



MINUTES

Council Meeting

6:00 PM - Tuesday, September 7, 2021
City Hall, 8 Summit Drive, Blackduck MN

The Council of the City of Blackduck was called to order on Tuesday, September 7, 2021, at 6:00 PM, in the City Hall, 8 Summit Drive, Blackduck MN, with the following members present:

COUNCILORS PRESENT: Mayor Maxwell Gullette, Councilor Nicholas Seitz, Councilor Donald Johnson, Councilor Bobbie Jo Kewitsch, and Councilor Laurie Hamilton

COUNCILORS EXCUSED:

STAFF PRESENT: City Administrator Christina Regas, Public Works Supervisor Mike Schwanke, and Liquor Store Manager Shawnda Lahr

OTHERS PRESENT: Jennifer Parker, Blackduck American

1. CALL TO ORDER

- a. Roll Call
Roll call was taken by Administrator Regas of those present to the meeting.
- b. Pledge of Allegiance
Mayor Gullette led the meeting in the pledge of allegiance.

2. APPROVAL OF AGENDA

- a.

Nicholas Seitz moved to approve the agenda with the addition of item (p.) under Administrator's Report entitled 'Council Pay' Donald Johnson seconded the motion.

Carried 3 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Donald Johnson	For

3. RESIGNATION OF COUNCILOR KOLB & APPOINTMENT OF NEW COUNCILORS

- a. Approval Needed - Resolution 2021-20 - Resolution accepting resignations and declaring a vacancy

Nicholas Seitz moved to approve Resolution 2021-20 Donald Johnson seconded the motion.

Carried 3 to 0

Maxwell Gullette For
Nicholas Seitz For
Donald Johnson For

- b. Approval Needed - Resolution 2021-23 - Resolution appointing Laurie Hamilton to serve the term of the vacant council member seat through December 31, 2022; or when the 2022 General Election Results have been finalized

Nicholas Seitz moved to approve Resolution 2021-23 Donald Johnson seconded the motion.

Carried 3 to 0

Maxwell Gullette For
Nicholas Seitz For
Donald Johnson For

- c. Approval Needed - Resolution 2021-24 - Resolution appointing Bobbie Jo Kewitsch to serve the term of the vacant council member seat through December 31, 2022; or when 2022 General Election results have been finalized

Donald Johnson moved to approve Resolution 2021-24 Nicholas Seitz seconded the motion.

Carried 3 to 0

Maxwell Gullette For
Nicholas Seitz For
Donald Johnson For

- d. Oath of Office - Swearing in of Council members Hamilton and Kewitsch
Administrator Regas swore in the newly appointed elected officials.

4. PUBLIC HEARING - PROPOSED PROPERTY TAX ABATEMENTS

(Mayor Gullette to close the regular meeting and open the public meeting - Proposed property tax abatements)

- a. Public Comment pursuant to MN Statute §469.1812 through 469.1815 - Consideration of property tax abatement to finance the demolition of three (3) commercial buildings on Main Street North (the 'Project') located in the City
Administrator Regas summarized the details for the public hearing pursuant to MN Statute §469.1812 through 469.1815. for those present.

Mayor Gullette called for questions for the public hearing.

Questions -

Councilor Kewitsch - Which buildings are included in the demolition?

Answer -

Administrator Regas -32, 40, & 48 Main Street North.

Jennifer Parker - Which buildings are included in the abatement?

Administrator Regas - Blackduck Post Office, Choice Therapy, and the old bank (Wells Fargo)

Mayor Gullette called for questions a second time.

There were no more questions.

Mayor Gullette called for questions a third time.

There were no more questions.

Maxwell Gullette moved to close the regular meeting and open the public hearing at 6:06pm Laurie Hamilton seconded the motion.

Carried 5 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Donald Johnson	For
Bobbie Jo Kewitsch	For
Laurie Hamilton	For

Maxwell Gullette moved to close the public hearing and re-open the regular council meeting at 6:09pm Donald Johnson seconded the motion.

Carried 5 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Donald Johnson	For
Bobbie Jo Kewitsch	For
Laurie Hamilton	For

b.

