



BLACKDUCK CITY COUNCIL MEETING
MONDAY, JANUARY 6, 2020 @ 6:00PM
REGULAR COUNCIL MEETING MINUTES

CALL TO ORDER: The City Council of the City of Blackduck met in Regular Council Meeting at Blackduck City Hall at 6:00pm. December 6, 2020. Meeting called to order by Mayor Patch and the Pledge of Allegiance was stated.

ROLL CALL:

Councilors present: Mayor Patch, Councilors Kolb, Moore, and Gulette

Councilors Absent: none

Staff Present: City Administrator Christina Regas, Public Works Supervisor Mike Schwanke, Police Chief Jace Grangruth, Liquor Store Manager Shawnda Lahr and Lead Bartender Melissa Gulette

Others Present: Daryl Lundberg and Johnny Lee Walker

APPROVAL OF AGENDA –Moved by Mayor Patch and seconded by Councilor Gulette to approve the agenda as submitted. Motion carried unanimously.

CONSENT AGENDA – Moved by Councilor Moore and seconded by Councilor Kolb to approve the consent agenda. Councilor Gulette stated he believes Administrator Regas is doing a great job. Motion carried unanimously.

- a. December 9, 2019 Council Meeting Minutes
- b. December 12, 2019 Public Works Committee Minutes
- c. December 16, 2019 Liberty Drive Public Hearing Minutes
- d. December 16, 2019 Croswell Avenue Public Hearing Minutes
- e. December 17, 2019 Personnel Meeting Minutes
- f. December 2019 Fund Balance Report & Scheduled Transfers & 2020 Bond Payments
- g. December 2019 Bills
- h. YTD December 2019 Income Statements
 - a. Water, Sewer, Pine Tree Park, and Golf Course
 - b. Liquor Store
- i. November 2019 LG216 Lawful Gambling Monthly Rent Report
- j. Final Approval - 2019 Self-Appraisal for City Administrator Christina Regas
- k. Final Approval - Second half 2019 LGA & PERA aid
- l. Final Approval - 2018 Beltrami Electric Capital Credit Customer Profile & Allocation information
- m. Final Approval - Written Municipal Advisor Client Disclosure w/the City of Blackduck Pursuant to MSRB Rule G-42 Elhers
- n. Final Approval - Notice of Availability, Public Comment Opportunity, & Written Comment Period for the Revised Final Environmental Impact Statement on the Line 3 Replacement Project
- o. Final Approval - Office of the State Auditor Volunteer Fire Relief Association Investment Report Card
- p. Final Approval - Governmental Lease-Purchase Agreement with #008-0777379-300 TCF National Bank & City of Blackduck (The Pond Message Board)
- q. Final Approval – Notice to Residents water & sewer rate increases



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BLACKDUCK FORUM –

No one present to speak.

PUBLIC WORKS REPORT – Mike Schwanke, Public Works Supervisor

1. Report – Schwanke reported his department has been working long hours clearing and removing snow throughout the City. Schwanke stated later in the week he would be widening the streets. Schwanke further stated there has been equipment that has been needing repairs and the part that was just replaced on the plow truck went down again today. Schwanke stated soon the City will need to make other arrangements so the issues don't continue. Councilor Kolb asked for further details. Schwanke replied the hydraulic ram on the main plow has been repaired already and since the plow is old finding parts is difficult. Schwanke stated the plow gets stuck in one position when it breaks which makes plowing difficult. Schwanke continued stating it is useable but it isn't ideal. Councilor Kolb stated his complaints he is receiving have been roads that only have enough for one vehicle to pass when the road is a two-lane road. Schwanke stated that his department will widen those roads but with 14" of snow dumped at one time it is difficult to get it all done quickly. Schwanke further stated his department has been working on removing snow from the intersections where piled snow is impeding traffic but being short on equipment makes it go slower. Councilor Kolb thanked Schwanke for bringing up the intersections and asked how high can the piles of snow be at the intersections by the City Ordinance. Schwanke stated he does not believe the Ordinance states the height limit. Kolb asked if it is then obstruction of view. Regas stated the intersections just can't be obstructed from view. Kolb asked if there is an Ordinance or is the City just saying it can't. Regas stated that by traffic code snow can't block the visual sight of an intersection for oncoming traffic. Schwanke stated the City has been assuming the responsibility to remove the snow from the intersections and that this will need to be addressed. Councilor Gullette asked if the fire hydrants have been addressed stating the hydrants in the Pine View Manor parking lot has been plowed in by the commercial plow and the hydrant is buried. Gullette asked if there is a plan in place. Regas stated the City needs to remind residents of the responsibility of snow removal to fire hydrants for property owners. Mayor Patch stated the Fire Department Volunteers do have a plan in place to assist the hydrant clearing.

