



MINUTES

Council Meeting

6:00 PM - Monday, August 7, 2023

City Hall, 8 Summit Drive, Blackduck MN

The Council of the City of Blackduck was called to order on Monday, August 7, 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, and Council member Ronald Fredrickson

COUNCILORS EXCUSED: Councilor Nicholas Seitz and Councilor Laurie Hamilton

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

OTHERS PRESENT: Caleb Strandlie, Widseth

1. CALL TO ORDER

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

2. APPROVAL OF AGENDA

- a.

Ronald Fredrickson moved to approve the agenda as presented Donald Johnson seconded the motion.

Carried 3 to 0

Maxwell Gulette	For
Donald Johnson	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. July 10, 2023 Blackduck City Council Meeting Minutes
- b. July 20, 2023 Kitchigami Regional Library Board Meeting Agenda & June 2023 Minutes
- c. July 20, 2023 Golf Board Meeting Minutes
- d. July 19, 2023 Blackduck Planning Commission Meeting Minutes

- e. July 24, 2023 Blackduck City Council Work Session Minutes
- f. August 3, 2023 Blackduck Finance Committee Meeting Minutes
- g. July 2023 Fund Balance Report - including August 2023 Debt Payments & Budgeted Transfers
- h. July 2023 Bill Batch Report
- i. ~~July 2023 Sewer Income Statement~~
- j. ~~July 2023 Water Income Statement~~
- k. July 2023 Pine Tree Park Income Statement
- l. ~~July 2023 Golf Course Income Statement~~
- m. ~~July 2023 Liquor Store Income Statement~~
- n. June 2023 LG216 Lawful Gambling Monthly Rent Report - Blackduck Fire Relief Association
- o. Final Approval - July 2023 Business Credit Card payment batch
- p. Final Approval - 2023 DVS-DR one-time surplus payment
- q. Final Approval - First Half 2023 LGA payment & MN Fire Training Aid
- r. Final Approval - City of Blackduck \$1,655,000 Taxable General Obligations Bond 2023 Documents - Closing July 28, 2023
- s. Final Approval - City of Blackduck \$310,000 taxable General Obligation Bond 2023B Documents - Closing - July 28, 2023
- t. Final Approval - 2023-23 LMCIT Property & Liability Insurance - 2nd Half payment

Maxwell Gullette moved to approve the consent agenda removing items 'I', 'J', 'L', & 'M' for further discussion Donald Johnson seconded the motion.

Carried 3 to 0

Maxwell Gullette	For
Donald Johnson	For
Ronald Fredrickson	For

- u. Consent Items removed for further discussion:
 - i. July 2023 Sewer Income Statement & j. July 2023 Water Income Statement -

Council member Fredrickson asked for clarification on the sewer and water income statement where \$6867.99 was paid for under 'miscellaneous'. Regas could not recall the reason for the charge but stated it was isolated and would report to the board in email format.

Administrator Regas sent to the board members clarification on 8/9/23 regarding the charge in email format stating the charge was due to a large utility billing error that was corrected in June 2023.

l. July 2023 Golf Course Income Statement

Council member Fredrickson asked for clarification on the reason for the 'cash over' expenditure line to be negatively booked. Regas explained the reason for the negative booking is related to how the golf course has several 'deals' for golfers to pay for 9 and golf 18 for instance. Regas states some of the deals are online and some are in

coupon format. Regas stated that when the department has to ring the transaction the full amount of the charge of 18 holes must be charged and then discounted to track the number of holes played. The translation from the POS system 'Club Caddie' to the City accounting system provides those discounts and charges as 'gift certificates' taken and then the discounts in cash over. Regas reports the translation of the two systems is not ideal and will work to report the cash and discounts better moving forward.

m. July 2023 Liquor Store Income Statement:

Councilor Fredrickson asked why the expenditure line Professional Services - for cleaning and Aramark services year to date is overspent. Regas reports the budgeted amount is supported by two vendors, Melissa's Cleaning and Aramark. Regas states Aramark may have higher costs in busier months as this vendor provides items like rugs, rags, paper towels and dispensers, toilet tissue, hand washing soap, etc. comes from and Melissa's Cleaning are for a set contracted amount for a set amount of hours per month. Regas states 2023 is the first year Lahr is only coding these two vendors exclusively in this fund line. Fredrickson clarified that Melissa's Cleaning only provides services not products. Regas confirmed.

Ronald Fredrickson moved to approve consent agenda items I, J, L, M Donald Johnson seconded the motion.

Carried 3 to 0

Maxwell Gullette	For
Donald Johnson	For
Ronald Fredrickson	For

v.

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. there was no one to speak for the forum.

5. REPORTS OF COMMITTEES AND CITY STAFF

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

5.1.1. Report -

Schwanke reports business as usual, his staff assisted with Woodcarvers and the Babe Ruth tournament prepping for those events. Mayor Gullette thanked the Public Works staff for their help. Schwanke reports the department is moved into the new facility and overall is working well. Schwanke has projects to complete yet including the flower beds at the wayside; landscaping at the beach to designate parking areas; widen the entry drive at Pine Tree Park to allow for two-way traffic and larger vehicles

and campers; and correct and widen the entrance to Brandl Drive near Restaurant 71 and the American Inn to designate no parking area.

Schwanke requested a public works committee meeting in August. Regas agreed to schedule the meeting and notify the members.

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

5.2.1. Report -

Melissa Gulette reports Woodcarvers was busy and staff is preparing for Backwoods Bash at the park.

5.2.2. August 22, 2023 @ 2pm - Liquor Committee Meeting - City Hall

Regas reports the liquor committee meeting was called to discuss the sale of cannabis derived beverages in the off-sale.

