of business is to call for nominations for moderator.

Motion to nominate Steve Shykes as moderator, made by Lee Branville, support from Ed Vest. Clerk Sersha asked if there were any more nominations, there being none, Sersha called for the question. Motion carried unanimously.

Moderator Shykes welcomed everyone to the Annual Meeting and stated the first order of business is for everyone to stand and say the Pledge of Allegiance.

APPROVAL OF THE 2012 ANNUAL MEETING MINUTES

Motion to approve the minutes of the March 13, 2012 Annual Meeting, made by Scott Smith, support from Ralph Johnson. Motion carried unanimously.

FINANCIAL AND TREASURER'S REPORT

Moderator Shykes then called upon Clerk/Treasurer Judy Sersha to report on the financial status of the town. The General fund began the year with \$604,264.00 and ended the year with a \$438,141.00 balance. The Road & Bridge Special Revenue fund began the year with \$282,419.00 and ended the year with a \$303,191.00 balance. The Town of Fayal Net Assets total as of December 31, 2012 was \$13,050,530.00. A complete report is attached to these minutes.

Motion to approve the 2012 Financial & Treasurer's Report, made by Ed Vest, support from Ralph Johnson. Motion carried unanimously.

FINANCIAL NEEDS FOR THE TOWN

Tony Tammaro, Town Board Chair, welcomed everyone and thanked Steve Shykes for agreeing to serve as moderator again this year. Mr. Tammaro thanked and recognized the town board members, clerk and employees for all the work they do for the township.

Mr. Tammaro also thanked Steve Kniefel for his many years of service to the township and explained that Mr. Kniefel had retired from the board at the end of 2012.

Mr. Tammaro then explained the 2014 board recommended levy to the audience. Mr. Tammaro stated the proposed recommendations for 2014- General- \$90,000.00, up \$5000 from 2013, Fire- \$63,000.00, up \$3,000 from 2013, Recreation- \$15,000.00, up \$15,000 due to the fact we have not levied for many years due to a reserve, Police- \$36,000.00, same as 2013, Capital Equipment- \$30,000.00, same as 2013, Buildings & Grounds- \$50,000.00, up \$5,000.00 from 2013, Road & Bridge- \$263,800, same as 2013, for a total of \$564,800.00, or a 7.20% increase over 2013.

DESIGNATING POSTING PLACES

Moderator Shykes explained the present location of our posting places are as follows: 1) Fayal Town Hall, 2) West Long Lake Road, 3) East Long Lake Road, 4) Ely Lake Shortstop, 5) At Your Convenience, 6) Differding Point, 7) Fayal Website.

Motion to keep the posting places the same made by Joe Sopp, support from Scott Smith. Motion carried unanimously.

SETTING TOWN BOARD SALARIES

Moderator Shykes then stated the next order of business is setting compensation for town board members. As of January 1, 2012 the Conus rate for mileage is 56.5 cents per mile. Currently, the salaries are as follows: Supervisor- \$3,828 per year, or \$319 per month, plus mileage and expenses as incurred, and Chair- \$4,224 per year, or \$352 per month, plus mileage and expenses.

Motion by Mike Erjavec, support from Mike Priest to keep the salaries the same. Motion carried unanimously.

FIRE DEPARTMENT BUSINESS

Fire Chief Steve Shykes reported there were a total of 135 calls in 2012, of which 51 were EMS. Presently there are 23 firefighters on the department, of which 9 are EMS first responders, and 2 openings. The fire department had 810 hours of in-house training and 280 hours of outside training. There are two Mesabi Community College fire instructors on the department. The agreement between the Fayal Fire Department and the Eveleth Fire Department is working out very well. The new radio system for St. Louis County is operational. The fire department received a \$87,000 grant for the radios needed for the new system. A complete report is attached to these minutes.

DeLyle Pankratz asked if the total number of calls includes mutual aid calls? Mr. Shykes answered it does. Mike Priest asked why the calls are not broken out for just Fayal, and stated it seems like a big number for a small town. Denny Bone asked if there has been any movement towards more cooperation and a single entity for fire administration and fire halls? Mr. Shykes answered we would like to see it, but there are a lot of ownership issues. Cooperation begun with the simulcast and departments on this side of the range have formed the East Range Coalition. Tony Tammaro asked how much in grants the department has received in the last 3-5 years. Mr. Shykes estimated the fire department has received \$5-7,000,000 in grant funds in the last five years, although the grant money has dried up recently. Mr. Shykes stated Fayal has the most up to date equipment and personnel of any fire department in the area.