LIQUOR STORE REPORT – Shawnda Lahr, Liquor Store Manager

1. Report – Lahr provided a 4-year snapshot of inventory results, sales, and several events that have been held each year since 2016. Lahr further stated the liquor store had a really good year in sales in 2019. Councilor Moore stated that that is great. Mayor Patch asked what the variance numbers were on. Lahr stated they are on the annual book inventory further stating the 2019 numbers were very good with the amount of unaccounted inventory at cost. Councilor Kolb asked if this is bottle sales not individual sales out of the bottle. Regas stated this is inventory of off-sale total product on hand. Lahr further stated Miller McDonald reviews the process and inventory annually with the Liquor store to find any on-hand errors. Lahr stated a variance of \$1500 is very good. Councilor Kolb stated it is a great percentage but since it isn't \$0 it is still bad. Lahr disagreed with Councilor Kolb when the ownership is over \$100,000. Lahr further stated that if a store can provide a 'perfect' inventory with no variance that is a red flag and would need investigation. Councilor Gullette asked if the bar is ready to put in another fryer.



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Lahr stated she is open to the idea and further stated Regas and Lahr will be working on how the store can be improved on. Lahr further stated she has been looking into putting in a double fryer, but would be more in favor of putting in a second fryer to offer allergen-free food. Nothing further.

LAW ENFORCEMENT REPORT – Jace Grangruth, Police Chief

1. Report – Chief Grangruth stated New Year’s Eve was quiet and had nothing further to report. Nothing further.

FIRE DEPARTMENT REPORT – Brian Larson, Fire Chief

1. Report – Regas stated Chief Larson would be working with her on submitting a grant request to replace the old SCBA’s for the volunteers and working on scheduling the Annual Town meeting in February. Nothing further.

GOLF COURSE REPORT – Jim Andersen, Golf Superintendent

1. Golf Board Meeting January 9th, 2020 @ Club House @ 5pm – Regas reported the board would be meeting on the 9th and starting planning the kitchen remodel and the permit submissions to the county for the cart shed. Councilor Moore asked if she could attend and what time the meeting was at. Regas provided the details.

LIBRARY REPORT – Kelly Hanks, Head Librarian

1. Report – Councilor Gullette stated there was no December board meeting and had nothing further to report at this time.

ADMINISTRATOR’S REPORT – Christina Regas, City Administrator

1. Resolution 2020-01 – Resolution of Annual Appointments & Designations for 2020 – Moved by Mayor Patch and seconded by Councilor Gullette to approve Resolution 2020-01 and add Councilor Gullette to the Park & Trail Board. Councilor Kolb asked if this is the first year the City has agreed to rotate the Vice Mayor seat. Regas stated yes that it was mirrored after other boards in the County so that other board members have an opportunity to take the meetings over. Councilor Moore stated that her board with the County HRDC does the same. Councilor Gullette asked if another Councilor should sit on the RLF board. Mayor Patch stated another resident would be nice to have on the RLF board instead. Hearing no further questions Mayor Patch called for a vote on the motion. Motion carried unanimously.
2. Property Owner Petition for detachment of Property from a City – Daryl & Lori Lundberg – Regas introduced to City Council the petition for detachment of property from the City of Blackduck from Daryl & Lori Lundberg stating Lundberg was present to answer any questions that may come up. Regas stated the petition was filed on December 10, 2019 and that Regas provided to council for review a letter from City Attorney Ryan Keison recommending the detachment not be denied due to the property not having any utilities serviced to it and the property not being connected to the municipal boundary. Regas opened up the floor for discussion. Mayor Patch asked Lundberg how much and when the property tax would be removed from the City tax levy. Lundberg stated the plan for annexation happened long before anyone currently was on Council and before Administrator Regas. Lundberg stated when he



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petitioned to annex he had a shovel ready project to spur some development in the City. Lundberg stated overtime life changes and Cities change and the development never took off. Regas stated the annexation was orderly at the time it was passed in 2008. Mayor Patch asked how will the process work for the tax levy. Lundberg stated if it works the way it did when it was annexed there is a process of 5-years where the taxes are portioned out to the township and the City and would most likely be reversed. Lundberg believed the process still takes time and the City would most likely receive the taxes for 2019. Regas stated it is her understanding that the state requires action on the detachment within 30 days of receiving the petition.