5. CONSENT AGENDA

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

- a. August 9, 2021 City Council Meeting Minutes
- b. August 19, 2021 Kitchigami Regional Library Special Board Meeting Packet
- c. August 23, 2021 - City Council Work Session Meeting Minutes
- d. August 24, 2021 Golf Board and Park & Tree Board Meeting Minutes
- e. August 25, 2021 Personnel Committee Meeting Minutes & Recommended Revised Job Descriptions and supported Wage Scales
- f. August 25, 2021 Finance Committee Meeting Minutes
- g. August 26, 2021 Annual Fire Protection Meeting of Towns Meeting Minutes
- h. August 2021 Fund Balance Report - Recommended Transfers & 2021 Bond Payments
- i. August 2021 Bill Report

- j. August 2021 Sewer Income Statement
- k. August 2021 Water Income Statement
- l. August 2021 Pine Tree Park Income Statement
- m. August 2021 Golf Course Income Statement
- n. August 2021 Liquor Store Income Statement
- o. Liquor Store Expansion / Remodel Project Fund Activity Report
- p. Final Approval - Public Notification Policy - USDA funding requirement
- q. Final Approval - City of Blackduck Police Department Allegations of Misconduct Policy update required from POST
- r. Final Approval - 2022 MHC Statewide Pool Renewal for the City of Blackduck Healthcare premiums
- s. Final Approval - Warranty Deed for purchase of property from MAK Properties Inc.
- t. Final Approval - Resignation Letter - Patrol Officer Andrew Jespersen

Donald Johnson moved to approve the consent agenda as presented Bobbie Jo Kewitsch seconded the motion.

Mayor Gullette noted the absence of the LG216 Gambling report and Regas noted due to the turn-over to the pull tab machines there was no pull-tab rent reported in August.

Carried 5 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Donald Johnson	For
Bobbie Jo Kewitsch	For
Laurie Hamilton	For

u.

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. Jennifer Parker asked for confirmation of a rumor that the police service is 'no more' as of this past Saturday. Regas stated due to staffing issues there has not been officers patrolling. Parker stated she had heard from a Beltrami County Deputy that the Blackduck Police Department had 'disbanded' and as a citizen wanted to know why.
Regas further stated that Beltrami County Sheriff's department will respond to calls in Blackduck but cannot support the City of Blackduck Ordinances.

7. ORDINANCE AMENDMENT SECOND & FINAL READING

- a. Ordinance 2021-01 - Amendment Second and Final Reading - An Ordinance Amending Chapter 3 Entitled "Administration" Amending Section 330.04 Entitled 'Duties'

Regas read the second and final amendment to Ordinance 330.04 into the record. Parker requested clarification on the list of duties of the Administrator and job description if there were additional duties. Regas stated there were more duties listed in the job description. Councilor Kewitsch requested clarification of item CR2 will be replaced by someone else. Regas stated it will not as all department heads are responsible for attending training to be certified for their appropriate licenses.

8. ORDINANCE AMENDMENT FIRST READING

- a. Ordinance 2021-02 - Amendment First Reading - An Ordinance Amending Chapter 3 entitled "Administration" amending Section 300.07 entitled 'Standing Committees'
Regas read the first amended Ordinance 300.07 language into the record. Parker requested clarification of the difference of the Health Committee vs. Safety Committee. Regas stated it was re-named. Councilor Kewitsch asked for the purpose of the Personnel Committee. Regas reported the role of the personnel committee stating the importance of hiring, wage scale recommendations; union contract negotiations; etc. Kewitsch asked how the personnel committee works with the other committees like the golf board; public works committee or liquor committee. Regas stated that if there is a personnel matter that needs attention in a specific department then that department head would attend the personnel committee and discuss those topics. Kewitsch then asked if the committees then work together. Regas confirmed and further stated that all minutes from all committee meetings are provided to the council, however, personnel matters are not made public. Nothing further.

9. REPORTS OF COMMITTEES AND CITY STAFF

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

9.1.1. Report -

Schwanke reported the floors at the Wayside Rest Park restrooms are completed and they look very nice. Schwanke further reported the floors at the campground will be the same material and should be completed within a week. Schwanke further stated he has been faced with vandalism at the wayside restrooms and he is hoping to find some type of camera system that could assist finding the people responsible for the damage. Schwanke stated the pond system will be going into the winter months very well due to the lack of water and rain this year. Schwanke provided an example of how much water is pumped into the ponds by stating that this August 1.5 million gallons of wastewater was pumped and last year in August there was 6 inches of rain and the city pumped 3.3 million gallons of water to the ponds. Schwanke states that this tell him how bad the city sewer infrastructure is degrading over time that rain water is being let into the sewer system. Schwanke stated the city is paying to treat the rain water that goes into the sewer and between the chemicals and electricity. Schwanke stated the work has started on the the restroom at the beach. Nothing further.

