



# MINUTES

## Council Meeting

6:00 PM - Monday, January 6, 2025  
City Hall, 8 Summit Drive, Blackduck MN

The Council of the City of Blackduck was called to order on Monday, January 6, 2025, 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, and Council member Ronald Fredrickson

**COUNCILORS EXCUSED:** Councilor Laurie Hamilton

**STAFF PRESENT:** City Administrator Christina Regas, Public Works Director Mike Schwanke, Director of Liquor Operations Shawnda Lahr, and Police Chief Josh Arhart

**OTHERS PRESENT:** Tim Ramerth, Widseth, Todd Hagen, Ehlers

### 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 4 to 0

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

### 3. APPOINTMENT(S) OF ELECTED OFFICIALS, ADMINISTRATOR REGAS

- a. Oath of Office - Swearing in of City Mayor and City Council Members  
Administrator Regas swore in newly elected officials.

### 4. CONSENT AGENDA

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

- a. December 9, 2024 City Council Meeting and Truth in Taxation Minutes

- b. December 9, 2024 City Council Public Hearing Minutes
- c. December 2024 Fund Balance Report and Year End Budgeted Transfers/Depreciation
- d. December 2024 Bill Report - *includes 2025 Bond payments*
- e. December 2024 Sewer Income Statement
- f. December 2024 Water Income Statement
- g. December 2024 Pine Tree Park Income Statement
- h. December 2024 Golf Course Income Statement
- i. December 2024 Liquor Store Income Statement
- j. December 2024 Blackduck DMV Income Statement
- k. ~~December 2024 General Fund Income Statement – pre-audit~~
- l. November 2024 LG216 Lawful Gambling Monthly Rent Report - Blackduck Fire Relief Association
- m. Final Approval - December 2024 Business Credit Card Payment
- n. Final Approval - Second Half LGA payment - MN. Dept. of Revenue
- o. Final Approval - LMCIT Dividend Return 2024 Property, Casualty, and Workers Compensation
- p. Final Approval - Written Municipal Advisor Client Disclosure with the City of Blackduck Pursuant to MSRB Rules G-10 & G-42 - Ehlers Public Finance Advisors
- q. Final Approval - City of Blackduck website Analytics Report for December 2024
- r. Final Approval - 2025 Pay Equity Compliance - City of Blackduck

Donald Johnson moved to approve the consent agenda removing item 'k.' for further discussion  
 Nicholas Seitz seconded the motion.

Carried 4 to 0

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

- s. Removed Consent Agenda Items for Further Discussion
- k. December 2024 General Fund Income Statement - pre-audit

Councilor Johnson requested details regarding the Administration Department overage for 2024. Regas reports wages that should have been charged to the license center and costs associated with the single financial audit were key in the department budget overage in 2024.

Donald Johnson moved to approve Consent Agenda item 'k' Ronald Fredrickson seconded the motion.

Carried 4 to 0

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

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**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.*

**6. REPORTS OF COMMITTEES AND CITY STAFF**

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

6.1.1. Report -

Schwanke reports his department has been working on snow removal and repairing water service line and main breaks recently. Schwanke stated use of a jack-hammer attachment on the skid steer made work easier but filling the street with frozen materials doesn't help. Schwanke reports plans to rent a lift and finish work on street lights soon.

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

6.2.1. Report -

Lahr reports the store ended 2024 strong in sales and the EOY Inventory completed with less than a \$2,000 variance. Lahr states the new Auditors were present to the inventory and approved of the procedures. Lahr reviewed EOY 2024 sales pertaining to specific departments in off-sale and how sales of low-potency hemp beverages and edibles have affected sales of liquor and beer. Lahr reports the building has needs for 2025 including new surveillance camera system; new bar top; new patio furniture; and maintenance to the parking lot that needs investments. Regas and Lahr will bring options and costs for the building needs to future work sessions for consideration.

**6.3. LAW ENFORCEMENT REPORT - JOSHUA ARHART, INTERIM POLICE CHIEF**

6.3.1. Approval Needed - City of Blackduck Police Department Portable Audio / Video Recorders - BWC Policy - Post Audit Recommendations

Nicholas Seitz moved to approve revisions to the City of Blackduck Police Department Portable Audio/Video Recorders BWC Policy Ronald Fredrickson seconded the motion.