1. Resolution 2020-02 – Resolution Responding to a petition initiated by property owner(s) for detachment of Property from the City of Blackduck Pursuant to MN §414.06 - Moved by Mayor Patch and seconded by Councilor Kolb to approve Resolution 2020-02 responding to the petition for detachment of the City of Blackduck by Daryl & Lori Lundberg. Councilor Gullette asked to have the legal description read into the minutes. Regas read the following language: Sect-18 Twp-149 Range-030 33.08 AC NE ¼ of NE ¼ LESS E 495' THEREOF & LESS N 500' OF W 467' OF E 962' THEREOF & NEW ¼ OF NE ¼ LESS W 990' THEREOF OLD #44.00172.00. *Regas noted the parcel number was currently 81.00561.00.* Mayor Patch asked for any further discussion on the motion. Motion carried unanimously. Councilor Kolb stated he hopes this is not a trend but congratulated Lundberg.
2. Resolution 2020-03 – Resolution approving the terms of an internal loan in connection with the construction of the Blackduck Golf Course Cart shed – Moved by Councilor Moore and seconded by Mayor Patch to approve Resolution 2020-03 approving the terms of an internal loan for the golf course cart shed and the amortization schedule. Councilor Gullette asked if the loan terms need to go in front of the RLF committee. Regas stated her intention to report the loan to the committee in January, but noted that the City Council has the authority to loan itself funds for general purposes without restrictions. Regas referred to the road improvement projects of 2016 the City Council used funds from the RLF fund to upfront fund the project. Councilor Kolb asked if contractors had been contacted yet and plans made and how far is it out. Regas stated the board is meeting January 9th to begin that discussion but has only just received a referral from WSN. Mayor Patch asked Daryl Lundberg if he knows of contractors that would work on a kitchen remodel. Lundberg stated he would send Regas a list of names. Councilor Moore asked Councilor Kolb if he would be more comfortable attending the golf board meeting than she. Councilor Kolb stated he could not since he works. Hearing no further discussion, Mayor Patch called for a vote on the motion. Motion passed with a vote of 3-1 with Councilor Kolb not in favor.
3. Resolution 2020-04 – Resolution Approving an excluded Bingo License for the Blackduck Area Chamber of Commerce – Moved by Councilor Gullette and seconded by Councilor Moore to approve Resolution 2020-04. Councilor Moore asked if this will be similar to the bingo event hosted in October 2019. Chamber President Walker stated the October event did not happen due to a number of events. Walker further stated that the license for bingo requires the Chamber apply for license and state the requested dates but does not require the event to be held. Mayor Patch asked if the event is in any conflict with the Fire Relief Gambling. Regas stated she spoke to the Gambling Manager Geerdes and he is aware of the event. Hearing no further discussion Mayor Patch called for a vote on the motion. Motion carried unanimously.



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4. Resolution 2020-05 – Resolution acknowledging a donation from the Blackduck Fire Relief Association – Moved by Councilor Kolb and seconded by Councilor Moore to approve Resolution 2020-05 acknowledging a donation from the Blackduck Fire Relief. Motion carried unanimously.
5. Assessment Agreement between City of Blackduck & Beltrami County for 2020 – Moved by Mayor Patch and seconded by Councilor Kolb to approve the assessment agreement for 2020 between the City of Blackduck and Beltrami County. Motion carried unanimously.
6. Reminder City offices closed January 20, 2020 Martin Luther King Jr. Day
7. Request Tuesday, January 21, 2020 Work Session
8. Reminder February 10, 2020 Council Meeting
9. Reminder 2020 Elected Official Conference – February 28 – 29, 2020 Baxter, MN
10. Presidential Primary – March 3, 2020 Blackduck City Hall
11. Board of Review Meeting for City of Blackduck – April 27th, 2020 @ 9am Blackduck City Hall
12. Request for a Personnel Committee Meeting Thursday, January 16, 2020 @ 5:30pm
13. Refugee Resettlement for Beltrami County – Regas informed the City Council the County Commissioners will be taking action on the executive order for Beltrami County and although the meeting is not a public hearing and public comment will not be allowable Regas supplied the board with the position of the League of MN Cities. Councilor Gullette asked Regas their position. Regas read from a memo that the order applies to counties and the state. Regas encouraged the Council to reach out to their County Commissioners for feedback. Nothing further.

MAYOR AND/OR COUNCIL MEMBER REPORTS – Mayor Patch & Council

COMMUNITY EVENTS/GOOD THINGS HAPPENING – Councilor Moore read the community events into the record.

1. City of Blackduck Employee Anniversaries –
Melissa Tindell - 6 years (*January 2014 - Liquor Store*)
Christina Regas – 6 years (*February 2014 - Administration*)
2. Blackduck Development Corporation Meeting – January 8, 2020 @ 11am
3. Blackduck Chamber Meeting – January 15, 2020 Noon @ Hungry Duck Restaurant
4. Blackduck Planning Commission Meeting – January 15, 2020 @ 2pm
5. Revolving Loan Fund Committee Meeting – January 16, 2020 @ 11am

OTHER NEW BUSINESS – No new business.

ADJOURN – Moved by Councilor Gullette and seconded by Councilor Moore to adjourn the meeting at 6:46pm. Motion carried unanimously.

Christina Regas, City Administrator

Rudy Patch, Mayor