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

9.2.1. Report -

Lahr reported the store has been busy and sales are up over 2019 and 2020 also stating the off-sale numbers provide the majority of the sales. Lahr further stated that food is a large portion of their sales. Lahr stated the team is getting excited to have the kitchen remodel done. Lahr stated the addition to the off-sale is sheet-rocked; the electricians come this week moving the large panel; the plumbers come this week; the new POS system will be wired

on Friday this week; and the 3 weeks left of September will be very intense. Lahr stated the shut-down date for the kitchen will be September 20th and the bar will be offering pizzas in place of the burgers to satisfy the customers. Regas asked when the exterior sign will go back up. Lahr stated weather permitting after exterior painting is complete. Councilor Kewitsch asked how long the kitchen will be closed. Lahr reported 1 month and she is hoping it doesn't take that long but flow of goods has been interrupted every where. Lahr stated the plan is to be up and ready by Deer Season Opener. Mayor Gulette asked if there is a grand opening plan in place. Lahr stated to do some soft-opening depends on many new items that are finished and hopes to do something for the opening. Lahr stated the new pull tab machines are being successful and the team loves the machines. Councilor Kewitsch asked where the money from the pull tabs go. Mayor Gulette stated to the City Liquor Rent Fund. Regas stated the fund is a percentage of what the Pond sells for the Fire Relief Gambling and it is used for the community and donations. Nothing further.

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

9.3.1. Report -

September 13, 2021 @ 3pm - Blackduck Golf Board Meeting - Club House

Regas reported the golf course had a busy August and the golf board meets on September 13. Regas stated the board will finalize details on a golf cart sponsorship program; discuss a rough mower replacement; and end of season details. Regas stated the organizers of the Little Debs Tournament submitted an application to return to the Blackduck Course in 2022 and that is a huge win for the golf course.

Parker was present to promote Chamber Night at the Golf Course and it isn't just for golfers. Parker stated the Pond will be providing a cash bar and taco bar and it will be a great opportunity for a social experience for business owners and the public to connect with people. Parker reported the event begins at 3pm for golfers and 6pm for the social and tickets can be purchased at City Hall.

Regas further reported there is talk of a couple more scramble reunions. Councilor Hamilton stated she thought the course did a really nice job with Take a Kid Golfing this summer and if the course had lessons for kids she would donate to that. Hamilton stated the sport of golf is a skill kids can have for their whole lives.

10. ADMINISTRATOR'S REPORT

a. Approval Needed - Purchase agreement between the Blackduck Development Corporation and the City of Blackduck for purchase of property

Nicholas Seitz moved to approve the purchase agreement between the BDC and the City of Blackduck Donald Johnson seconded the motion.

Carried 5 to 0

Maxwell Gulette	For
Nicholas Seitz	For
Donald Johnson	For
Bobbie Jo Kewitsch	For
Laurie Hamilton	For

b. Approval Needed - Department of Employment & Economic Development Demolition Loan Program - Loan Agreement RDKP-21-0001-o-FY21 - Main Street Commercial Project

Nicholas Seitz moved to approve a loan agreement between Deed and the City of Blackduck Bobbie Jo Kewitsch seconded the motion.

Carried 5 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Donald Johnson	For
Bobbie Jo Kewitsch	For
Laurie Hamilton	For

c. Approval Needed - Resolution 2021-21 - Resolution approving property tax abatements

Donald Johnson moved to approve resolution 2021-21 Laurie Hamilton seconded the motion.

Carried 5 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Donald Johnson	For
Bobbie Jo Kewitsch	For
Laurie Hamilton	For

d. Approval Needed - Resolution 2021-22 - Resolution making certain findings with respect to substandard buildings

Donald Johnson moved to approve resolution 2021-22 Bobbie Jo Kewitsch seconded the motion.

Carried 5 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Donald Johnson	For
Bobbie Jo Kewitsch	For
Laurie Hamilton	For

e. Approval Needed - Resolution 2021-25 - Resolution accepting the offer of Deed to purchase a \$164,872 Gen. Obligation taxable tax abatement bond, Series 2021A, providing for its issuance and authorizing execution of a loan agreement

Nicholas Seitz moved to approve resolution 2021-25 Bobbie Jo Kewitsch seconded the motion.

Carried 5 to 0

Maxwell Gullette	For
------------------	-----

Nicholas Seitz	For
Donald Johnson	For
Bobbie Jo Kewitsch	For
Laurie Hamilton	For

f. Approval Needed - USDA-Rural Development - Affirmative Steps on Small, Minority and Women Suppliers and Services Policy

Laurie Hamilton moved to approve the affirmative steps on small, minority and women suppliers and services policy as presented Bobbie Jo Kewitsch seconded the motion.