Carried 4 to 0

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

6.3.2. Report -

Arhart reports Officer Amsden was approved to join the Headwaters Emergency Response Team (SWAT) as a Negotiator and will be attending online training to comply with the new role. Arhart states having a negotiator in the north portion of the county will be nice to have. Arhart reports the

BWC audit is complete and went well and the revisions needed in the Blackduck Police Department Policy reflects updated Statute language.

**6.4. FIRE DEPARTMENT REPORT - BRIAN LARSON, FIRE CHIEF**

- 6.4.1. Council Consideration - Sale Day Report for City of Blackduck \$363,000 Gen. Obligation Equipment Certificate Series 2025A - Todd Hagen, Senior Municipal Advisor, Ehlers

Hagen provided a summary of the Sale Day Report for the general obligation equipment certificate series 2025A and bids received.

- 6.4.2. Council Approval Needed - Proposal Form - City of Blackduck \$363,000 Gen. Obligation Equipment Certificate, Series 2025A -

Nicholas Seitz moved to approve the proposal form form Citizens State Bank of Reseau Donald Johnson seconded the motion.

Carried 4 to 0

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

- 6.4.3. Approval Needed - Resolution 2025-05 - Resolution Providing for the issuance and sale of a \$363,000 General Obligation Equipment Certificate, Series 2025A and Levying a tax for the payment thereof

Ronald Fredrickson moved to approve the final revision of Resolution 2025-05 - a resolution provided for the sale of \$363,000 general obligation equipment certificates, series 2025A Nicholas Seitz seconded the motion.

Carried 4 to 0

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

- 6.4.4. Approval Needed - MacQueen Equipment LLC Invoice #PPY-BlkdkMN1038  
Regas recommends approving the invoice to MacQueen and wire transfer the deposit of \$744,000 from the special equipment fund ahead of the general obligation equipment certificate closing date of January 23, 2025.

Nicholas Seitz moved to approve the invoice and deposit to MacQueen for \$744,000 from the special equipment fund Ronald Fredrickson seconded the motion.

Carried 4 to 0

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

**7. ADMINISTRATOR'S REPORT**

- a. Approval Needed - Resolution 2025-01 - Resolution of Annual Appointments and Designations for 2025

Nicholas Seitz moved to approve resolution 2025-01 - resolution of annual appointments and designations for 2025 Ronald Fredrickson seconded the motion.

Carried 4 to 0

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

- b. Approval Needed - Resolution 2025-02 - Resolution acknowledging a donation from the Blackduck Fire Relief Association

Maxwell Gullette moved to approve Resolution 2025-02 - a resolution acknowledging a donation from the Blackduck Fire Relief Association Nicholas Seitz seconded the motion.

Carried 4 to 0

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

- c. Approval Needed - Resolution 2025-04 - Resolution approving an excluded Bingo License for the Blackduck Area Chamber of Commerce

Ronald Fredrickson moved to approve Resolution 2025-04 - a resolution approving an excluded bingo license for the Blackduck area Chamber of Commerce Nicholas Seitz seconded the motion.

Carried 4 to 0

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

- d. Approval Needed - City of Blackduck Conflict of Interest & code of Ethics Policy for Elected Officials, Members of Boards, Commissions and Committees - 2025

Nicholas Seitz moved to approve the City of Blackduck Conflict of Interest and Code of Ethics Policy for Elected Officials for 2025 Donald Johnson seconded the motion.

Carried 4 to 0

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

e. Approval Needed - Kitchigami Regional Library System Joint Powers Agreement - 2025

Regas reports not having on file a signed copy of the joint powers agreement with KRLS and requests sitting board members approve the document to keep on file for the City.

Donald Johnson moved to approve the Joint Powers Agreement with KRLS Nicholas Seitz seconded the motion.

Carried 4 to 0

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

- f. January 15, 2025 @ 2pm - Blackduck Planning Commission Meeting
- g. January 20, 2025 - Martin Luther King Jr. Day Observed - Blackduck City Offices Closed
- h. January 27, 2025 @ 6pm - Blackduck City Council Work Session
- i. February 10, 2025 @ 6pm - Blackduck City Council Regular Meeting

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

- a. BDC Meetings - Councilor Johnson requests feedback from board members regarding attendance to future Blackduck Development Corporation meetings. City Council members after discussion requested minutes and calendar invites be sent by Administrator Regas to elected officials and if a official is available to attend a BDC meeting may do so. Nothing further.

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

- a. Beltrami County Opioid Steering Committee Funds Available - New Release

**10. ADJOURNMENT**

- a.

Donald Johnson moved to adjourn the meeting at 7:24pm 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