



# BLACKDUCK CITY COUNCIL MEETING

MONDAY NOVEMBER 6<sup>TH</sup>, 2017 6PM

REGULAR COUNCIL MEETING MINUTES

**CALL TO ORDER:** The City Council of the City of Blackduck met in Regular Session at Blackduck City Hall at 6:00p.m. November 6<sup>th</sup>, 2017. Meeting called to order by Mayor Patch and the Pledge of Allegiance was stated.

**ROLL CALL:**

**Councilors present:** Mayor Patch, Councilors Molnar, Kolb, and Sellon.

**Councilors Absent:** none

**Staff Present:** City Administrator Christina Regas, Chief of Police Jace Grangruth, and Liquor Store Manager Shawnda Lahr

**Others Present:** Jordan Shearer, Blackduck American

**APPROVAL OF AGENDA** –Moved by Councilor Molnar and seconded by Councilor Sellon to approve the agenda as submitted. Motion carried unanimously.

**CONSENT AGENDA** – Moved by Councilor Sellon and seconded by Councilor Kolb to approve the consent agenda as submitted:

- a. October 9<sup>th</sup>, 2017 Council Meeting Minutes
- b. October 18<sup>th</sup>, 2017 Planning Commission Minutes
- c. October 23rd, 2017 Council Work Session Meeting Minutes
- d. November 1<sup>st</sup>, 2017 Personnel Meeting Minutes
- e. October 2017 Fund Balance Report & Scheduled Transfers
- f. October 2017 Bills
- g. YTD October 2017 Income Statements
  - a. Water, Sewer, Pine Tree Park, and Golf Course
  - b. Liquor Store
- h. October 2017 Month End Remittance Report
- i. September 2017 LG216 Lawful Gambling Monthly Rent Report
- j. Final approval of Part-time hired employees
- k. 2017 MV Credit – Agriculture property tax credit

Motion carried unanimously.

**BLACKDUCK FORUM** –

No one present to speak.

**BLACKDUCK ROAD PROJECTS** – Curt Meyer, WSN

1. State Aid for Local Transportation Supplemental Agreement – Regas supplied for review of council a copy of the State Aid Supplemental Agreement between Marks Sand & Gravel and Beltrami County removing a large amount of remobilization costs to the City of Blackduck from the water & sewer project being put on hold in 2016. Regas reported that the reduction of those



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costs to the City will reduce the debt service the City will incur after the project is completed. Councilor Sellon asked that reduction will lower the loan amount needed from MN Rural Water. Regas reported that unfortunately the loan closed on November 1<sup>st</sup> after the County sent the confirmation of the agreement. Regas stated that since there is a portion of the project not completed it will be best for the City to keep the funds until after the project is 100% complete and then pay back early the unused funds.

2. WSN Invoice #119975 – Frontage Road Engineering fees paid from 2015 Small Cities Funds – Moved by Mayor Patch and seconded by Councilor Sellon to pay WSN Invoice 119975 from the Public works reserve fund from the 2015 Small Cities Funds. Hearing no discussion Mayor Patch called for a vote. Motion approved unanimously.

### **PUBLIC WORKS REPORT – Bob Klug Jr., Public Works Supervisor**

1. Application for Waiver to City Ordinance #213 for 188 Main Street N. – Moved by Mayor Patch and seconded by Councilor Sellon to approve the submitted application for a waiver to City Ordinance #213 dated October 11<sup>th</sup>, 2017 for utility service on 188 Main Street N. Regas provided for council proof of payment on the account as paid in full as requested at the October work session. Hearing no further discussion Mayor Patch called for a vote on the motion. Motion carried unanimously.

### **LIQUOR STORE REPORT – Shawnda Lahr, Liquor Store Manager**

1. Report –
  - a. 2017 Opening Deer Season - Lahr provided for council a comparison of sales for the 2017 Opening Deer season and comparisons to previous years. Lahr stated that many factors play into the success of a good deer season opener for the liquor store including weather. Councilor Kolb asked how Lahr attained Sunday sales for years prior to 2017 when the law was not past. Regas stated that the Liquor store would be open for just the Sundays of deer season prior but it was only the on-sale side that was open. Lahr also noted that customers are adjusting to having the off-sale open on Sundays now. Lahr pointed out that sales are being spread out over the weekend instead of seeing large spikes in sales. Lahr included Thursday sales starting in 2016 to reflect how sales are being spread out more through the weekend. Regas stated that many hunting parties come up get everything they need and they stay put rather than coming into town every day/night.
  - b. Wine Tasting Event – Lahr stated that the liquor store will be hosting a wine tasting event on November 16<sup>th</sup> and will have more details on the event as it gets closer.
  - c. Halloween Event – Lahr stated it was very busy and had good attendance.

