



MINUTES

Council Meeting

6:00 PM - Monday, January 8, 2024
City Hall, 8 Summit Drive, Blackduck MN

The Council of the City of Blackduck was called to order on Monday, January 8, 2024, 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 Laurie Hamilton, and Council member Ronald Fredrickson

COUNCILORS EXCUSED:

STAFF PRESENT: City Administrator Christina Regas, Public Works Director Mike Schwanke, Director of Liquor Operations Shawnda Lahr, and Golf Director Misty Frenzel

OTHERS PRESENT: Tim Ramerth, Widseth

1. CALL TO ORDER

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

2. APPROVAL OF AGENDA

- a.

Nicholas Seitz moved to approve the agenda as presented Ronald Fredrickson seconded the motion.

Carried 5 to 0

Maxwell Gullette	For
Nicholas Seitz	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. December 11, 2023 Blackduck City Council and Truth in Taxation Meeting Minutes
- b. December 14, 2023 Fire Protection Area Contract Meeting Minutes
- c. December 2023 Fund Balance Report

- d. December 2023 Bill Batch Report
- e. December 2023 Sewer Income Statement
- f. December 2023 Water Income Statement
- g. December 2023 Pine Tree Park & Beach Income Statement
- h. December 2023 Golf Course Income Statement
- i. December 2023 Liquor Store Income Statement
- j. December 2023 Blackduck DMV Office Revenue Statement
- k. Quarter 4 2023 General Fund Income Statement
- l. November 2023 LG216 Lawful Gambling Monthly Rent Report - Blackduck Fire Relief Association
- m. ~~Final Approval – December 2023 Business Credit Card Payment~~
- n. Final Approval - Second half 2023 LGA; MV-Credit AG; and Public Safety Aid
- o. Final Approval - Independent Auditor's Report - Blackduck Police Department Body-worn Camera program 2022
- p. Final Approval - Written Municipal Advisor Client Disclosure with the City of Blackduck Pursuant to MSRB Rules G-10 & G-42 - Ehlers Public Finance
- q. Final Approval - 2023 Property/Casualty LMCIT Dividend and report
- r. Final Approval - OSA Analysis of Municipal Liquor Store Operations for 2022
- s. Final Approval - 2022 Volunteer Relief Association Investment Report Card
- t. Final Approval - Blackduck Fire Protection Area - Public Protection Classification Survey: 05/5X
- u. Final Approval - City of Blackduck Valuation of Other Post-Employment Benefits (OPEB) Under GASB 75 for Fiscal Year 2023 - VIA Actuarial Solutions
- v. Final Approval - City of Blackduck Analytics Report - Blackduckmn.com

Ronald Fredrickson moved to approve the consent agenda removing item(s) 'M' for further discussion
 Nicholas Seitz seconded the motion.

Carried 5 to 0

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

- w. Removed consent agenda items for further discussion
 M. Final Approval - December 2023 Business Credit Card Payment

Council member Fredrickson requested details on a \$795 purchase. Regas reported a new ergonomic chair was ordered (same chair purchased in spring of 2023) for Deputy Clerk Watson. Nothing further.

Ronald Fredrickson moved to approve removed consent agenda item 'M' for further discussion
 Laurie Hamilton seconded the motion.

Carried 5 to 0

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

x.

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 present to speak for the Blackduck Forum.

5. REPORTS OF COMMITTEES AND CITY STAFF

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

5.1.1. Report -

Schwanke reports with the lack of snow his department has been finding ways to keep prepared and busy. Schwanke reports there has been much time spent on the Black Mallard Lift Station the solely supports Liberty Drive properties. Schwanke reports there have been issues with what he refers to 'rags' continuously stuck in the lift station causing the lift station to need service. Schwanke reports earlier in 2023 letters were sent to all the Liberty drive residents requesting refraining from sending items into the sanitary that the lift station can not process and most recently door hangers with reminder letters were sent to all residents requesting the disposal. Schwanke reports the repairs to the lift station have been constant.

Schwanke reports the new grader is working very well and that his staff appreciates the cab has heat as the old one did not and the Public Works truck with the transmission issues has been repaired and is back in the fleet with the sander installed.

Nothing further.

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

5.2.1. Report -

Lahr began the Liquor report thanking the public works staff for their recent assistance with service at the Pond. Lahr reports she is happy to note the P&L for 2023 is in the 'black' but still has concerns for the cash balance of the account (Lahr refers to this as the check book). Lahr states 2023 exceeded 2022 sales YTD however November and December with weather impacts were together \$10,000 less in sales over 2022. Lahr expected a better 4th quarter which would have put the department's YTD sales exceeding \$1,7000,000.

