



MINUTES

Council Meeting

6:00 PM - Monday, February 8, 2021
City Hall, 8 Summit Drive, Blackduck MN

The Council of the City of Blackduck was called to order on Monday, February 8, 2021, at 6:00 PM, in the City Hall, 8 Summit Drive, Blackduck MN, with the following members present:

COUNCILORS PRESENT: Councilor Jason Kolb, Mayor Maxwell Gulette, Councilor Sheldon Ostlund, and Councilor Nicholas Seitz

COUNCILORS EXCUSED:

STAFF PRESENT: City Administrator Christina Regas, Police Chief Jace Grangruth, Assistant Liquor Store Manager Melissa Gulette, Public Works Supervisor Mike Schwanke, Liquor Store Manager Shawnda Lahr, and Fire Chief Brian Larson

OTHERS PRESENT: Gail Leverson and Stephen Rose, Widseth and Angela Bokovoy, USDA

1. CALL TO ORDER

- a. Roll Call
Administrator Regas took roll call.
- b. Pledge of Allegiance
Mayor Gulette led the meeting with the pledge of allegiance.

2. APPROVAL OF AGENDA

- a.

Sheldon Ostlund moved to approve the agenda as presented Jason Kolb seconded the motion.

Carried 4 to 0

Jason Kolb	For
Maxwell Gulette	For
Sheldon Ostlund	For
Nicholas Seitz	For

3. CONSENT AGENDA

All items listed under the Consent Agenda, unless removed from the Consent Agenda shall be approved by one Council motion.

- a. January 11, 2021 Blackduck City Council Meeting Minutes
- b. January 25, 2021 Blackduck City Council Work Session Minutes
- c. January 21, 2021 Kitchigami Regional Library Board Meeting packet includes

September 2020 Minutes

- d. January 2021 Fund Balance Report & Bond Payments for 2021
- e. January 2021 Bills
- f. January 2021 Sewer Income Statement
- g. January 2021 Water Income Statement
- h. January 2021 Pine Tree Park Income Statement
- i. January 2021 Golf Course Income Statement
- j. January 2021 Liquor Store Income Statement
- k. Final Approval - Volunteer Fire Relief Association Investment Report Card - Office of the State Auditor
- l. Final Approval - 2021 Short Property Tax Settlement
- m. Final Approval Needed - February 2021 Part-time employees hired
- n.

Maxwell Gullette moved to approve the consent agenda as presented Nicholas Seitz seconded the motion.

Carried 4 to 0

Jason Kolb	For
Maxwell Gullette	For
Sheldon Ostlund	For
Nicholas Seitz	For

4. PUBLIC HEARING - USDA RURAL DEVELOPMENT

(Mayor Gullette to close the regular meeting & open the public meeting - USDA Rural Development funding of Public Facility)

- a.

Jason Kolb moved to close the regular council meeting and open the public hearing for USDA Rural Development at 6:03pm Sheldon Ostlund seconded the motion.

Carried 4 to 0

Jason Kolb	For
Maxwell Gullette	For
Sheldon Ostlund	For
Nicholas Seitz	For

- b. Public Comment required for USDA Rural Development Funding of Public Facilities Building - Angela Bokovoy, Gail Levenson

Administrator Regas summarized the reason for the public hearing as a requirement of the USDA Rural Development Stage 2 documents for bonding for the new public works / police facility.

Mayor Gullette called for questions from the public.

There were no questions.

Mayor Gullette called for questions from the public for a second time.

There were no questions.

Mayor Gullette called for questions from the public for a third time.

There were no questions.

Jason Kolb moved to close the USDA public meeting and open the land combination public meeting for ISD#32 at 6:05pm Sheldon Ostlund seconded the motion.

Carried 4 to 0

Jason Kolb	For
Maxwell Gullette	For
Sheldon Ostlund	For
Nicholas Seitz	For

c.

5. PUBLIC HEARING - LAND COMBINATION ISD#32

(Mayor Gullette to close the regular meeting & open the public meeting - ISD#32 Land Combination)

a. Public comment required for Land Combination of parcels - ISD#32 - Mark Lundin Blackduck School

Administrator Regas summarized the reason for the public hearing requested by ISD#32 for a land combination request.

Mayor Gullette called for questions from the public.

There were no questions.

Mayor Gullette called for questions from the public a second time.

There were no questions.

Mayor Gullette called for questions from the public a third time.

