



MINUTES

Council Meeting

6:00 PM - Monday, July 8, 2024

City Hall, 8 Summit Drive, Blackduck MN

The Council of the City of Blackduck was called to order on Monday, July 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 Nicholas Seitz, Councilor Donald Johnson, and Council member Ronald Fredrickson

COUNCILORS EXCUSED: 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 and Todd Hagen of Ehlers

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.

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

Carried 4 to 0

Maxwell Gulette	For
Nicholas Seitz	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. June 10, 2024 Blackduck City Council Meeting Minutes
- b. June 10, 2024 Blackduck Personnel Committee Meeting Minutes
- c. June 20, 2024 Kitchigami Regional Library Board Meeting agenda and minutes
- d. June 26, 2024 Blackduck Planning Commission Meeting Minutes

- e. June 2024 Fund Balance Report
- f. ~~June 2024 Bill Report~~
- g. June 2024 Sewer Income Statement
- h. June 2024 Water Income Statement
- i. June 2024 Pine Tree Park Income Statement
- j. June 2024 Golf Course Income Statement
- k. June 2024 Liquor Store Income Statement
- l. June 2024 Blackduck DMV Office Income Statement
- m. Q2 2024 General Fund Income Statement
- n. ~~May 2024 LG216 Lawful Gambling Monthly Rent Report – Blackduck Fire Relief Association~~
- o. Final Approval - June 2024 Business Credit Card Payment
- p. Final Approval - New Hires Report for July 2024
- q. Final Approval - 2024-2025 Delta Dental Contract Renewal
- r. ~~Final Approval – Local Union MOU and City of Blackduck – Central Pension Fund~~
- s. Final Approval - Municipal Secondary Market Disclosure Annual Report - Ehlers
- t. Final Approval - Lease Agreement between Beltrami County and City of Blackduck for Remote Recycling Collection Site
- u. Final Approval - MDH Service Line Inventory Technical Assistance Program - Widseth and City of Blackduck
- v. Final Approval - Resolution 2024-08 City Administrator's Certificate of Publication
- w. Final Approval - June 2024 Property Tax Settlement Statement - Beltrami County Auditor
- x. Final Approval - ARPA Funds Approval - Minnesota Pump Works June Invoices - (*Golf Expense not covered by ARPA*)

Maxwell Gullette moved to approve the consent agenda removing items 'f, n, and r' for further discussion Nicholas Seitz seconded the motion.

Carried 4 to 0

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

- y. Consent agenda items removed for further discussion.
f. June 2024 Bill Report -
 Councilor Fredrickson requested clarification as to the invoice paid to Crunden Electric. Regas reports Crunden Electric provided updates to the Fire Hall by that vendor.

Councilor Fredrickson requested clarification as to the invoice(s) paid to Southern Glaziers. Regas reports Southern Glaziers is a liquor distributor and provide product to the off-sale.

n. May 2024 LG216 Lawful Gambling Monthly Rent Report - Blackduck Fire Relief Association

Mayor Gulette requested details on E-game sales and how those are paid out in the rent report. Melissa Gulette deferred those questions to the Fire Relief Gambling Managers to answer.

r. Final Approval - Local Union MOU and City of Blackduck - Central Pension Fund -

Councilor Johnson requested clarification as to the language in the MOU asking if the contributions are coming from the employee(s) not the employer. Regas reports the language does state the employer pays the contributions. Regas states that is because the employer sends the contributions deducted from the employee's wages after payroll is completed.

Ronald Fredrickson moved to approve removed consent agenda items 'f, n. and r.' Donald Johnson seconded the motion.

Carried 4 to 0

Maxwell Gulette	For
Nicholas Seitz	For
Donald Johnson	For
Ronald Fredrickson	For

z.

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. Council Consideration - Sale Day Report for City of Blackduck, MN \$180,000 General Obligation Equipment Certificates, Series 2024A & Bid Tabulation Report - Todd Hagen, Ehlers

Hagen was present to discuss the Sale Day Report and the Bid tabulation. Low bid came from Huntington Bank.

5.1.2. Council Approval Needed - Proposal Form for General Obligation Equipment Certificate, Series 2024A, Huntington National Bank

Nicholas Seitz moved to approve the Proposal Form for Gen. Obligation Equipment Certificate, Series 2024A, Huntington National Bank Donald Johnson seconded the motion.

