



MINUTES

Council Meeting

6:00 PM - Monday, April 8, 2024

City Hall, 8 Summit Drive, Blackduck MN

The Council of the City of Blackduck was called to order on Monday, April 8, 2024, 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: Travis Amsden, Christina Regas, Mike Schwanke, Shawnda Lahr, Melissa Gulette

OTHERS PRESENT: Christie Christian, John Kahnke, Caleb Strandlie and 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 Gulette led the meeting with the pledge of allegiance.

2. APPROVAL OF AGENDA

- a.

Laurie Hamilton moved to approve the agenda as presented Ronald Fredrickson 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. March 11, 2024 Blackduck City Council Meeting Minutes
- b. March 11, 2024 Golf Board Email Correspondence Minutes
- c. January 2024 Kitichigami Regional Library Board Meeting Minutes
- d. March 25, 2024 Blackduck City Council Work Session Minutes

- e. March 26, 2024 Liquor Committee Meeting Minutes
- f. March 2024 Fund Balance Report
- g. ~~March 2024 Bill Report~~
- h. March 2024 Sewer Income Statement
- i. March 2024 Water Income Statement
- j. March 2024 Pine Tree Park & Beach Income Statement
- k. March 2024 Golf Course Income Statement
- l. March 2024 Liquor Store Income Statement
- m. March 2024 Blackduck DMV Office Income Statement
- n. Q1 2024 General Fund Income Statement
- o. February 2024 LF216 Lawful Gambling Monthly Rent Report - Blackduck Fire Relief Association
- p. ~~Final Approval – March 2024 Business Credit Card Payment~~
- q. Final Approval - February new hire report
- r. Final Approval - LMCIT Property / Casualty Renewal Binder for 2024-2024
- s. Final Approval - County Development Fund Grant Award - Blackduck Golf Course
- t. Final Approval - City of Blackduck Website Analytics Report March 2024
- u. Final Approval - 2024 Pine Tree Park Campground Host Agreement
- v. Final Approval - FY25 Northwest MN Foundation Fund Distribution Report of earnings - Blackduck Trestle and Trails Fund and Blackduck Area Community Fund
- w. Final Approval - 2023 Drinking Water Report - Consumer Confidence Report - Available @ blackduckmn.com

Laurie Hamilton moved to approve the consent agenda removing items 'g.' and 'p.' for further discussion Ronald Fredrickson seconded the motion.

Carried 4 to 0

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

- x. Consent agenda items removed for further discussion:
g. March 2024 Bill Report -

Councilor Fredrickson requested information regarding the amount paid to Kichigami Regional Library. Regas reported the amount was the first half of the 2024 levy to Kichigami.

- p. March 2024 Business Credit Card Payment -

Councilor Fredrickson requested information regarding the beer expense coded to the Director of Liquor Operations' business credit card. Lahr reported the expense was on promotion glasses that were ordered from a vendor and being sold under the beer expense/revenue.

Mayor Gullette requested information regarding the expense to golf equipment rentals to the Golf Director business credit card. Regas reported the expense was for new rental golf clubs.

Maxwell Gullette moved to approve consent agenda items 'g.; and 'p.' removed for further discussion Laurie Hamilton seconded the motion.

Carried 4 to 0

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

y.

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 reported his department was able to use the snow removal equipment recently and has been getting ready for summer openings. Mayor Gullette asked for an update on the water plant. Schwanke stated he is still waiting on the technology updates for the plant stating it is taking longer to find patch cables to transfer from analog to internet to complete the updates. Councilor Hamilton asked if there are updates on the equipment needs that were discussed at the work session. Schwanke stated the city is waiting on a few financial items to work out with CAT Finance before reporting back to council. Schwanke ended with stating he is hiring two summer part-time employees and can hire 16 or older to mow, weed whip, watering flowers etc.

5.1.2. Council Approval Needed - ARPA Funds for Lift Station Improvements provided by Minnesota Pump Works

Regas reports more lift station has been needed and is requesting approval to use remaining ARPA Funds for those improvements. Regas states the invoice from MN Pump works serviced the 4th Street NE lift station. Schwanke reports the remaining ARPA Funds may be used for sewer improvements and must be used by year end 2024. Regas is requesting approval to use ARPA Funds on the provided invoice from MN Pump Works.

Laurie Hamilton moved to approve the use of ARPA funding for \$5905.21 to pay MN Pump Works for service to lift stations Ronald Fredrickson seconded the motion.

Carried 4 to 0

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

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

5.2.1. Report -

Lahr reports THC Gummies have been in the off-sale since March 28 and since that date have sold \$221 in product. Lahr states looking into a larger lock box for the product as some items have sold out and the demand to increase quantities are present. Lahr reports a MN Lottery Representative visited the off-sale and she received good feedback on how the lottery will be set up and sold in the off-sale and what the office retained funds good be used for like improvements to the parking lot at the Pond. Mayor Gullette asked if the THC Gummies are of the level of potency to allow the sale of product produced by the local Hometown Hemp Company. Lahr states at this time the product is not distributed by the local company but we would be interested in partnering in the future with local vendors. Lahr states this is a new venture for the off-sale and just getting introduced. Lahr states overall it is difficult to tell how the sale of both the gummies and beverages will really sell since traffic has been down.