There were no questions.

Sheldon Ostlund moved to close the public hearing for the land combination request for ISD#32 and reopen the regular meeting at 6:08pm Jason Kolb seconded the motion.

Carried 4 to 0

Jason Kolb	For
Maxwell Gullette	For

Sheldon Ostlund For
Nicholas Seitz For

6. BLACKDUCK FORUM

Visitors may share their concerns with Council on any issue, which is not already on the agenda. Each person will have 3 minutes to speak. The Mayor reserves the right to limit an individual's presentation if it becomes redundant. The Mayor may also limit the number of individual presentations on any issue to accommodate the scheduled agenda items. All comments will be taken under advisement by the Council. No action will be taken at the time.

- a. No one present to speak.

7. REPORTS OF COMMITTEES AND CITY STAFF

7.1. PUBLIC WORKS REPORT - MIKE SCHWANKE, PUBLIC WORKS SUPERVISOR

7.1.1. Report -

Schwanke stated both Public Works trucks have been delivered and he is working out a few details with added equipment with the dealership but the trucks work great. Nothing further.

7.2. LIQUOR STORE REPORT - SHAWNDA LAHR, LIQUOR STORE MANAGER

7.2.1. Council Consideration - Liquor Store Addition & Remodel Abatement Bond, Series 2021A - Schedule and disclosure from Ehlers -

Regas reported Lahr met with her to discuss the abatement bond series for the liquor store addition and remodel and what the commitment would be on an annual basis now that most of the plans are completed. Regas stated the schedule includes a cash commitment of \$150,000 to reduce the annual payment of up to \$7,000. Regas stated operating expense changes to the liquor store have been reviewed and a 5-year study of revenue were examined to determine if the liquor store can afford the additional debt. Regas stated she and Lahr are confident that after the addition is complete the additional revenue that will come in from the addition will absorb the payment.

Regas requested the City Council approve the abatement schedule to allow the bonding to move forward.

Mayor Gullette asked for the interest rate on the debt. Regas stated the debt interest will top out at 2.45% with an annual payment of around \$40,000.

Sheldon Ostlund moved to approve the Series 2021a Go Tax Abatement Bond schedule for the liquor store. Nicholas Seitz seconded the motion.

Carried 4 to 0

Jason Kolb For
Maxwell Gullette For
Sheldon Ostlund For
Nicholas Seitz For

7.2.2. Report -

Lahr reported sales are up and traffic is good. Mayor Gullette noted the

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increase in sales from the income statements. Nothing further.

7.3. LAW ENFORCEMENT REPORT - JACE GRANGRUTH, POLICE CHIEF

7.3.1. Report -

Chief Grangruth had nothing new to report, Officer Jespersen is returning from parental leave and the department has been taking calls from drivers being locked out of their vehicles.

7.4. FIRE DEPARTMENT REPORT - BRIAN LARSON, FIRE CHIEF

7.4.1. Approval Needed - SCBA Quotes for FEMA Grant

Chief Larson provided 2 quotes for review of the City Council for the FEMA grant to replace the department's SCBAs. Larson reviewed both quotes and recommended the City approved the bid from Clarey's for \$135,454.

Sheldon Ostlund moved to approve the quote from Clarey's for \$135,454 for SCBA equipment for the Blackduck Fire Department Nicholas Seitz seconded the motion.

Carried 4 to 0

Jason Kolb	For
Maxwell Gullette	For
Sheldon Ostlund	For
Nicholas Seitz	For

7.4.2. 2021 Annual Fire Protection meeting of Towns - February 18, 2021

Regas and Larson reported the annual meeting of towns is scheduled for February 18, 2021. Mayor Gullette stated he would be in attendance on behalf of the City of Blackduck. Nothing further.

7.4.3. Report -

Chief Larson briefed the City Council on the status of the 800MHZ radio installation discussed at the December 2020 meeting. Larson stated there is more discussion from Beltrami County Emergency Management for the installation costs as some of those costs are shared. Larson stated the base station and radios have been installed. Larson stressed to the board the importance of having fire departments part of the 'roof-top tax' the county is paid for from property taxes that assists with replacement and maintenance to communication infrastructure and asked the City Council to speak to their county representatives to encourage the participation with fire departments. Nothing further.

7.5. GOLF COURSE REPORT - JIM ANDERSEN, GOLF COURSE SUPERINTENDENT & PAM EXNER, CLUB HOUSE MANAGER

7.5.1. nothing to report.