### **LAW ENFORCEMENT REPORT – Jace Grangruth, Police Chief**

1. Report –
  - a. October Incident Report – Grangruth provided for review of council a comparison of Police Department incidents from October 2017 and compared it to 2015. Grangruth asked for feedback on what type of calls council would like to see on the report or if what was provided was sufficient. Mayor Patch stated the report was nice to see and didn't request any changes and the total number of reports is sufficient. Nothing further.



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- b. Halloween Report – Grangruth handed out 5 bags of candy and had good reports of the night. Mayor Patch stated he received a compliment from a resident noting that it was nice to see our Police Department out while trick or treaters were going to houses.

### **FIRE DEPARTMENT REPORT** – Brian Larson, Fire Chief

No report submitted.

### **GOLF COURSE REPORT** – Jim Andersen, Golf Course Superintendent

#### 1. Report –

- a. Course Closure - Regas reported that the course is closed completely now for the season and Andersen is done working for the winter.
- b. Club House – Regas reported the club house is being rented for an event in November, and then a Yoga class will be taught on Thursday's during December and January.

### **LIBRARY REPORT** – Kelly Hanks, Head Librarian

No report submitted.

### **ADMINISTRATOR'S REPORT** – Christina Regas, City Administrator

1. 2018 General Fund Budget – Councilor Kolb request to discuss City Health Care Spending contribution – Councilor Kolb requested additional information on the City's contribution to the 2018 full time employees Health Care Spending Accounts and the increase to the Health Care Premiums. Regas confirmed for Councilor Kolb the monthly premium cost per employee will be \$500/month for 7 employees, and the HSA cost per employee is \$266.67/month for 7 employees. Regas reported for Councilor Kolb the council requested concessions on the general fund budget to account for the increase to the health care premiums. Regas further stated those concessions include; extending the LED street lighting re-fixture to 3 years vs. 2; Police Department lowered equipment budgets; and Street Department lowered expenses to account for the health care increases. Regas reported that those changes to the expenditures were requested to allow for the health care monthly premium increases and to keep the levy increase to the proposed \$221,400 approved in September 2017. Mayor Patch offered some insight to why the health care premiums increased \$164.50/month/per employee. Regas read from Work Session meeting minutes from September 11, 2017.

*“Derick Pickett reported to Council the increase to the monthly premium for the City of Blackduck of 49%. This percent equates to a monthly premium increase to \$500/month from the current \$335.50/month for 2017. Pickett further reported that over the past 5 years the City has incurred very little increases to the monthly premiums and the time is now catching up to the City of Blackduck account. Regas further reported to Council how the increase affects the general fund. Regas and Pickett met with several full-time employees prior to the meeting and the overall feedback was that the employees wish to have the City continue fully funding both the monthly premiums and the health care spending accounts that support the employees' deductible of \$3,200/year. Council members agreed that if the City can account for the increases in other areas of the budget that the City should continue funding both the premium and health care spending accounts.”*

After reading the minutes from the work session, Regas stated that several factors impacted the increase to the premiums; however, the City of Blackduck has had minimal increases in the past 4 years compared to the trends locally and nationally. Mayor Patch stated he recalls Derick Pickett stating that if a single person looked for coverage on their own it would be much higher. Regas stated that because the City is in a group plan the monthly plan is an average of what the single



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rates are. Regas further stated that the City of Blackduck full time employees range in age from low 20's to mid to late 50's bringing the average up. No further discussion.

2. Request November 20<sup>th</sup>, 2017 Work Session
3. Reminder December 4<sup>th</sup>, 2017 Council Meeting & Truth in Taxation Public Hearing
4. Request December 5<sup>th</sup>, 2017 Personnel Meeting – Annual Appraisal Process – Councilor Kolb requested confirmation if the wage increases budgeted for 2018 for the 2017 annual appraisal process are already allotted. Regas confirmed. Nothing further.

## COMMUNITY EVENTS/GOOD THINGS HAPPENING –

1. Blackduck Development Corporation Meeting –November 8<sup>th</sup>, 2017
2. Blackduck Chamber Meeting – November 15<sup>th</sup>, 2017 Noon @ Duck In & Eat

**OTHER NEW BUSINESS** – No new business.

**ADJOURN** – Moved by Mayor Patch and seconded by Councilor Molnar to adjourn the meeting at 6:33pm. Motion carried unanimously.

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Christina Regas, City Administrator

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Rudy Patch, Mayor