



# MINUTES

## Council Meeting

6:00 PM - Monday, August 5, 2024  
City Hall, 8 Summit Drive, Blackduck MN

The Council of the City of Blackduck was called to order on Monday, August 5, 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, Director of Liquor Operations Shawnda Lahr, and Fire Chief Brian Larson
- OTHERS PRESENT:** Festus Rockensock and Terry Frenzel, Blackduck Fire Department

### 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 Donald Johnson seconded the motion.

Carried 4 to 0

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

### 3. ORDINANCE AMENDMENT - FINAL READING

- a. Second & Final Reading - Ordinance Amendment 2024-01, An Ordinance amending Chapter 11, Licensing, revising Section 1150 Rental Licensing  
The final reading of Ordinance Amendment 2024-01 was read into the record. No questions from the public were asked.

### 4. CONSENT AGENDA

*All items listed under the Consent Agenda, unless removed from the Consent Agenda shall be approved by one Council motion.*

- a. July 8, 2024 Blackduck City Council Meeting Minutes
- b. July 18, 2024 Kitchigami Regional Library Board Meeting packet and Minutes from June 2024
- c. July 22, 2024 Blackduck City Council Public Hearing Minutes - Conditional Use Permit Application 2024-01
- d. July 22, 2024 Blackduck City Council Work Session
- e. July 24, 2024 Blackduck Planning Commission Meeting Minutes
- f. July 2024 Fund Balance Report & Budgeted Transfers for August 2024
- g. July 2024 Bill Report
- h. July 2024 Sewer Income Statement
- i. July 2024 Water Income Statement
- j. July 2024 Pine Tree Park Income Statement
- k. July 2024 Golf Course Income Statement
- l. July 2024 Liquor Store Income Statement
- m. July 2024 Blackduck DMV Office Income Statement
- n. ~~June 2024 LG216 Lawful Gambling Monthly Rent Report – Blackduck Fire Relief Association~~
- o. February 2023 - June 2024 LG216 Lawful Gambling Monthly Rent Report - **CORRECTED FOR E-TAB RENT**
- p. Final Approval - July 2024 Business Credit Card Payment
- q. Final Approval - Golf Course Cart Lease Payment June 2024
- r. Final Approval - 2024 First Half Local Government Aid & Small Cities Assistance
- s. Final Approval Needed - Ehlers Public Finance 2023 TIF Reports to OSA confirmation of upload
- t. Final Approval - Application for Public Fireworks Display - North Star Fireworks
- u. Final Approval - 2024A Series Equipment Bond Closing Documents & Ziegler CAT Invoice #IN001567761
- v. Final Approval - Blackduck Police Department - Police Pursuit Policy - POST updates 07/24/2024
- w. Final Approval - City of Blackduck Analytics Report July 2024 - blackduckmn.com

Nicholas Seitz moved to approve the consent agenda removing item 'n.' for further discussion Maxwell Gullette seconded the motion.

Carried 4 to 0

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

- x. Consent items removed for further discussion -

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

Council member Fredrickson requested clarification of the shortage on the June rent report. Lahr reported there was a known \$100 shortage from electronic bingo games that was an error from an employee. Nothing further.

Ronald Fredrickson moved to approve removed consent agenda item 'n' Nicholas Seitz seconded the motion.

Carried 4 to 0

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

y.

## 5. 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 Blackduck Forum.

## 6. REPORTS OF COMMITTEES AND CITY STAFF

### 6.1. PUBLIC WORKS REPORT - MIKE SCHWANKE, PUBLIC WORKS DIRECTOR

6.1.1. Council Approval Needed - Minnesota Pump Works Quote for Main Lift Station Repairs - Quote #6823

Nicholas Seitz moved to approve MN Pump Works Quote #6823 for repairs to the Main Lift Station Repairs from the Sewer Replacement Reserve Fund Donald Johnson seconded the motion.