7.6. LIBRARY REPORT - KELLY HANKS, HEAD LIBRARIAN

7.6.1. nothing to report.

8. ADMINISTRATOR'S REPORT

a. Approval Needed - Assessment Agreement Between City of Blackduck and Beltrami County

Jason Kolb moved to approve the 2021 assessment agreement between the City of Blackduck and Beltrami County Sheldon Ostlund seconded the motion.

Carried 4 to 0

Jason Kolb	For
Maxwell Gullette	For
Sheldon Ostlund	For
Nicholas Seitz	For

- b. Council Consideration - Petition for Detachment of Property from City of Blackduck - Joseph Wilhelmi

Nothing further discussed by council

- c. Council Action Needed - Resolution 2021-06 - Resolution Responding to a petition initiated by property owner for detachment of property from the City of Blackduck pursuant to MN §414.06

Mayor Gullette called for a roll call vote on the Resolution.

Jason Kolb moved to approve Resolution 2021-06 - a Resolution responding to a petition initiated by property owner for detachment of property from the City of Blackduck pursuant to MN §414.06 Sheldon Ostlund seconded the motion.

Failed 2 to 2

Jason Kolb	For
Maxwell Gullette	For
Sheldon Ostlund	Against
Nicholas Seitz	Against

- d. Approval Needed - Resolution 2021-07 - Resolution authorizing PERA contributions for qualifying part-time police officers for the City of Blackduck

Maxwell Gullette moved to approve Resolution 2021-07 Nicholas Seitz seconded the motion.

Carried 4 to 0

Jason Kolb	For
Maxwell Gullette	For
Sheldon Ostlund	For
Nicholas Seitz	For

- e. Approval Needed - ISD#32 Land Combination Application

Jason Kolb moved to approve the land combination request from ISD#32 Sheldon Ostlund seconded the motion.

Carried 4 to 0

Jason Kolb	For
Maxwell Gullette	For

Sheldon Ostlund For
Nicholas Seitz For

- f. February 10, 2021 11am - Blackduck Development Corp Meeting - City Hall
- g. February 15, 2021 - President's Day - Government offices closed
- h. February 17, 2021 noon - Blackduck Chamber of Commerce Meeting - Restaurant 71
- i. February 17, 2021 2pm - Blackduck Planning Commission Meeting - City Hall
- j. February 18, 2021 6pm - Blackduck Fire Protection Meeting of Towns - City Hall
- k. February 22, 2021 6pm - Blackduck City Council Work Session
- l. February 26 - April 12, 2021 - Special Election Absentee Balloting
- m. March 8, 2021 - Blackduck City Council Regular Meeting - City Hall
- n. April 13, 2021 - Blackduck Special Election - City Hall
- o. April 26, 2021 @ 9am - Blackduck Local Board of Appeal & Equalization Meeting
- p. Update on MAK Properties Street Vacation -
Regas reported Matt Sparby has further plans to redraw property lines in the Southern Duck Estates after the approved street vacation and the need to further request vacation of the remaining 800+ feet of Universal Drive SW. Regas reported to the City Council Sparby has been requested to begin the process with the Planning Commission due to the large nature of the plans in their entirety. Nothing further.

9. MAYOR AND/OR COUNCIL MEMBER REPORTS

- a. Mayor Gullette - Congratulated the High School One-Act play winning first place at sub-sections for the first time in 23 years.

10. COMMUNITY EVENTS/GOOD THINGS HAPPENING

- a. Employee Anniversaries -
Christina Regas - Administration 2014 - 8 years
Melissa Gullette - Liquor Store 2012 - 10 years
- b. City Staff Thank from Administrator Regas -
Regas thanked the public works and administration staff for putting in the extra hours to complete the renovation at City Hall.
- c. Commercial Buildings Hazardous Structures funding -
Regas reported the estimate for the removal of the buildings came to \$180,000 and the grant request was successfully submitted on-time with a purchase agreement for 32 Main Street.

11. ADJOURNMENT

- a.

Jason Kolb moved to adjourn the meeting at 6:57pm Sheldon Ostlund seconded the motion.

Carried 4 to 0

Jason Kolb For
Maxwell Gullette For
Sheldon Ostlund For

Nicholas Seitz

For

City Administrator, Christina Regas

Maxwell Gullette, Mayor