SUPERVISORS REPORTS

Police- Heidi Coldagelli introduced herself to the people at the meeting and stated she was elected last November, and is the town board liaison to the police and fire departments. Ms. Coldagelli reported on the 911 calls Chief Harvey Thompson responded to in 2013. Ms. Coldagelli also reported on the ballot question in the November 2012 election that appeared: "Shall the Fayal Town Board be allowed to provide for Police Protection?" Sixty-five percent of the community voted yes. Ms. Coldagelli stated she is very proud that we can continue to provide and offer a safe community for our citizens. Ms. Coldagelli also thanked Chief Thompson for all his help over the past few months for helping out with plowing and sanding, due to the retirement of another employee. A complete report is attached to these minutes.

Scott Wudinich asked why the report Ms. Coldagelli gave on costs for police is not broken down for gas, mileage, wages etc. Tony Tammaro stated all that information is broken down and given to the board.

Patrick Ziegler asked why we only have a 20 hour a week police department, when the people voted they do want police protection. Mr. Ziegler stated we should have a 40 hour per week cop. Ms. Coldagelli stated that is something we can look at in the future.

DeLyle Pankratz asked if we could join into a mutual aid contract with another community. Moderator Shykes stated that this can all be discussed during the "Other Business" portion of the meeting, this is the time for the supervisor's reports.

Road & Bridge- Jim Pernu read a report submitted by Foreman Albert Jurenic. Township regulatory and warning signs were changed to meet federal retro-reflectivity requirements that take effect in January 2015. A new 2012 dump/plow truck was purchased. The Road & Bridge department also helped to build the new Little League baseball field. Our township foreman, Steve Verkovich retired in October with 33 years of service. Al Jurenic has accepted the foreman position. Plans for 2013 are for rehabilitation Golf Course Road. A complete report is attached to these minutes.

DeLyle Pankratz stated his concern on the lack of gravel, or gravel of poor quality, being put on the roads. Tony Tammaro answered that a lot of Class 5 has been put on in different areas. Ed Vest stated there has been none put on his road. Joe Sopp asked if we have replaced the backhoe? Mr. Pernu stated we have not. Ed Vest asked if Steve Verkovich was going to be replaced? Mr. Pernu answered we are in the process of hiring someone very soon. Denny Bone congratulated Al Jurenic for getting the roads done this winter by himself, or with little help.

Buildings & Grounds- Lee Branville reported on the addition made to the storage garage, which took place this past year. With the renovations made to the existing building and the addition, there is now room for storage of fire department, public utilities, and road equipment. Mr. Branville also reported on the solar panels that were installed, with the help of an IRRRB grant. The township cost was \$5,280.00. We are enjoying about a 50% reduction in our electric bill. Mr. Branville commended Jim Pernu on the good job he has done over the past several years for taking such good care of the town complex and grounds. Mr. Branville also informed the meeting that Keith Nelson was unable to make it to tonight's meeting, as he is at the capitol. A copy of the full report is attached to these minutes.

Joe Petrich asked why the solar panels are facing east? Mr. Branville answered they are facing mostly south-southeast, but the sun is on them most of the day.

Public Utilities- Mike Erjavec reported it has been an awful year for the PUC. We have been in court with Gilbert over rate increases, and the judge ruled against us. In the past year we have seen a \$10 per month increase in sewer rates. Gilbert is again increasing our rates in April another 40%. Currently, we are negotiating a contract with Eveleth and if we can get a long-term agreement, with enough savings to build a line, we may be sending our sewage there. A copy of the full report is attached to these minutes.

Joe Sopp asked if there are Fayal customers who don't pay their bill. Mr. Erjavec answered, yes there is, and there is one who has never paid. Mr. Sopp stated their sewer should be dug up and capped. Mr. Erjavec stated we would have to go on private property to do that since a lot of the lines are not in the public roadway. Mr. Sopp said everyone had to sign an easement for the sewer, so there is access to the lines. Mr. Sopp stated he wants the PUC to design an ordinance that if people don't pay, their sewer line will be dug up and capped. Moderator Shykes this issue can be brought to "Other New Business."

OTHER NEW BUSINESS

Moderator Shykes then asked for a motion to set the time for the Annual Meeting of 2014.

Motion to set the 2014 Annual Meeting on the second Tuesday of March, 2014, at 7:00 PM, made by Joe Sopp, support from Scott Smith. Motion carried unanimously.