Carried 4 to 0

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

### 6.2. LIQUOR STORE REPORT - SHAWNDA LAHR, DIRECTOR OF LIQUOR OPERATIONS

6.2.1. Report -

Lahr states sales were better in July and the staff is gearing up for Backwoods Bash. Lahr states that with a new ice vendor there will be less available for all the non-profit groups that use ice for their booths and will change the beer tent offerings for beverages. Lahr states this ice vendor is more difficult to work with as they are not located in Bemidji. Lahr states the beer cooler door

is working well this summer and the solution appears to be working. Lahr additionally states THC beverages and edible sales are taking away from alcohol sales now that the items are available. Nothing further.

### **6.3. FIRE DEPARTMENT REPORT - BRIAN LARSON, FIRE CHIEF**

#### **6.3.1. Council Discussion - Fire Truck replacement**

Chief Larson reports visiting with the dealer from MacQueen Safety who is the representative for Pierce. Larson and staff have been discussing replacing Engine #2 that is a 1996 model and entered into the Blackduck Fleet in 2011 and was fitted with a 2002 commercial chassis. Larson states a new engine from Pierce will look similar to Engine #3 if replaced. Larson states right now in 2024 to order a custom chassis the department is looking at a cost of \$1,000,000 to \$1,500,000. Larson states if the City were to sign a contract today the delivery date is three years out. Larson further states the benefits of moving quickly is that there will be quarterly increases of 1%. Larson states the Special Equipment Fund that is funded by donations from Blackduck Fire Relief could fund a large amount of the cost of the truck, but there would need to be additional funding to make up the difference. Larson is requesting approval for the City to locate funds to make up the gap in funding before locking in with Pierce. Rockensock (who works for Beltrami Electric) states the USDA funding the City has already researched for City Hall funding is interested in funding the gap for the new Engine. Larson states Engine #2 does not have enough space for the department equipment and staff and all equipment and tools from Engine #2 could be placed onto the new truck. Regas asks what the downside of agreeing to the purchase now if the City does not have the funding in three years is that the City is committed to that purchase regardless. Assistant Fire Chief Frenzel states the reason for requesting the authority to seek funding now is to be more confident to sign the purchase agreement. Frenzel states gambling funds will contribute more funding to the special equipment fund but there is no guarantee to that total. Rockensock highly recommends seeking the gap funding in the coming months to have a solid answer by end of 2024. Board members agree the department needs good trucks to provide service to the fire protection area. Council member Johnson states he is in favor of seeking the additional funding. Fredrickson asked what could happen to the old engine #2 could it be traded in or sold privately. Larson states it will not gain much as of the age of the truck. Regas asked if the department would entertain purchasing another used truck. Asst. Chief Frenzel stated it isn't in the best interest of the department as the current #2 provided the department many issues when purchased. Regas will begin working with Beltrami Electric and request assistance for funding resources from Widseth.

### **7. ADMINISTRATOR'S REPORT**

- a. Council Approval Needed - Ordinance Amendment 2024-01 - Ordinance amending Chapter 11, Licensing, revising Section 1150 Rental Licensing

Nicholas Seitz moved to approve Ordinance Amendment 2024-01, Ordinance amending Chapter 11, Licensing, revising Section 1150 Rental Licensing 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 - Conditional Use Permit 2024-02 - Taler Tarigny 217 Main Street South - Review Findings of Fact

Maxwell Gulette moved to approve Conditional Use Permit 2024-02 - Taler Tarigny - 217 Main Street South Nicholas Seitz seconded the motion.

Carried 3 to 0

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

c. Council Consideration - Widseth Feasibility Study for City Hall

Regas requested additional discussion and action on the feasibility study for City Hall of the board. Regas requests the council decide if the City will keep City Hall in the existing building or not; and if so will the City will authorize funding to repair the building.

Council member Seitz does not see it feasible to build new facility. Council member Fredrickson states if the current building is abandoned then what is to be the result of the current one. Fredrickson states the feasibility study is a laundry list of items that should be done to the current facility and much of it is optional or scalable such as the lower level of the building. Fredrickson sees no reason to update the lighting of downstairs or the flooring but to stop the water intrusion.