5.3. LAW ENFORCEMENT REPORT - JOSHUA ARHART, INTERIM POLICE CHIEF

5.3.1. Report -

Regas reports she and Chief Arhart have started discussing the turn of the Ford Explorer Squad and funding that capital purchase in 2024 - Regas comments Beltrami County has received state bid pricing for the Dodge Durango at \$47,000 and currently the fund only has \$39,000 in it. Regas has concerns for the higher cost but knows the one-time state department payment to be received end of 2023 may be used for equipment and could assist with the acquisition. Other items of discussion include the County migration to a new reporting system in 2024 that will affect the police department but at no department cost; the department is fully moved into the new facility and Arhart is working to add a repeater to the building as officers are dropping calls in the metal building. Finally Arhart plans to attend the School Board meeting August 9, 2023 to discuss security of the school.

5.3.2. Approval Requested - Stalker Radar Quote #2076417 - DSR 2X Radar with Remote + install from Roger's Two Way Radio

Donald Johnson moved to approve the purchase of a DSR 2X Radar unit from Stalker including installation from Roger's Two Way for \$3,250 + installation of \$280 Ronald Fredrickson seconded the motion.

Carried 3 to 0

Maxwell Gulette	For
Donald Johnson	For
Ronald Fredrickson	For

5.4. FIRE DEPARTMENT REPORT - BRIAN LARSON, FIRE CHIEF

5.4.1. Council Approval Requested - MacQueen Equipment Invoice #E00257 - New Pierce Freightliner BXT Tanker

Ronald Fredrickson moved to approve invoice #E00257 from MacQueen Equipment for the new Pierce Freightliner BXT Tanker Donald Johnson seconded the motion.

Carried 3 to 0

Maxwell Gullette For
Donald Johnson For
Ronald Fredrickson For

5.4.2. Approval Needed - City of Blackduck Policy Governing Fingerprint-Based Criminal History Record Information (CHRI) Checks made for Non-Criminal Justice Purposes

Donald Johnson moved to approve the City of Blackduck Policy governing fingerprint-based criminal history record information checks made for non-criminal justice purposes Ronald Fredrickson seconded the motion.

Carried 3 to 0

Maxwell Gullette For
Donald Johnson For
Ronald Fredrickson For

5.4.3. August 24, 2023 @ 6pm - Blackduck Fire Protection Area Annual Budget Meeting - City Hall

Regas reports the annual budget meeting of the Fire Protection Area will be held August 24, 2023 - meeting documentation will be supplied later this week after the Fire Department budget meeting is held with Chief Larson.

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

5.5.1. Nothing discussed.

5.6. LIBRARY REPORT - KELLY HANKS, HEAD LIBRARIAN

5.6.1. Report -

Mayor Gullette reports the book sale at Moon drug during Woodcarvers was received well and had mixed reviews stating some folks wished to see the sale back at the park. Nothing further.

6. ADMINISTRATOR'S REPORT

a. Council Consideration - City of Blackduck Ordinance 2023-01 - An Ordinance amending Chapter 13, General Offenses, adding section 1300.07 to the City Code to regulate public use of cannabis products - including draft of legal notice

Regas provided a draft of an Ordinance to prohibit the use of cannabis in public areas for discussion of the city council. Regas reports the first reading if council would like to move forward would be scheduled for September 11, 2023, with the second, final and potential adoption on October 7, 2023.

Councilor Fredrickson asked if the board is comfortable with the language in Prohibited acts stating the use of beverage form is prohibited. Regas stated it is her understanding that the use in smoking form. Fredrickson asks if 'smoking' needs to be stated. Regas understood the language in the ordinance to distinguish the difference between consuming or drinking an item versus smoking knowing you can identify the items use by the smell. Regas further states she will clarify the language and understanding of the prohibited act with the City Attorney and report before the work session on August 21, 2023 for further revision.

Councilor Johnson states the ordinance covers the city well. Mayor Gullette requests the version of the Ordinance to proceed.

- b. Council Information - Reporting distribution of FF&E Invoices from Fund 380 (PW/PS Facility Temp Bond) authorized by USDA
Regas provided a summary of funding returned to the general, water, and wastewater fund(s) after closeout of the PW/PS Facility Temp bond funding.
- c. August 9, 2023 11am - Blackduck Development Corp Meeting - Blackduck Golf Course
- d. August 15, 2023 @ 5pm - Public Hearing on New Jail Location - County Board Room
- e. August 16, 2023 @ 2pm - Blackduck Planning Commission Meeting - City Hall
- f. August 17, 2023 @ 2pm - Finance Committee meeting - 2024 Budget Process
- g. August 21, 2023 @ 6pm - Blackduck City Council Work Session
- h. August 31, 2023 @ 2pm - Finance Committee Meeting - 2024 Budget Process
- i. September 4, 2023 - City Office Closed in observance of Labor Day
- j. September 11, 2023 @ 6pm - Blackduck City Council Regular Meeting

7. MAYOR AND/OR COUNCIL MEMBER REPORTS

8. COMMUNITY EVENTS/GOOD THINGS HAPPENING

- a. August 16, 2023 @ Noon - Blackduck Chamber Meeting - Restaurant 71
- b. August 19, 2023 - Backwoods Bash
- c. August 25, 2023 - Blackduck Golf Course Grill n Chill

9. ADJOURNMENT

- a.

Donald Johnson moved to adjourn the meeting at 7:15pm Ronald Fredrickson seconded the motion.

Carried 3 to 0

Maxwell Gullette	For
Donald Johnson	For
Ronald Fredrickson	For

City Administrator, Christina Regas

Maxwell Gullette, Mayor