Lahr reports year end inventory was completed and the variances were low. Lahr reports Todavich completed the new wiring for the pizza ovens and new dishwasher in the bar that had caused circuit issues. Lahr reports researching the opportunity to have a dispensary in The Pond in 2025 and will continue to research the opportunity. Lahr believes the opportunity would serve the tax payers.

Transfer Request -

Lahr recommended to the City Council to consider transferring \$12,000 of the \$16,000 balance of the liquor rent fund into the Liquor account in preparation for impacted sales in January to cover operating expenses. Regas recommended the transfer to the City Council.

Ronald Fredrickson moved to approve the transfer of \$12,000 from the liquor rent fund into the liquor fund to cover operating in January Laurie Hamilton seconded the motion.

Carried 5 to 0

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

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

5.3.1. Approval Needed - City of Blackduck Police Department Portable Audio/Video Recorders Policy - update

Laurie Hamilton moved to approve the updated policy as presented Nicholas Seitz seconded the motion.

Carried 5 to 0

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

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

5.4.1. Report -

Frenzel did not have much to report but stated with the warmer weather has worked on preparation for 2024 tournament contacts. Frenzel requested a golf board meeting to address the security changes in the building receiving recent feedback on the wireless option provided by Arvig and is seeking direction from the board. Frenzel reports only a Christmas Party for the Garden Club and a private birthday party have used the facility since end of season. Nothing further.

5.5. LIBRARY REPORT - KELLY HANKS, HEAD LIBRARIAN

5.5.1. Council member Hamilton had nothing to report.

6. ADMINISTRATOR'S REPORT

a. Approval Needed - City of Blackduck Conflict of Interest / Code of Ethics Policy for Elected Officials, members or City Boards, Commissions, and Committees - updated

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for 2024

Laurie Hamilton moved to approve the Conflict of Interest / Code of Ethics Policy for 2024 Donald Johnson seconded the motion.

Carried 5 to 0

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

- b. Approval Needed - Resolution 2024-01 - A Resolution of Annual Appointments and Designations for 2024

Laurie Hamilton moved to approve Resolution 2024-01 as presented Ronald Fredrickson seconded the motion.

Carried 5 to 0

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

- c. Approval Needed - Resolution 2024-02 - A Resolution to appoint election judges for the 2024 Presidential Primary, State Primary, State and General Elections, and Municipal Elections

Nicholas Seitz moved to approve Resolution 2024-02 as presented Laurie Hamilton seconded the motion.

Regas thanked the new election judges that have volunteered their services for the coming elections.

Carried 5 to 0

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

- d. Approval Needed - Resolution 2024-03 - A Resolution acknowledging a donation from the Blackduck Fire Relief Association

Laurie Hamilton moved to approve Resolution 2024-03 as presented Donald Johnson seconded the motion.

Regas thanked the Blackduck Fire Relief for their generous donation noting how the funds have helped pay for the new equipment in the fleet for the fire department

Carried 5 to 0

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

e. Approval Needed - City of Blackduck Fire Protection Area Contract 2024-2034

Ronald Fredrickson moved to approve the Fire Protection Contract for 2024 - 2034 Laurie Hamilton seconded the motion.

Regas reports the contract language was voted on December 14th to remain as the current contract.

Carried 5 to 0

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

f. January 14-15, 2024 - Blackduck City Offices & DMV Closed in observance of Martin Luther King Jr. Day

g. January 17, 2024 @ 2pm - Blackduck Planning Commission Meeting - City Hall

h. January 22, 2024 @ 6pm - Blackduck City Council Work Session

i. February 5, 2024 @ 6pm - Blackduck City Council Regular Meeting - City Hall

j. April 26, 2024 @ 1:00pm - Local Board of Appeal and Equalization Meeting - Blackduck City Hall

k. Report -

Regas reports the office has been very busy in December noting the DMV took in over \$55,000 in transactions with several businesses bringing in their February 2024 renewals early and that Deputy Clerk Watson has handle all the traffic in Regas's absence. Regas thanked Watson for her service and for the City staff while she is recovering from surgery. Regas further stated the DMV for 2023 took in over \$333,000 in transactions without January and a full February and expects the office to bring in well over \$350,000 in 2024.

Regas further reports City Hall is hosting the staff from Security Insurance as their Blackduck office is being renovated and will be using the old office space until March 2024.

Nothing further.

7. MAYOR AND/OR COUNCIL MEMBER REPORTS

8. COMMUNITY EVENTS/GOOD THINGS HAPPENING

a. January 17, 2024 @ 12pm - Blackduck Chamber of Commerce Meeting - The Pond

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9. ADJOURNMENT

a.

Laurie Hamilton moved to adjourn the meeting at 6:37pm Ronald Fredrickson seconded the motion.

Carried 5 to 0

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

City Administrator, Christina Regas

Maxwell Gullette, Mayor