Regas states having a discussion with Tim Ramerth on a cost per square foot to rebuild and an estimate at that time was over \$300/sq. ft. Regas states she is in favor of making the very needed improvements now and then levy for other improvements annually as time progresses.

Mayor Gulette asks if the water/sewer lines and water intrusion are included in the study. Regas states the water intrusion is in the study but without cost estimates. Regas further states that when the roof is repaired the parapet must come down. Council member Johnson states the reason the parapet was constructed was to keep water from going between the buildings. Johnson states it was built to keep the basements from flooding. Johnson states when the parapet is removed the building will need flashing or water direction.

Mayor Gulette states he is in favor of keeping City Hall in the existing facility. Fredrickson states City hall has been in several buildings and has been able to adjust in other areas but the existing facility works. Mayor Gulette disagrees that the building is not worth savings. Councilor Seitz states that the public has heard the City is considering building new and many are not in favor of that.

Regas requests the City Council formally agree on the record for the path it wants to take for City hall.

Nicholas Seitz moved to keep City Hall at its current location and repair the worst parts of the facility and seek funding Ronald Fredrickson seconded the motion.

Fredrickson states the neglect for the old city hall made the city take that building down and he is in favor of making the repairs to the current facility. Johnson agrees to move forward with saving the building. Regas states the worst areas of the building - the roof, the water intrusion, the parapet, the exterior masonry should be funded.

Carried 4 to 0

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

d. Council Consideration - Donation solicitation from Blackduck Boys and Girls Club Branch

Regas provided the Blackduck Boys and Girls Club Branch Open House and solicitation documents for discussion. Board members discussed potentially funding / donating to the organization. Board members agreed hold off on donations until a later date. Nothing further.

e. Council Information - Historic Duck Restoration - Project Status

Regas reports KCI Restoration provided a site visit on Thursday, July 25, but had not provided the report to the City. Regas states the report would be ready for the August 19th work session. Regas states the feedback from KCI after the visit was that the report provided from Jensen Conservation was not comprehensive enough. KCI states the Historic Duck has a crack in the fiberglass is so large that the cement inside the statue has crumbled deeply. Regas states KCI will provide options for the City to decide on including potentially replication of the existing duck statue. Regas continued reporting on the Lion's Duck stating the foundation of the statue is disintegrate and is rotting as there are large gaps allowing moisture to get in. Regas further states KCI can provide restoration in 2025 for the statues. Nothing further.

f. June 28 - August 12, 2024 - Minnesota Primary Election Early Voting

g. July 30 - August 13, 2024 City of Blackduck Municipal Candidate Filing Period

h. August 8, 2024 - Minnesota Primary Election Healthcare Facility Voting

i. August 13, 2024 - Minnesota State Primary Election Day

j. August 14, 2024 @ 2pm - 2025 Financial Budget Committee Meeting - Finance Committee

k. August 19, 2024 @ 6pm - Blackduck City Council Work Session

l. August 21, 2024 @ 2pm - Blackduck Planning Commission Meeting

m. August 28, 2024 @ 2pm - 2025 Financial Budget Meeting - Finance Committee

n. September 2, 2024 - Labor Day Holiday Observed - City Offices Closed

o. September 9, 2024 @ 6pm - Blackduck City Council Regular Meeting

p. Press Release - Upper / Lower Red Lake Comprehensive Watershed Plan

**8. MAYOR AND/OR COUNCIL MEMBER REPORTS**

a. Councilor Fredrickson states Woodcarvers and the Variety Show at the school were well attended.

**9. COMMUNITY EVENTS/GOOD THINGS HAPPENING**

**10. ADJOURNMENT**

a.

Donald Johnson moved to adjourn the meeting at 7:29pm Nicholas Seitz seconded the motion.

Carried 4 to 0

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

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City Administrator, Christina Regas

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Maxwell Gullette, Mayor