Carried 4 to 0

Maxwell Gulette	For
Nicholas Seitz	For

Donald Johnson For
Ronald Fredrickson For

5.1.3. Council Approval Needed - Resolution 2024-11 - Resolution providing for the issuance and sale of \$180,000 General Obligation Equipment Certificate, Series 2024A and levying tax for the payment thereof

Donald Johnson moved to approve Resolution 2024-11 Nicholas Seitz seconded the motion.

Carried 4 to 0

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

5.1.4. Report -

Schwanke reports his staff has been working on mowing when the rain stops and waiting on better weather to start needed projects. Schwanke reports the cracked pipe in the main lift station has not been repaired but all the water is now being routed to the another. Schwanke has received quotes for repairs and the cost will be high when he has them finalized to report.

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

5.2.1. Report -

Melissa Gullette reports June sales were down and so was traffic. Gullette states the bar is running new specials to gain traffic. Gullette reports participating in the upcoming Crazy Dayz Chamber event. Nothing further.

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

5.3.1. Report -

Regas discussed June traffic and July 4th traffic noting green fees are up.

6. ADMINISTRATOR'S REPORT

- a. Council Approval Needed - Resolution 2024-09 - Resolution re-affirming support for 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 2024-09 Donald Johnson seconded the motion.

Carried 4 to 0

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

b. Council Approval Needed - City of Blackduck 2024 General Election Local Sales Tax Questions

Ronald Fredrickson moved to approve the 2024 General Election Local Sales Tax Questions Donald Johnson seconded the motion.

Carried 4 to 0

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

c. Council Approval Needed - Local Sales Tax Marketing Campaign Proposal - Pinnacle Marketing Group or Widseth

Maxwell Gullette moved to approve the Direct Mailer Campaign from Pinnacle Marketing Group for the local sales tax questions Nicholas Seitz seconded the motion.

Carried 4 to 0

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

d. Council Approval Needed - Resolution 2024-10 - Resolution approving an excluded Bingo License for the Blackduck Area Chamber of Commerce.

Ronald Fredrickson moved to approve Resolution 2024-10 Donald Johnson seconded the motion.

Carried 4 to 0

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

e. Council Consideration - City of Blackduck Commitment of Revolving Loan Funds - USDA Rural Development City of Blackduck City Hall Renovations 20% Contribution

Regas provided documentation requiring the City commit 20% towards the USDA Rural Development REDLG funding for City Hall improvements. Regas asked for commitment from the City for that 20% from the RLF non-restricted funds. Board members did not want to make any commitments prior to seeing the results of the feasibility study from Widseth.

f. Council Consideration - City of Blackduck Ordinance Amendment 2024-01 - Chapter 11, Rental Licensing

Regas requested final feedback on the Ordinance Amendment for Chapter 11, Rental Licensing prior to public notice printing for first and final readings. Board members agreed to move forward with the revisions and to schedule the readings on July 22, and August 5.

- g. Council Information - 2024 YTD Liquor Rent Fund Committed Donations
Regas provided a summary of 2024 Liquor Fund donations for council. Nothing further.
- h. July 22, 2024 6pm - Public Hearing - Conditional Use Permit Application - 2024-02
- i. July 22, 2024 City Council Work Session
- j. July 22, 2024 - 2023 Financial Audit Presentation - Jon Roscoe, Miller McDonald
- k. June 28 - August 12, 2024 Early Primary Voting
- l. July 30, 2024 - August 13, 2024 @ 5pm - City of Blackduck General Election Candidate Filing Period
- m. August 5, 2024 City Council Regular Meeting
- n. August 13, 2024 Minnesota State Primary Election
- o. Finance Committee Budget Meetings - 2025 Budget Process - Late July - September 2024

7. MAYOR AND/OR COUNCIL MEMBER REPORTS

- a. Mayor Gullette -

Gullette reports the receiving complaints after the Reading of the New Testament event held on June 29 and 30, 2024 at the Wayside Rest Park Pavilion stating volume and duration were too high and long.

8. COMMUNITY EVENTS/GOOD THINGS HAPPENING

9. ADJOURNMENT

- a.

Nicholas Seitz moved to adjourn the meeting at 7:02pm Donald Johnson seconded the motion.

Carried 4 to 0

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

City Administrator, Christina Regas

Maxwell Gullette, Mayor