Carried 5 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Donald Johnson	For
Bobbie Jo Kewitsch	For
Laurie Hamilton	For

- g. Council Consideration - Bid Authorization Letter - USDA - Rural Development funding for Public Works / Police Facility - Council Consider when to bid -
Regas stated that USDA has given the City the green light to move ahead with bidding the project but is requesting to wait until January 2022 due to the timing of the season. Mayor Gullette agreed waiting until January 2022 was a good plan. Schwanke stated that given the market on materials the project would not begin until Spring and postponing the bidding would assist in the bid pricing. Councilor Hamilton stated it makes sense to hold off. Councilor Johnson agreed and stated the building would not be useable this year anyway. Regas will send the word to all the stakeholders. Nothing further.
- h. September 8, 2021 - Blackduck Development Corp Meeting @ 11am - City Hall
- i. September 8, 2021 @ 3pm - 2022 Budget Finance Committee Meeting - City Hall
Regas noted there will be additional meetings of the Finance Committee prior to the Council Work Session.
- j. September 10, 2021 @ 10am - Personnel Committee Meeting - City Hall
Regas stated the 2022 Union Contract proposal will be further reviewed at this meeting.
- k. September 15, 2021 @ Noon - Blackduck Chamber of Commerce Meeting - The Pond
- l. September 15, 2021 @ 2pm - Blackduck Planning Commission Meeting - City Hall
- m. September 20, 2021 @ 6pm - Blackduck City Council Work Session - City Hall
- n. September 27, 2021 @ 6pm - Special Council Meeting - 2022 Preliminary Levy Adoption - City Hall
- o. October 11, 2021 @ 6pm - Blackduck City Council Regular Meeting
- p. Ordinance §310 Salaries of Mayor and Council Members -
Councilor Johnson requested Ordinance §310 be considered for amending stating he believes the council pay should be increased. Mayor Gullette asked Johnson if he believes the council should be compensated more. Johnson stated yes. Regas apologized to the board for not having the proposal that was presented to the board at the August 23, 2021 work session. Regas reviewed the ordinance with the board and stated the last time the ordinance was updated was January 1, 2003. The board discussed a suggested increase of \$25 per meeting per council member to the existing

pay. Regas stated she will present a draft of the amended ordinance at the next work session and if agreed upon will schedule the first reading for October 11, 2021. The board agreed to review a draft of the ordinance at the next work session. Regas advised the City Council to not adopt the amendment and put it into affect until January 2022. Nothing further.

11. MAYOR AND/OR COUNCIL MEMBER REPORTS

a. Mayor Gullette -

Observed vehicles from out of state at the Wayside Rest recently and stated there is still a lot of traffic coming through town. Hamilton asked for the operating hours of the restrooms. Schwanke stated 24/7 from beginning of May until the weather is too cold to stay open. Schwanke further stated the restrooms are closed in the winter but the road is still plowed.

Donald Johnson -

There have been people that have approached him and asked why there has not been a police officer driving around town and he stated he would bring it to the city.

Laurie Hamilton -

Asked if the walking trail issues been addressed that cause issues for wheelchairs. Schwanke stated the wheelchair issue was due to the age of the trail and the deficiencies caused over the years without maintenance but the main concern he understood was the accessibility of the trail from a private piece of land adjacent to the trail.

BobbieJo Kewitsch -

Asked if there was any updates from CIDA and Sarah Carling with the City. Mayor Gullette stated he has been in touch with Carling and would have more to report at a later date.

Asked if the bathroom being built at the beach will have water. Regas stated no. Kewitsch asked how the bathroom and the bathrooms at the campground are cleaned and is it regularly done. Schwanke stated public works cleans daily all the bathrooms except the weekends. Kewitsch stated how surprised she was at the amount of spiders that are in the campground bathrooms if cleaned. Schwanke stated his team does spray for bugs and spiders but the improvements being completed this summer will help with those issues.

12. COMMUNITY EVENTS/GOOD THINGS HAPPENING

a. Donation of laptop to Blackduck Golf Course - Robert & Karla Liesener - Parker, Colorado

b. Thank You - Blackduck Trap Team

c. Headwaters Regional Development Commission Board Request - City of Blackduck Councilor Seitz agreed to sit on the board on behalf of the City of Blackduck. Regas offered to put him in touch with the new executive director.

d. Employee Anniversaries -

Nate Lien - Blackduck Fire Department - 2006 - 11 years

13. ADJOURNMENT

a.

Nicholas Seitz moved to adjourn the meeting at 7:26pm Bobbie Jo Kewitsch seconded the motion.

Carried 5 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Donald Johnson	For
Bobbie Jo Kewitsch	For
Laurie Hamilton	For

City Administrator, Christina Regas

Maxwell Gullette, Mayor