



MINUTES

Council Meeting

6:00 PM - Monday, January 10, 2022
City Hall, 8 Summit Drive, Blackduck MN

The Council of the City of Blackduck was called to order on Monday, January 10, 2022, 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, Assistant Liquor Store Manager Melissa Gullette, Public Works Director Mike Schwanke, and Director of Liquor Operations Shawnda Lahr

OTHERS PRESENT: City Engineer Curt Meyer, Widseth

1. CALL TO ORDER

- a. Roll Call
Administrator Regas took roll 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 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

3. CONSENT AGENDA

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

- a. December 6, 2021 Blackduck City Council Meeting Minutes
- b. December 9, 2021 Blackduck Personnel Committee Meeting Minutes
- c. January 6, 2022 Personnel Committee Meeting Minutes

- d. December 2021 Fund Balance Report; Recommended Transfers; and 2022 Bond Payments
- e. December 2021 Bill Report
- f. December 2021 Sewer Income Statement
- g. December 2021 Water Income Statement
- h. December 2021 Pine Tree Park Income Statement
- i. December 2021 Golf Course Income Statement
- j. December 2021 Liquor Store Income Statement
- k. November 2021 LG216 Lawful Gambling Monthly Rent Report - Blackduck Fire Relief Association
- l. Final Approval - LMCIT Property/Casualty 2021 Dividend Calculation for City of Blackduck
- m. Final Approval - 2021 2nd Half LGA payment & Small Cities Road Assistance
- n. Final Approval - 2022 Rental Inspection Agreement for services - City of Blackduck & Township & Range, LLC
- o. Final Approval - 2022 General License Agreement - The Pond & American Society of Composers, Authors & Publishers (ASCAP) - License to Perform Publicly at Premise - Jukebox & Live Music
- p. Final Approval - Written Municipal Advisor Client Disclosure with the City of Blackduck & Ehlers pursuant to MSRB Rule G-42
- q. Final Approval - Deerwood Bank Certification of Adoption of Directors' Resolution
- r. Final Approval - 2022 Pay Equity Report(s)
- s. Final Approval - MOU between City of Blackduck and The Union of Operating Engineers, Local 49
- t. Final Approval - Agreement for Financial Auditing Services between Miller McDonald and the City of Blackduck
- u. Final Approval - Main Street Redevelopment pay application #1

Maxwell Gullette moved to approve the consent agenda removing item 'O' 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

4. 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.

5. REPORTS OF COMMITTEES AND CITY STAFF

5.1. PUBLIC WORKS REPORT - MIKE SCHWANKE, PUBLIC WORKS DIRECTOR

5.1.1. Council Consideration - ARP Funding - City of Blackduck Lift Station(s) phase conversion estimates westend & Black Mallard Locations

Schwanke provided estimates for consideration to use the ARP funding to update two lift stations in the City. Schwanke described the 2 options summarizing the difference(s) includes what he calls 'smart technology' for notification system added to the stations. Schwanke stated he would be in favor of the City moving towards the updates with the technology.

Mayor Gullette asked how long before the main lift station needs full reconstruction. Schwanke stated it is need now.

Curt Meyer stated the 'telemetry' on the lift stations is so important for small towns with small staff to react to issues when lift stations go down. Meyer recommended if the City can afford to update the lift stations to take action but cautioned the City not to take too much action as it can create an issue to be awarded future grant dollars when a sewer project is planned. Meyer reminded the City of the PER ER process that is in process that will provide funding agencies from finding the City's affordability.

Regas cautioned the City to remember that the lift stations can only wait so long and the ARP funding is an allowable expense.

Meyer recommended if the City wishes to use the ARP funding for the lift stations not to add the telemetry now. Schwanke stated he would prefer to update all the lift stations so they are all the same.

Mayor Gullette asked how soon the City will need to update the lift stations. Schwanke stated soon based on the issues that have been having. Schwanke stated before Spring.

5.1.2. Report -

Schwanke reported his staff has been busy removing snow and not much else. The Council thanked his staff for their hard work.

5.2. LIQUOR STORE REPORT - SHAWNDA LAHR, DIRECTOR OF LIQUOR OPERATIONS

5.2.1. Report -

Lahr reported the Liquor store and Bar ended the year well although the construction costs skew the year end numbers. Lahr stated January is starting out to be a good sales month and the team is working on some daily food specials; gambling events like meat raffles and bingo events. Lahr stated the new pull tab machines are working very well.