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

5.3.1. Introduction of Patrol Officer Travis Amsden to Council

Regas introduced Officer Amsden.

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

5.4.1. Final approval - Golf Course Department purchase of Public Works Department 2023 John Deer Z970R 60" mower to replace existing JD 777 - Cost to department \$10,500 (board to consider committee meeting minutes from March 7th for recommendation)

Laurie Hamilton moved to approve the purchase of the Public Works 2023 John Deer Z970R mower for \$10,500 to replace existing JD 777 Donald Johnson seconded the motion.

Carried 4 to 0

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

5.5. LIBRARY REPORT - KELLY HANKS, HEAD LIBRARIAN

5.5.1. Councilor Hamilton reports there is a meeting on April 16th.

6. ADMINISTRATOR'S REPORT

a. Council Approval Needed - Donation Request Blackduck After-Prom 2024

Ronald Fredrickson moved to approve a donation from the Liquor Rent Fund for \$1,000 to the Blackduck After-Prom for 2024 Laurie Hamilton seconded the motion.

Carried 4 to 0

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

b. Council Approval Needed - Resolution 2024-06 - Resolution of the City of Blackduck of Support for the Opposition of Minnesota State Legislature Bill HF4780 & Senate Bill SF5080

Laurie Hamilton moved to approve Resolution 2024-06 - Resolution of the City of Blackduck of Support for the opposition of MN State Legislature Bill HF4780 & Senate Bill SF5080 Ronald Fredrickson seconded the motion.

Carried 4 to 0

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

c. Council Approval Needed - Widseth proposal for a Feasibility Study for Blackduck City Hall Renovations in preparation for application of funding through USDA

Regas provided a summary of the City of Blackduck debt obligations through 2036 to the Council for consideration of renovations to Blackduck City Hall. Regas stated the proposed feasibility study will provide the City a clear view the potential costs of renovations vs. the potential consideration of a new building. Regas further stated the study would be needed regardless of moving forward with funding with our utility partners funding option. Regas states \$3,900 of the costs of the study could be paid for from 2024 budgets but the remaining would need to be paid for with City reserves.

Ronald Fredrickson moved to approve the proposal for a feasibility study for Blackduck City Hall Renovations in preparation for application of funding through USDA Donald Johnson seconded the motion.

Carried 4 to 0

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

d. Council Review - City of Blackduck 2024 General Election Local Option Sales Tax Question(s) - Draft

Regas provided a draft on the language for the ballot questions for the local option sales tax. Regas stated the questions have been reviewed by the City Attorney. Councilor Johnson asked how the language for question #2 regarding the trail improvements were drafted. Regas stated the language was removed from the

resolution that was adopted in 2023 and approved by the legislature when the proposal was developed. Mayor Gulette asked what would happen if only 1 question is passed in the election. Regas was not certain and will report back. Regas stated if collectively the yes votes on certain questions will then pass as a majority of the votes depending on where the voters want the funding to go towards. Regas then restated the last statement on each questions states, "If one, two, three, four, or all five questions are approved by the voters, the City is only authorized to impose a one-half of one percent (0.5%) sales and use tax increasefor voter-approved projects." which provides clarity as to where the City should focus its efforts and funding on.

- e. Council Information - One-Time Funding for Small Cities Assistance Program - SF 4899/HF 4872
Regas provided information on bills at the state providing one-time funding for small cities assistance program from the League of MN Cities and encouraged the board members to reach out to state representatives.
- f. Council Information - 2024 Rental Inspection Report - First Round March
Regas reports the 2024 Inspections have been completed in March and the City inspected 91 rental units with 6 failing.
- g. April 10, 2024 @ 11am - Blackduck Development Corporation Meeting - Blackduck Golf Course
- h. April 17, 2024 @ 2pm - Blackduck Planning Commission Meeting - City Hall
- i. April 22, 2024 @ 6pm Blackduck City Council Work Session
- j. May 6, 2024 @ 6pm Blackduck City Council Regular Meeting
- k. April 26th, 2024 @ 1pm Local Board of Appeal - Blackduck City Hall

7. MAYOR AND/OR COUNCIL MEMBER REPORTS

8. COMMUNITY EVENTS/GOOD THINGS HAPPENING

- a. April 17, 2024 @ Noon - Blackduck Area Chamber of Commerce Meeting
The meeting location will be at Choice Therapy.
- b. April 21, 2024 @ 1pm Blackduck Chamber Bingo @ The Pond

9. ADJOURNMENT

- a.

Donald Johnson moved to adjourn the meeting at 6:54pm Laurie Hamilton seconded the motion.

Carried 4 to 0

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

City Administrator, Christina Regas

Maxwell Gulette, Mayor