



MINUTES

Council Meeting

6:00 PM - Monday, September 9, 2024
City Hall, 8 Summit Drive, Blackduck MN

The Council of the City of Blackduck was called to order on Monday, September 9, 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, Assistant Liquor Store Manager Melissa Gullette, and Director of Liquor Operations Shawnda Lahr

OTHERS PRESENT: Rachael Merrill, Blackduck Coop; Scott Peterson, BDC ECC; Tim Ramerth, Widseth; Scott Grennell

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.

Laurie Hamilton moved to approve the agenda as presented Donald Johnson 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. August 5, 2024 Blackduck City Council Meeting Minutes
- b. August 14, 2024 Blackduck Finance Committee Meeting Minutes

- c. August 19, 2024 Blackduck City Council Work Session Minutes
- d. August 21, 2024 Blackduck Planning Commission Meeting Minutes
- e. August 22, 2024 Blackduck Fire Protection Area Budget Meeting Minutes
- f. August 28, 2024 Blackduck Finance Committee Meeting Minutes
- g. September 3, 2024 Blackduck Personnel Committee Meeting Minutes
- h. September 5, 2024 Blackduck Personnel Committee Meeting Minutes
- i. August 2024 Fund Balance Report & Budgeted Transfer for September 2024
- j. August 2024 Bill Report
- k. August 2024 Sewer Income Statement
- l. August 2024 Water Income Statement
- m. August 2024 Pine Tree Park Income Statement
- n. August 2024 Golf Course Income Statement
- o. August 2024 Liquor Store Income Statement
- p. August 2024 Blackduck DMV Office Income Statement
- q. July 2024 LG216 Lawful Gambling Monthly Rent Report - Blackduck Fire Relief Association
- r. Final Approval - August 2024 Business Credit Card Payment
- s. Final Approval - August New Hires Report
- t. Final Approval - Golf Course Cart Lease Payment July 2024
- u. Final Approval - Donation Refund - Blackduck Woodcarvers
- v. Final Approval - 2024-2025 Blackduck Propane Prebuy
- w. Final Approval - 2025 Health Insurance Renewal Contract - MN Healthcare Consortium
- x. Final Approval Needed - 2025 City of Blackduck Wage Scale
- y. Final Approval - City of Blackduck Website Analytics Report - www.blackduckmn.com
- z. Final Approval - Early Termination Agreement between CATERPILLAR Financial Services Corporation and the City of Blackduck relating to the lease of Caterpillar 420FST Backhoe Loader, SN SKR04559

Laurie Hamilton moved to approve the consent agenda 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

aa.

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. Scott Peterson BDC ECC

Peterson presented funding options presented to him from HRDC to the City for various future projects. Peterson states he has been tasked to assist revitalizing downtown and encouraged the City to revise the RLF Program to provide loan forgiveness.

b. Scott Grennell

Grennell presented his request for the City to vacate the right-of-way platted near a property he owns on Carlson Ave NW. Grennell states he has discussed the vacation of the ROW with member from the Planning Commission with good feedback. Grennell asks the City consider the vacation of the ROW or at least request the adjacent landowner to clean up the debris on the westside of the ROW. Regas provided Grennell with a sample petition to vacate document. Mayor Gullette requested Grennell begin the vacation process with the City.

5. REPORTS OF COMMITTEES AND CITY STAFF

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

5.1.1. Council Information - MnDOT SP 0410-53 TH 71- Summit Ave. Lighting timeline update

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

5.2.1. Report -

Lahr reports on August sales and specials that have received good feedback. Lahr reports Backwoods Bash sales for 2024 were flat against 2023.

6. ADMINISTRATOR'S REPORT

a. Council Approval Needed - Resolution 2024-04 - A Resolution authorizing the conveyance of State Rail Bank Property to Blackduck Cooperative AG Services Company in the City Limits of the City of Blackduck Minnesota

Nicholas Seitz moved to approve Resolution 2024-04 Laurie Hamilton seconded the motion.

Carried 5 to 0

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

b. Council Approval Needed = Purchase Agreement between the City of Blackduck Minnesota and Blackduck Coop AG Services, Inc

Laurie Hamilton moved to approve the purchase agreement between the City of Blackduck and Blackduck Coop Ag Services Nicholas Seitz seconded the motion.

