



MINUTES

Council Meeting

6:00 PM - Monday, July 10, 2023

City Hall, 8 Summit Drive, Blackduck MN

The Council of the City of Blackduck was called to order on Monday, July 10, 2023, at 6:00 PM, in the City Hall, 8 Summit Drive, Blackduck MN, with the following members present:

COUNCILORS PRESENT: Mayor Maxwell Gulette, Councilor Donald Johnson, Councilor Laurie Hamilton, and Council member Ronald Fredrickson

COUNCILORS EXCUSED: Councilor Nicholas Seitz

STAFF PRESENT: City Administrator Christina Regas, Assistant Liquor Store Manager Melissa Gulette, and Public Works Director Mike Schwanke

OTHERS PRESENT: Caleb Stroblie and Tim Ramerth of Widseth, Stephen & Irina Yagilnickiy of Hines - Ukraine

1. CALL TO ORDER

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

2. APPROVAL OF AGENDA

- a.

Ronald Fredrickson moved to approve the agenda as presented Laurie Hamilton seconded the motion.

Carried 4 to 0

Maxwell Gulette	For
Donald Johnson	For
Laurie Hamilton	For
Ronald Fredrickson	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. June 5, 2023 Blackduck City Council Minutes
- b. June 15, 2023 Blackduck Personnel Committee Minutes
- c. June 21, 2023 Blackduck Planning Commission Meeting Minutes
- d. June 2023 Fund Balance Report

- e. June 2023 Bill Report
- f. May 2023 Supplemental Bill Report - Golf Course Huntington Bank Cart Lease Payment
- g. May 2023 Supplemental Bill Report - Liquor Message Board Huntington Bank Payment
- h. ~~May 2023 LG216 Lawful Gambling Monthly Rent Report - Blackduck Fire Relief Association~~
- i. ~~April 2022 Revised LG216 Lawful Gambling Monthly Rent Report and Original (net difference \$320.00)~~
- j. Final Approval - June 2023 Business Credit Card payment batch
- k. Final Approval - Paustis Wine Company early payment request June billing
- l. Final Approval - City of Blackduck New Employees Report - July 2023
- m. ~~Final Approval - June 2023 Property Tax Settlement - City of Blackduck~~
- n. Final Approval - DR4659 Blackduck Award and Welcome Letter for Gravel Roads Project
- o. Final Approval - LEER Title Services Closing Documents for Main Street North Property
- p. Final Approval - LEER Title Services - Closing Documents for 72 Railroad Ave. & Distribution of Sale to City funds

Donald Johnson moved to approve the consent agenda with items 'h', 'i', and 'm' removed for further discussion Ronald Fredrickson seconded the motion.

Carried 4 to 0

Maxwell Gullette	For
Donald Johnson	For
Laurie Hamilton	For
Ronald Fredrickson	For

- q. Consent Items Removed for additional Discussion
 - h. May 2023 Revised LF216 Lawful Gambling Monthly Rent Report - Blackduck Fire Relief Association
Councilor Hamilton asked for a reason to the shortage of \$206.20. Regas stated the shortage was determined after tabs were balanced from the gambling manager over a four month period starting in February. Councilor Fredrickson asked for clarification that the shortage was for four months. Regas confirmed stating the shortage was due to several games being closed and audited over that timeframe.
 - i. April 2022 Revised LG216 Lawful Gambling Monthly Rent Report - Blackduck Fire Relief Association
Regas explained the reason for the revised April 2022 reports was due to the Gambling Manager balanced a box from 2022 providing an additional \$320 in rent.
 - m. Final Approval - June 2023 Property Tax Settlement - City of Blackduck
Councilor Hamilton asked for clarification on the worksheet provided. Regas stated the worksheet is provided and breaks down where/what Funds receive property taxes.

Laurie Hamilton moved to approve removed consent agenda items 'h', 'i', 'm' Donald Johnson seconded the motion.

Carried 4 to 0

Maxwell Gulette	For
Donald Johnson	For
Laurie Hamilton	For
Ronald Fredrickson	For

r.

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. Guests Stephen & Irina Yagilnicky from Ukraine
Guests in attendance provided details regarding Ukraine refugees relocating to the City of Blackduck and requested support from the community to assist the families with settling in Blackduck.

5. REPORTS OF COMMITTEES AND CITY STAFF

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

5.1.1. Report -

Schwanke provide a brief report from his department. Councilor Hamilton thanked the Public Works staff for providing a great atmosphere at Pine Tree Park noting a recent experience camping. Hamilton states how great the park looks.

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

5.2.1. Report -

Assistant Mgr. Gulette was present to report on Liquor Store activities. Gulette states the old Auto Fry will be sold on FB Marketplace and the Beer Cave Door is receiving more options for repair. Mayor Gulette requested updates on procedural changes for training staff to accept pull tabs. M. Gulette provided incite to those changes and training.

5.3. GOLF COURSE REPORT - MISTY FRENZEL, GOLF COURSE DIRECTOR

5.3.1. YTD 2023 Sales Comparison Report -

Regas provided updates from Frenzel on year to date sales over 2022 showing great sales growth.

5.3.2. July 20, 2023 @ 2pm - Golf Board Meeting - Blackduck Golf Club House

5.3.3. Report -

Mayor Gulette and Councilor Hamilton provided good feedback from people in the public they have received recently on the Blackduck Golf Course.