Motion by Denny Bone, support from Ralph Johnson to have the PUC explore the possibility of an ordinance that will take care of delinquent utility accounts, including terminating service. Discussion. Bernie Bateson stated times are tough and some people are in dire straits, maybe they could work it off? DeLyle Pankratz stated that social services will pick up utilities in cases where people are in need. Denny Bone stated we need to have some kind of an ordinance like other cities, the PUC can set up an ordinance for the town board and make it fair across the board for people. ***Motion carried unanimously.***

Motion by Ed Vest, support from DeLyle Pankratz requested an upgrade to the gravel surface on St. Mary's Court. Jim Pernu stated he and Al Jurenic will look at the road. Mike Erjavec asked if dust control has been applied to the road? Mr. Vest answered no dust control has been applied for the last two years, because that is what makes the road so sticky, the residents requested no dust control. ***Motion carried unanimously.***

Motion by Ron Erjavec, support from Ed Vest, for the fire department to cut back on parade participation. Mr. Erjavec stated that there are too many trucks in the parades, one after another from all different communities. Mike Koupus asked if this means to only send one truck? Mr. Shykes stated we usually only send one truck, and we only participate in the Eveleth and Gilbert 4th of July parades-we don't go to Land of the Loon or Biwabik etc. Lee Branville stated the cost is minimal and the fire officers and kids like them, it is a good representation of the community and presents a good image and he is proud when he sees our truck in the parade.

Moderator Shykes called for the vote. It was unclear by voice vote, so Moderator Shykes asked for a show of hands. Tie vote- 11 for, 11 against. Motion fails.

Mr. Shykes stated the issue will be discussed at the fire department and an effort will be made to only send one truck.

Mike Koupus asked when Ely Lake Drive was going to be fixed? Steve Kniefel answered it is on the 2013 reclaim overlay list and should be done this season.

Patrick Ziegler made a motion to have more hours for the cop or pair and share for police and get him for 32-40 hours per week, and compare the cost to contract out instead of what we pay now. Scott Wudinich supported. Denny Bone asked about the rest of the hours in the week. Lee Branville stated St. Louis County is still primary coverage 24-7. Clerk Sersha asked if this motion meant for one person to work 40 hours per week, or if the hours were to be split between two people? Mr. Ziegler answered no, just one person. Clerk Sersha stated if you hire one person at 32 or 40 hours per week, now you must offer full-time benefits, and at 20 hours per week, you do not have to. DeLyle Pankratz asked why just one officer- what is the goal?

DeLyle Pankratz stated a recommendation should be made to the town board to explore increasing the coverage in the most economical and efficient manner.

Patrick Ziegler stated he would like to rescind his motion. Scott Wudinich refused to rescind his support. Moderator Shykes called for the question. Motion fails.

Motion by Denny Bone, support from Patrick Ziegler to look into effective and economical ways to provide increased law enforcement in the township, which could include hiring or contracting out or pairing and sharing with other departments. DeLyle Pankratz offered an amendment to this motion that a report be given either during this year or at the next Annual Meeting as to the results of increased law enforcement. Denny Bone and Patrick Ziegler accepted this amendment. Moderator Shykes called for the vote. **Motion carried unanimously.**

Mike Koupus asked if there is a leash law in place? Clerk Sersha stated that as of the publication date of the animal ordinance on March 9, 2013, there is a leash law in place. Your animal must be on a leash if it is off of your property. Joe Sopp asked what about if he is hunting on state land? Tony Tammaro answered you don't need a leash then, it is for when you are out walking your dog on the road etc. Tammaro stated we are looking at dog walking area and have contacted the Humane Society for patrolling for the at-large problem. Ed Vest questioned why there was only an informational meeting and not a public hearing? Clerk Sersha stated a public hearing was not needed, it was a revision to an existing ordinance.

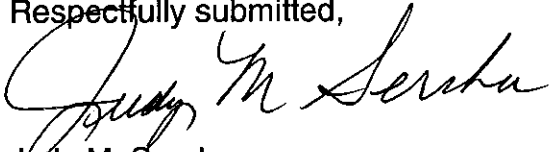
SETTING OF THE LEVY FOR THE YEAR 2014

Motion by Jerry Ulman, support from Scott Smith to set the Year 2014 levy at \$564,800.00. Motion carried unanimously.

Motion to adjourn the Annual Meeting made by Joe Sopp, support from Pat Ziegler. Motion carried unanimously.

Annual Meeting adjourned at 8:48 PM, by Moderator Shykes.

Respectfully submitted,



Judy M. Sersha
Clerk of Fayal



Moderator