

TOWN OF FAYAL
4375 SHADY LANE, EVELETH, MN 55734

Heidi Coldagelli, Clerk/Treasurer

Anthony Tammaro, Chairman

Supervisors: Lee Branville, Dave Ochis, Richard Sather, Patrick Ziegler

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REGULAR MEETING OF THE FAYAL TOWN BOARD

FEBRUARY 7, 2017

The Regular Meeting of the Fayal Town Board of Supervisors was called to order at 7:00 PM by Chairman Tammaro. Present were: Chairman Tammaro, Supervisor Branville, Supervisor Ochis, Supervisor Sather, Supervisor Ziegler and Clerk/Treasurer Coldagelli.

Audience members in attendance were Deputy Police Chief Jesse Linde, Joanne Nephew, Matt Reid, Steve Shykes and Jerry Ulman.

Motion to approve the minutes of the Regular Town Board Meeting of January 17th, 2017, made by Supervisor Branville, support from Supervisor Sather. Motion carried unanimously.

SCHEDULED GUESTS- None at this time.

AUDIENCE CONCERNS- Jerry Ulman presented the yard waste dates available as April 21st, 22nd, 23rd, 28th, 29th, 30th; May 5th, 6th, 7th; and fall dates as October 13th, 14th, 15th, 20th, 21st, 22nd, 27th, 28th and 29th. Moved to Old Business.

Steve Shykes made the Board aware that he will be attending National Fire Academy Training February 18th-25th. The training is paid for by the Federal Fire Administration, except his meal ticket is not covered and costs approximately \$105. Moved to Old Business.

Deputy Police Chief Jesse Linde presented the January Police report. Twenty-eights calls were received and 12 traffic stops with 12 citations issued.

Joanne Nephew was present on behalf of her parents, Stewart and Arlene Nephew, who own the former Jola & Sopp gravel pit. There is currently a party interested, Cliff Shermer, in purchasing the property but would need the road built up to a 10-ton road in order to accommodate his vehicles. SEH estimate on approximately one and a half blocks would exceed \$100,000. Ms. Nephew added that the buyer was interested in a wood yard located there and he would be willing to assist in a portion of the cost and well as the Nephews. Suggestion was for the property owner to reach out to the IRRRB to request assistance, but Matt Reid did not believe the IRRRB would assist with a road project for a business. Supervisor Ziegler suggested taking a boring sample of the road because may be able to move to a 10-ton road without having to do any improvements. Former tenants previously used heavy equipment for years on the road. Ms. Nephew was made aware that any costs would need to be the owners' responsibility. Owner will be in contact with SEH, Road & Bridge Dept. and Supervisor Ochis.

REPORTS-

Clerk/Treasurer's Report-

Bank statements for the month of January have been received and all accounts have been reconciled. Revenues were \$69,888.56 and expenditures were \$130,020.64. St. Louis County January Apportionment money was received January 26th for \$14,105.60 and was distributed among the departments.

Ending balances for the month of January are:

Miners Checking- \$1,038,247.98

Assessment Savings- \$456,158.28

For the month of February to date, revenues are \$9,435.85 and expenditures are \$38,325.59.

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

Other Reports-

Motion to accept the Joint Cable Television Access Board Meeting Minutes of February 1st, made by Supervisor Branville, support from Supervisor Sather. Motion carried unanimously.

Motion to accept the January Road Report, made by Supervisor Ochis, made by Supervisor Branville. Motion carried unanimously.

Motion to accept the Planning Committee Meeting Minutes of December 21st, made by Supervisor Ziegler, support from Supervisor Branville. Motion carried unanimously.

Motion to accept the January Police Report, made by Supervisor Ziegler, support from Supervisor Branville. Motion carried unanimously.

CORRESPONDENCE

January 17th- Email from Minnesota Pollution Control Agency. Now accepting project submissions for 2018 Clean Water and Drinking Water State Revolving Fund Loan Programs. March 3rd is the deadline for wastewater and stormwater projects, May 5th is the deadline for drinking water projects and June 2nd is the deadline for intended use plans. Placed on file.

January 18th- Email from League of Minnesota Cities. 2017 Legislative Conference for Cities March 23rd in St. Paul. Placed on file.

January 19th- Letter from Lake Country Power. District meeting will take place February 16th from 5-7 PM at the Side Lake Community Center in Side Lake. Must R.S.V.P. by February 9th. Placed on file.

January 20th- Letter from American Enterprise with privacy practices and annual meeting information. Parent company for Medico Corp Life Insurance Company. Placed on file.

January 20th- Letter from Land Stewardship Project encouraging township officers to reach out to the Governor, Senator and Representative to voice the importance of township rights. Placed on file.