5.4. LIBRARY REPORT - KELLY HANKS, HEAD LIBRARIAN

5.4.1. July 20, 2023 - Kitichigami Regional Library Board Meeting

6. ADMINISTRATOR'S REPORT

a. Approval Needed - Resolution 2023-02 - Revision 01 - Resolution of annual appointments and designations for 2023

Ronald Fredrickson moved to approve Resolution 2023-01 revising the appointment of Councilor Fredrickson to accept the board position on the BAAI board Laurie Hamilton seconded the motion.

Carried 4 to 0

Maxwell Gullette	For
Donald Johnson	For
Laurie Hamilton	For
Ronald Fredrickson	For

b. Approval Needed - Resolution 2023-13 - Resolution approving Minnesota Laws, 2023 Regular Session Chapter 64, Article 10, Section 26

Laurie Hamilton moved to approve Resolution 2023-13 Donald Johnson seconded the motion.

Carried 4 to 0

Maxwell Gullette	For
Donald Johnson	For
Laurie Hamilton	For
Ronald Fredrickson	For

c. Council Consideration - Jensen Conservation Inc. Conservation Treatment Proposal - Old Duck & Black Duck

Regas provided a summary of services to renovate the Old Duck and Black Duck and requested support of the City Council. Councilor Johnson asked if there would be fund raising before servicing the statues. Regas confirmed her office would search for grants and donations and recommends renovations be completed in 2024.

Ronald Fredrickson moved to approve moving forward with having Jensen Conservation complete renovations on the statues and request Regas search for funding Laurie Hamilton seconded the motion.

Carried 4 to 0

Maxwell Gullette	For
Donald Johnson	For
Laurie Hamilton	For
Ronald Fredrickson	For

d. Council Discussion - USDA Letter of Conditions - City Equipment - Road Grader Purchase Funding

Regas provided summary of the USDA Letter of Conditions to purchase a road grader from Beltrami County. Regas reported the City of Blackduck has been awarded \$48,000 in grant funding and approved the receipt of the funding prior to June 30, 2023. Regas further reported the City will not borrow the remaining \$16,000 from USDA but to use reserve funds and the sale of the old grader to make up the final purchase. The board agreed to not borrow the small amount of funding but to work to fund the remaining amount. Nothing further.

- e. Council Information & Discussion - Public Works / Public Safety Facility - Change Order #9 - Decrease for Class 5 - Tim Ramerth, Widseth
Ramerth reports working on a change order deduct for the amount of materials paid for by the City of Blackduck but does not have the final amount confirmed with TNT Construction. Nothing further.
- f. Council Discussion & Approval - Resolution for Bond Closing (draft attached) - PW / PS Facility Temp Bond Series 2022A & USDA Project Loan Closing Documents
Regas reports the temporary bond for the PW/PD facility is due August 1, 2023 and USDA, Widseth, the City Bond Counsel, and Ehlers are working on closing documents to pay the temp bond. Regas provided several closing documents for preview and states final closing will be on July 28th. Regas requested approval of Resolutions for both prior approved amounts for the project.

Laurie Hamilton moved to approve Resolution accepting the offer of the USDA to purchase a \$1,655,000 taxable general obligation bond of 2023A, pledging for the security thereof net revenues, levying a tax for the payment thereof, and providing for its issuance Donald Johnson seconded the motion.

Carried 4 to 0

Maxwell Gullette	For
Donald Johnson	For
Laurie Hamilton	For
Ronald Fredrickson	For

Laurie Hamilton moved to approve a Resolution accepting the offer of the USDA to purchase a \$310,000 taxable general obligation bond of 2023B, pledging for the security thereof net revenues, levying a tax for the paymnet thereof, and providing for its issuance Ronald Fredrickson seconded the motion.

Carried 4 to 0

Maxwell Gullette	For
Donald Johnson	For
Laurie Hamilton	For
Ronald Fredrickson	For

- g. July 12, 2023 11am - Blackduck Development Corp Meeting - Blackduck Golf Course
- h. July 19, 2023 @ 2pm - Blackduck Planning Commission Meeting - Blackduck City Hall
- i. July 20, 2023 9:30am - Blackduck Ambulance Board Meeting - Blackduck City Hall
- j. July 20, 2023 11am - Blackduck Ambulance Joint Powers Board Meeting - Blackduck City Hall

- k. July 24, 2023 6pm - Blackduck City Council Work Session
- l. ~~July 27, 2023 @ 3pm - 2024 Financial Planning Committee Meeting - City Hall -~~
TENTATIVE DATE
 Date changed to August 3, 2023 at the sametime.
- m. July 29, 2023 - Woodcarvers Festival

7. MAYOR AND/OR COUNCIL MEMBER REPORTS

- a. nothing discussed.

8. COMMUNITY EVENTS/GOOD THINGS HAPPENING

- a. July 19, 2023 Noon - Blackduck Chamber of Commerce Monthly Meeting - Blackduck Golf Course
- b. July 28, 2023 - Blackduck Golf Course Grill n Chill

9. ADJOURNMENT

- a.

Donald Johnson moved to adjourn the meeting at 7:01pm Laurie Hamilton seconded the motion.

Carried 4 to 0

Maxwell Gullette	For
Donald Johnson	For
Laurie Hamilton	For
Ronald Fredrickson	For

City Administrator, Christina Regas

Maxwell Gullette, Mayor