# TOWN OF FAYAL

4375 SHADY LANE, EVELETH, MN 55734

Heidi M. Latvaaho, Clerk/Treasurer

Lee Branville, Chairman

Supervisors: Mark Chad, Michael Erjavec, Richard Sather, Daniel Zbosnik

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# REGULAR MEETING OF THE FAYAL TOWN BOARD NOVEMBER 18, 2025

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

Audience members in attendance were Jason Latvaaho and Steve Shykes.

Motion to approve the minutes of the Regular Town Board Meeting of November 4<sup>th</sup>, 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 October have been received and all accounts reconciled. Revenues were \$82,752.31 and expenditures were \$117,268.41. Ending balances for October were:

Miners Checking- \$628,763.31 Assessment Savings- \$115.77 CD Savings- \$70.77 4M Fund- \$1,970,863.58

For the month of November to date, revenues are \$47,317.05 and expenditures are \$94,473.41.

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

#### Other Reports-

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

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

## CORRESPONDENCE-

November 5<sup>th</sup>- Email from Beth Moncreif from St. Louis County Public Health and Human Services with invitation to an overview and listening session around the Opioid Remediation Settlement Funds. Sessions are available 12/3 and 12/09 via Webex for anyone interested in attending. Placed on file.

November 6<sup>th</sup>- Letter from St. Louis County Extension Office seeking sponsorship for Youth in Action Make A Difference Conference scheduled for February 9<sup>th</sup>, 2026. Moved to New Business.

November 11<sup>th</sup>- Email from Sarah Fredericks with the League of Minnesota Cities Insurance Trust with notice of updates regarding premium rates, coverage changes and dividends. Property/casualty rates will decrease by an average of 2% and workers' compensation rates will see a 25% reduction. There will also be a substantial restructuring of LMCIT's coverage for cyber-related risks. Due to the Trust's change to a calendar-year fiscal schedule, program dividends will be decided mid-2026. Placed on file.

# **OLD BUSINESS**

## Chairman Branville-

Fire Department Rechassis Project- Fire Chief Steve Shykes updated the Board that they have made attempts

to get a quote from the vendor, but have not heard back yet.

St. Mary's Lake Development Grant- Should see a response in December whether approved or not.

<u>Fire Department Shared Services</u>- Clerk Latvaaho spoke with the State of Minnesota and they were unable to provide any information regarding if a fire district could charge a flat fee. Clerk Latvaaho did pull up the Minnesota State Statute regarding fire districts and it stated in there that the district can charge based upon a criteria that they desire with some examples. So it appears that the district can charge a flat fee per residence and would spell that out in an agreement. Supervisor Zbosnik expressed concerns with losing autonomy to the Board down the road if they amend how the budget is derived. Discussion that there are provisions for protection such as an exit clause or having stipulations for funding changes such as requiring unanimous voting. Chief Steve Shykes recommended getting the figures for capital debt and budgets from the three entities. Then an estimated cost based on number of households for each community can be determined to get an idea of what it would cost. Discussion regarding capital debt of the entities. Fayal's current Fire Department debt is approximately \$350,000.00.

**LRIP Grant**- The grant submission is due December 12<sup>th</sup>.

**2027** Levy- Clerk Latvaaho informed the Board that the General Fund is going to need an increase soon. The expenditures are going to exceed the revenues next year, but the increase could wait until next year. Supervisor Erjavec brought forward that the Township has 15 miles of blacktop and is paying \$50,000.00 per year on the bond that will be paid off in two years. He suggested increasing funding for roads. Clerk Latvaaho added that is why she would like to set aside \$50,000.00 per year for future road projects. Then in 10 years there would be half a million saved that could be applied to a road project. Thunderbird Trail is estimated one million a mile. Discussion regarding roads and how to possibly fund. Many townships do not have paved roads and many years ago the Township was able to pave a significant amount of our roads at little cost. Now costs to maintain and replace is exorbitant.

Minnesota Paid Leave- Clerk Latvaaho read Resolution 2025-10.

Motion to adopt Resolution 2025-10 A Resolution Regarding Minnesota Paid Leave, made by Chairman Branville, support from Supervisor Sather. Motion carried unanimously.

Discussion regarding what the average cost per employee would be and division of employee and employer costs.

#### **NEW BUSINESS**

<u>Public Utility Commission Vacancies</u>- Amy Jackson resigned from the Commission. Her term was up next month and she had expressed interest in leaving for quite some time. Eugene O'Brien is not going to renew his term when it expires in December and Ed Vest is considering not renewing his term when it expires next month as well.

Motion to accept Amy Jackson's resignation from the PUC Board, made by Chairman Branville, support from Supervisor Sather. Clerk Latvaaho will send a letter of appreciation on behalf of the Board. Motion carried unanimously.

Clerk Latvaaho will also send a letter of appreciation to Mr. O'Brien when his term expires next month. Currently advertising for the vacancies.

**Rink Attendants** - Received two applications for rink attendants from Carson Rozinka and Lane Wilson-Baker.

Motion to hire them, made by Supervisor Sather, support from Supervisor Chad. Motion carried unanimously.

<u>Tennis Courts</u>- Three quotes were finally received. Two were for crack sealing and painting and one was for full reconstruct. Full reconstruct was \$170,000.00 and the crack sealing was approximately \$50,000.00. The courts were crack sealed in 2019 and are in terrible condition. Discussion regarding the courts condition and costs. Discussion that grant opportunities wouldn't be available until next year and ways to preserve or repair the courts in the meantime.

Joint Recreation Update - The bank accounts have finally been closed and Fayal's portion was \$6,528.13.

Chairman Branville brought forward that before the next meeting he is going to look at the levy to see if there is anything to move around. With the concerns with the roads, the only last resort would be to turn those roads back to gravel. Foreman Latvaaho brought forward that he spoke with a local company and a mill and overlay project is estimated more at a \$400,000.00 per mile cost range. Certain roads in the Township would qualify for overlays which would cost less.

<u>PUC Financial Recommendation</u>- Chris Erickson from the PUC recommended combining the Assessment Savings and the 4M Sewer Fund. The Assessment Savings will receive its final scheduled deposit from one resident this year and the 4M Sewer Fund was comprised of the excess balance in the Sewer checking account. There wasn't

an issue from the Auditor with combining them. Clerk Latvaaho also suggested closing the Assessment Savings account with Miners Bank as that only had a small balance and was fine with combining the accounts.

Motion to combine the three accounts into one, made by Supervisor Erjavec, support from Supervisor Sather. Motion carried unanimously.

Chairman Branville brought forward the donation to Iron Range Youth in Action. Last year donated \$150.00 and in the past have donated \$100.00. The student sponser is \$100.00.

Motion to continue with \$150.00 donation to Iron Range Youth in Action, made by Chairman Branville, support from Supervisor Erjavec. Motion carried unanimously.

Motion to approve the Fire Department resignation of Cory Christianson effective November 3<sup>rd</sup>, made by Supervisor Chad, support from Supervisor Sather. Motion carried unanimously.

Motion to pay the claims in the amount of \$25,901.23, made by Supervisor Chad, support from Supervisor Sather. Motion carried unanimously.

Motion to adjourn made by Supervisor Sather.

Chairman Branville adjourned the Regular Meeting at 7:40 PM.

Respectfully submitted,

. Heidi M. Latvaaho

Clerk/Treasurer Town of Fayal

Approved:

Chai

Attest:

Date