January 23rd- Email from Chris Ismil in regards to Clerk Coldagelli's request for grant opportunities for water tenders. This is not something that would be eligible for funding. Placed on file.

January 24th- Letter from Minnesota Power regarding filing updated rates for the Rider Parallel Generation with the MPUC. Rates will be effective on February Minnesota Power bill. Placed on file.

January 24th- St. Louis County Association of Townships Meeting Minutes from December 7th. Placed on file.

January 25th- Letter from Minnesota Power with Notice of Minnesota Power's Rate Review providing information related to the procedures and issues for the contested case proceedings on Minnesota Power's proposed rate increase. Placed on file.

January 27th- Email from St. Louis County regarding 2017 Aggregate Crushing and Maintenance Striping Program. Shared with Road & Bridge Department.

February 1st- Range Association of Municipalities and Schools Board Meeting Minutes of December 22nd and January 5th. Placed on file.

February 3rd- Letter from FEMA informing us that over the next two years stream reaches will be studied to determine any new Special Flood Hazard Areas. Included was a list of streams and what type of analyses will be used. Placed on file.

February 6th- Email from Mary Anderson from St. Louis County Planning and Community Development. Resolution regarding Short Stop Sign. The dynamic sign can remain but must dim and also have a static message that advertises general goods but not vendor specific. Shared with Planning Committee.

February 6th- Letter from League of Minnesota Cities Insurance Trust regarding 2017 Safety & Loss Control Workshops. Closest one is located in Cohasset on April 25th. Workshop is \$20. Placed on file.

February 6th- Letter from United States Department of Commerce requesting Fayal respond to the voluntary Boundary and Annexation Survey to ensure the correct boundary and legal names are on file. Clerk to complete.

OLD BUSINESS

Supervisor Sather-

Fire Department Co-op- Clerk Coldagelli spoke with Gilbert and the letter will be on their next agenda.

Fire Department/EMS- Still working on.

Water Tender- Will be presented at the annual meeting.

Supervisor Branville-

Joint Cooperation with Eveleth, Gilbert, Leonidas, ISD 2154- Eveleth Clerk said possibly March for next meeting.

Supervisor Ochis-

Road Project 2017- Jason Chopp and Trevor Thompson from SEH spoke to Supervisor Ochis and Foreman Zavodnik regarding options for road projects in 2017. Supervisor Ochis would recommend that SEH hold a presentation at the annual meeting regarding completing a number of roads at once and find funding to pay for them in order to reduce costs. Due to a project not being done last year, current budget is \$100,000 to \$150,000. In the past, \$50,000 has been budgeted per year for road projects and Road and Bridge receives \$16,000 per year in Town Road Aid. The estimate provided by SEH was seven roads for approximately \$630,000. SEH's recommendation was to find financing or grant opportunities and use the amount budgeted yearly for roads to make the payment. Savings would be in mobilization and engineering costs. A government program would be one that would provide the financing.

Supervisor Ziegler-

Joint Powers Eveleth-Gilbert-Fayal-Leonidas Sewer- Gilbert opted to move forward with their project with Stantec.

Old Bullfrogs Building- No update.

Pine Drive and St. Mary's Court Signage- The roads are on MnDOT's schedule for fall of 2017.

Public Utility Commission Vacancy- There has been a little bit of interest, but nothing in writing.

Sewer/Water Rate Increase-

Motion to adopt Resolution 2017-01, A Resolution to Amend Residential and Commercial Sewer Use Fees in Accordance with the Town of Fayal Sewer Service Charge Ordinance 98-2, made by Supervisor Ziegler, support from Supervisor Ochis. Motion carried unanimously.

Motion to adopt Resolution 2017-02, A Resolution to Amend Water Service Fees in Accordance with the Town of Fayal Water Ordinance #97-3, made by Supervisor Ziegler, support from Supervisor Ochis. Motion carried unanimously.

Supervisor Ochis- Made the Board aware that Equipment Operator Jurenic has been plowing to the tennis courts for safety reasons per the Mesabi Trail agreement.

Chairman Tammaro-

Emergency Procedures- Still working on.

Generator- Still working on.

Yard Waste Dates-

Motion to approve the yard waste dates as presented by Mr. Ulman, made by Supervisor Branville, support from Supervisor Sather. Motion carried unanimously.

Motion to approve Chief Shykes payment of his meal ticket at the National Fire Academy Training to be paid from the Fire Department budget, made by Supervisor Sather, support from Supervisor Branville. Motion carried unanimously.