6. ADMINISTRATOR'S REPORT

a. Approval Needed - Resolution 2022-01 - Resolution of annual appointments and designations for 2022

Laurie Hamilton moved to approve Resolution 2022-01 Bobbie Jo Kewitsch seconded the motion.

Carried 5 to 0

Maxwell Gullette
Nicholas Seitz

For
For

Donald Johnson For
Bobbie Jo Kewitsch For
Laurie Hamilton For

- b. Approval Needed - Resolution 2022-02 - Resolution to appoint election judges for the 2022 state primary, state general elections, and municipal elections

Bobbie Jo Kewitsch moved to approve Resolution 2022-02 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

- c. Approval Needed - Resolution 2022-03 - Resolution Acknowledging donation from the Blackduck Fire Relief Association

Bobbie Jo Kewitsch moved to approve Resolution 2022-03 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 2022-04 - Resolution to support the authority to impose a local sales tax to fund specific capital improvements providing regional benefit, to establish the duration of the tax and the revenue to be raised by the tax, and to authorize the City of Blackduck to issue bonds supported by the sales tax revenue.

Nicholas Seitz moved to approve Resolution 2022-04 Laurie Hamilton seconded the motion.

Discussion from Regas and Meyer informed the City of the MN State Statute changes after the July 2021 Special Session that defines a qualifying capital project. Regas stated the changes removed any infrastructure or streets capital project(s) but clarifies the eligible projects to include contiguous trail; park; or structure or building.

Meyer stated the changes are significant and the City Attorney found the changes and advised the City to revise the sales tax projects. Meyer asked the City Council if the community will buy into a .5% sales tax to help fund improvements for the walking trail; parks' campground; and possibly the golf course (*stated in the summary provided*).

Regas asked the City to consider approving the sales tax and sending it to the state for consideration in 2022 otherwise the next option for action won't happen until 2024.

Councilor Seitz agreed the regional project list makes a good argument. Councilor Johnson stated he would like to see a trail on the County road to get people out to the campground and beach. Meyer stated there is funding stated in the project summary for trail connections.

Carried 5 to 0

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

- e. Approval Needed - Resolution 2022-05 - Resolution approving an excluded bingo license for the Blackduck Area Chamber of Commerce

Bobbie Jo Kewitsch moved to approve Resolution 2022-05 Nicholas Seitz seconded the motion.

Carried 5 to 0

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

- f. January 12, 2022 11am - Blackduck Development Corp regular meeting - Blackduck City Hall
- g. January 17, 2022 - Blackduck City Hall closed in observance of Martin Luther King Jr. Day
- h. January 19, 2022 @ Noon - Blackduck Area Chamber of Commerce Meeting - Hunger Duck Restaurant
- i. January 19, 2022 @ 2pm - Blackduck Planning Commission Meeting - City Hall
- j. January 20, 2022 @ 1pm - Public Works / Police Facility Public Bid Open date/time - Blackduck City Hall
- k. January 24, 2022 - Blackduck City Council Work Session 6pm
- l. Council Consideration - Closed Meeting Agenda Item Council Work Session January 24, 2022 - City Administrator's 2021 Review

7. MAYOR AND/OR COUNCIL MEMBER REPORTS

- a. Mayor Gullette - Stated he has Booster Club Raffle tickets for sale.

8. COMMUNITY EVENTS/GOOD THINGS HAPPENING

- a. Regas - Reported Community Education will have sleds available for the public to use on the Golf Course #6 Tee Box and the skating rink will be ready soon for the public to use.

Laurie Hamilton moved to recess the regular meeting at 7:00pm 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

b. Mayor Gullette called the regular meeting back to order at 7:15pm

9. CITY ATTORNEY - JOSEPH LANGEL

a. Closed Meeting Agenda Item - Pursuant to Minnesota Statute §13D.5 - Attorney-Client Privilege
(Mayor Gullette required to close the public meeting and open the closed meeting)

Maxwell Gullette moved to close the regular meeting and opened the closed meeting at 7:15pm 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 closed meeting and reopen the regular meeting at 7:40pm 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

10. ADJOURNMENT

a.

Nicholas Seitz moved to adjourn the regular meeting at 7:42pm 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

City Administrator, Christina Regas

Maxwell Gullette, Mayor