Carried 5 to 0

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

- c. Council Approval Needed - Resolution 2024-12 - A Resolution approving an assessment for past due utility charges

Ronald Fredrickson moved to approve Resolution 2024-12 Laurie Hamilton seconded the motion.

Carried 5 to 0

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

- d. Council Consideration - City of Blackduck Adult-Use Cannabis Zoning Ordinance - sample provided from OCM

Regas presented sample language for the City of Blackduck Cannabis Ordinance set to be adopted prior to 2025. Regas requested the City delegate the licensing and registration to Beltrami County. Regas provided insight to the zoning requirements and discussed feedback from local authorities at the school regarding adopting buffer zones. City Council members had several questions including the number of licenses that can be provided inside the city and if the city pursued a municipal cannabis store the potential restrictions that could conflict. Council members discussed the zoning options and Regas provided sample 500 foot buffer zones around the school, public playgrounds, athletic fields, and daycares for discussion. Regas states the topic will be on the agenda until a full draft of the ordinance is ready for its first reading. Council members and Liquor Store management requested clarification of the number of licenses within the City that will be allowed. Regas will investigate and report back.

- e. Council Consideration - Historic Duck and Lion's Duck Statue Restoration Assessments - KCI Conservators

Regas reports a letter was sent after the last meeting informing all private donations of the status of the project. Regas requested the council continue conversation on statue restoration. Council members agreed to make repairs to the cracks and repaint on the Old Duck Statue with money raised. Councilor Seitz volunteers to repair the statue with fiberglass repairs kits and Councilor Hamilton will reach out to a local business owner to repaint the statue. Council members agreed to continue efforts to restore the Lions Duck by the recommendations of KCI Conservatory.

- f. ROW Vacation Request -

Regas reports on the research done on vacation processes for streets to the board members. Regas states public notice and public hearing and notices to adjacent land owners must be sent out. Regas states the City Council listens to public comment and considers for or against the request. Regas states the vacation should benefit the city as a whole to be approved. Regas reports the Public Works Director does not recommend the vacation noting the right of way is a direct connection to Pines Hideaway Drive in Hines Township. Regas states Public Works would need full access to a 'loop' for utilities if a future annexation of the Quiet Meadows development

is planned and successful. City Engineer Tim Ramerth strongly recommends the City retain a utility easement if vacated because once it is vacated it is very difficult to get back.

g. Council Consideration - 2025 City of Blackduck Preliminary Budget and 2025 Preliminary Levy

Regas provided highlights to the 2025 Preliminary General Fund Budget. Regas provided City Council with highlights from the preliminary budget for 2025 including payroll/benefits; debt schedule; operating budgets; and tax sample including the updated homestead exclusion rules. Regas provided updates on new revenues coming in from Small Cities for street maintenance; anticipated increase in revenue from the DMV office; and requested liquor store transfer. Regas provided an overall preliminary budget increase of 6.1% over 2024. Regas took questions from board members on the preliminary budget. Council member Fredrickson was in favor of lower property taxes. Regas recommended the City Council call a Special Meeting on September 23rd preceding the work session to approve the preliminary levy as discussed tonight. Mayor Gulette called the Special Meeting. Nothing further.

h. September 11, 2024 @ 2pm - 2025 Financial Budget Meeting - Finance Committee

i. September 18, 2024 @ 2pm - Blackduck Planning Commission Meeting

j. September 20, 2024 - November 4, 2024 - Minnesota and Municipal General Election Early Voting

k. September 23, 2024 @ 6:15pm - Blackduck City Council Work Session

l. September 23, 2024 @ 6pm - Special Council Meeting - Certify the 2025 Preliminary City of Blackduck Levy

m. October 7, 2024 @ 6pm - Blackduck City Council Regular Meeting

n. November 5, 2024 - Minnesota and Municipal General Election

7. MAYOR AND/OR COUNCIL MEMBER REPORTS

8. COMMUNITY EVENTS/GOOD THINGS HAPPENING

a. October 22, 2024 @ 9am - Beltrami Soil and Water Conservation District Public Hearing for the Upper/Lower Red Lake Comprehensive Watershed Plan

9. ADJOURNMENT

a.

Donald Johnson moved to adjourn the meeting at 7:55pm Ronald Fredrickson seconded the motion.

Carried 5 to 0

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

City Administrator, Christina Regas

Maxwell Gullette, Mayor