2018 Levy- Since the Fire Dept ends 2016 just under (\$1,000.00), the \$2,000 increase was removed and levy is back to a 3.79% increase. Supervisor Branville suggested combining the fire truck line item and the R & B equipment line item into the Capital Equipment fund in order to simplify the budget for the townspeople. Moving \$30,000 increase to the Capital Equipment fund. Discussion arose as to how to track those funds to keep separate, which the Clerk could easily do to allocate those funds. Chief Shykes was concerned because many years ago the same thing happened and he felt the Fire Department lost money that was intended for allocation to them. Chairman Tammaro added that at anytime anything in the General Fund could be spent for other things. The allocation would dedicate those funds when it does come time to use them. Levy should be approved by the next meeting.

Discussion led to the Fire Department budget. Chairman Tammaro expressed his feelings of overspending in the department. Chief Shykes added that the majority of training has been covered by grants. He also added that over the past several years, communication regarding some bills has not been communicated between Clerks and the Fire Department, mainly insurance bills. Clerk Coldagelli and Chief Shykes have discussed the budget and expenses and the Fire Department should have every item in their budget now accounted for. Chairman Tammaro suggested having the Clerk present a separate Fire Department report along with the Clerk/Treasurer Report. Chief Shykes stated that he and the Clerk can discuss and a report is not necessary.

NEW BUSINESS-

Employee HSA Deposits- IRS HSA contributions for 2017 are \$3,400 for individual plans and \$6,750 for family plans. The Union Contract states that the Township will fully fund the HSA deposits into an HSA account. To Clerk Coldagelli's knowledge, only employee Zavodnik received notification that he exceeded his HSA contribution and the other employees possibly were not notified because it was considered a catch-up contribution.

Motion to request the employees return the overfunded HSA amounts of \$250.00 per family and \$100.00 per

individual back to the Township, made by Supervisor Sather, support from Supervisor Branville. Discussion among the Supervisor's went from what will happen to the overfunded amounts and at least one employee will receive a check back and will need to do something with it. The contract states fully fund to HSA and per IRS HSA limits that is not possible. Supervisor Ziegler could not support without first seeing how the original motion was made. **Supervisor Ziegler opposed. Motion carried 4-1.**

2015/2016 Mining Effects- Discussion at previous meetings was if there were any additional monies left from Mining Effects that it would reimburse Building and Grounds for the hot water heater in the Fire Department and the concrete aprons for the Fire Department/PUC Building. For 2015 and 2016, there is \$10,319.70 remaining. Heater is still not working in the Fire Department so Supervisor Branville will have Arrowhead Heating fix it.

Motion to transfer the remaining 2015 and 2016 Mining Effects to Building and Grounds, made by Supervisor Branville, support from Supervisor Ochis. Motion carried unanimously.

Police Car Depreciation- With all the costs incurred in the Police Department, the budget cannot support another \$9,000 cost.

Motion to not depreciate the police car, made by Chairman Tammaro, support from Supervisor Ziegler. Motion carried unanimously.

Employee Benefits CD- Clerk Coldagelli educated the Board that Fayal Township sets aside \$5,000 per year for employee benefits. The auditor believed the account was established to pay for the retiree benefits. Distributions were made in 2013 and 2015 for retirees but none of the medical premiums and deductibles have been paid from there. Suggestion was to reduce account for 2013 by \$10,095.00, 2014 by \$11,238.00, 2015 by \$11,458.42 and 2016 by \$17,652.53 for a total of \$50,444.00, leaving a reserve of \$58,797.00. \$45,304.85 would be able to go back to Road & Bridge's budget.

Motion to distribute the costs of retiree benefits for 2013-2016 from the benefit cd to the appropriate departments, made by Supervisor Sather, support from Supervisor Branville. Motion carried unanimously.

Annual Meeting 3/14- Annual meeting will be held March 14th at 7:00 PM. Alternate meeting snow date will take place the following Tuesday at 7:00 PM.

Motion to eliminate the second Town Board Regular Meeting held on March 21st, made by Supervisor Branville, support from Supervisor Ochis. Motion carried unanimously.

Motion to pay the claims, made by Supervisor Branville, support from Supervisor Sather. Motion carried unanimously.

Motion to adjourn made by Supervisor Branville.

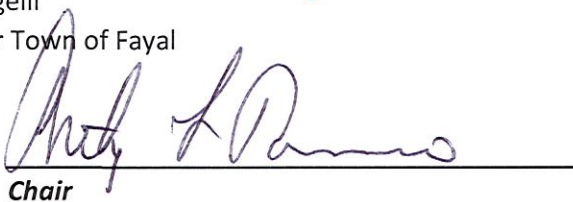
Chairman Tammaro adjourned the Regular Meeting at 7:59 PM.

Respectfully submitted,



Heidi M. Coldagelli
Clerk/Treasurer Town of Fayal

Approved:


Chair

Date:

2-21-17

Attest:


Clerk