



MINUTES

Council Meeting

6:00 PM - Monday, August 4, 2025

City Hall, 8 Summit Drive, Blackduck MN

The Council of the City of Blackduck was called to order on Monday, August 4, 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, Assistant Liquor Store Manager Melissa Gullette, and Public Works Director Mike Schwanke
- OTHERS PRESENT:** Kayla Schmisney, Nicole Ronchetti and Emily Fairchild, Boys and Girls Club, Tim Ramerth, Widseth

1. CALL TO ORDER

- a. Roll Call
Regas took roll 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. CONSENT AGENDA

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

- a. July 7, 2025 Blackduck City Council Meeting Minutes
- b. July 17, 2025 Kitchigami Regional Library Board Meeting packet including June 2025 Meeting Minutes
- c. July 21, 2025 Blackduck City Council Work Session Minutes

- d. July 23, 2025 Blackduck Planning Commission Meeting Minutes
- e. July 24, 2025 Kitchigami Regional Library Special Board Meeting Notice/Agenda
- f. July 2025 Fund Balance Report
- g. July 2025 Bill Report
- h. July 2025 Sewer Income Statement
- i. July 2025 Water Income Statement
- j. July 2025 Pine Tree Park Income Statement
- k. July 2025 Lakeview Cemetery Income Statement
- l. ~~July 2025 Golf Course Income Statement~~
- m. July 2025 Liquor Store Income Statement
- n. ~~July 2025 Blackduck DMV Income Statement~~
- o. June 2025 LG216 Lawful Gambling Monthly Rent Report - Blackduck Fire Relief Association
- p. Final Approval - July 2025 Business Credit Card Payment
- q. Final Approval - July 2025 EFT Disbursements for City of Blackduck payrolls supporting MN Statute §471.38 subd. 3 (3a)
- r. Final Approval - August 2025 New Hire Report
- s. Final Approval - May 2025 Local Option sales Tax Report - City of Blackduck
- t. Final Approval - Managed Voice Contract between City of Blackduck and Paul Bunyan Communications
- u. Final Approval - LMC Claim #383172 payment to Stretch Auto Body & Repair Inc.
- v. Final Approval - June 2025 Supplemental Bills - Blackduck Leever's Foods & McKinnon Co. Inc.
- w. Final Approval - Local Government Aid, Small City Assistance, & Class 4D1 Transition Payment
- x. Final Approval - WHPP Part II Receipt Confirm from MDH
- y. Final Approval - City of Blackduck Analytics Report - blackduckmn.com

Ronald Fredrickson moved to approve the consent agenda removing items 'L & N' for further discussion Nicholas Seitz seconded the motion.

Carried 4 to 0

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

- z. Removed Consent Agenda Items for further discussion -
L. July 2025 Golf Course Income Statement

Councilor Johnson asked for explanation of the cash short of \$341.14. Regas reports that the income statement is a year-to-date amount and not a one cash shortage but a combination of a few days of business that have cash short.

N. July 2025 Blackduck DMV Income Statement

Councilor Johnson noted that July net income was much lower than others compared to the amount of total sales brought in. Regas reported that due in part to the higher operating expenses in 2025 compared to 2024 the net profit would be lower. Johnson thought the amount was odd. Regas agreed and noted the base amount of fees to the office is set and the other services provided such as disability parking certificates, and medical certificates have no office fees.

Donald Johnson moved to approve removed consent agenda items 'L & N' Ronald Fredrickson seconded the motion.

Carried 4 to 0

Maxwell Gullette	For
Nicholas Seitz	For
Donald Johnson	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. there was no one 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 reports his department will be ripping apart Oscar Ave this week and his department continues to struggle with liftstation and water plant issues. Nothing further.

5.1.2. Lead Service Line Update - Ramerth

Ramerth reports the Lead Service Line Phase 2 survey will begin in the next two weeks for the MDH. Ramerth states his staff has 90 days to complete the survey and will partner with City staff to send out letters and visit residences in person to gather survey information.

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

5.2.1. Report -

Melissa Gullette reports the new replacement fridge has arrived and installed and has been working better providing more work space in the kitchen. Gullette further states Backwoods Bash is coming up and there will be a Band for the event at the Pond. Gullette further states being at Woodcarvers this year was new and they will work in the future to have their location tent in a different location. Gullette reports working on resolving complaints on the message board / sign. Nothing further.

5.3. FIRE DEPARTMENT REPORT - BRIAN LARSON, FIRE CHIEF

5.3.1. August 21, 2025 @ 6pm - Blackduck Fire Protection Area - 2026 Budget Meeting

Regas reports the 2026 Fire Protection Budget meeting of the towns will be held on August 21 at 6pm.

5.4. LIBRARY REPORT - KELLY HANKS, HEAD LIBRARIAN

5.4.1. Approval Needed - Contract Agreement between City of Blackduck and Gustafson Home Improvements (GHI) & release of 50% of funds per agreement

Nicholas Seitz moved to approve the contract between GHI and the City of Blackduck for payment procedures for the library renovation and first half payment Donald Johnson seconded the motion.

Carried 4 to 0

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

6. ADMINISTRATOR'S REPORT

a. Council Consideration - Blackduck Planning Commissioner Vacancy - Letter of Interest - Kayla Smischney

Board members greeted Smischney and agreed to approve her letter of interest to serve on the Blackduck Planning Commission.

b. Approval Needed - Resolution 2025-01 v.4 - Resolution of Annual Appointments and Designations for 2025

Donald Johnson moved to approve Resolution 2025-01 v.4 with updates 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 2025-11 - Resolution acknowledging donation from the family of Fern Haiby for perpetual care of Lakeview Cemetery

Donald Johnson moved to approve Resolution 2025-11 Nicholas Seitz seconded the motion.

Carried 4 to 0

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

- d. Approval Needed - Resolution 2025-12 - Resolution regarding extension of Cedar Avenue

Nicholas Seitz moved to approve Resolution 2025-12 Ronald Fredrickson seconded the motion.

Carried 4 to 0

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

- e. Approval Needed - Purchase Agreement between the City of Blackduck and Birch & Beyond, Inc.

Ronald Fredrickson moved to approve a purchase agreement between the City of Blackduck and Birch & Beyond, Inc. Nicholas Seitz seconded the motion.

Carried 4 to 0

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

- f. Approval Needed - Resolution 2025-13 - Resolution authorizing the sale of public property in the city limits of the City of Blackduck

Nicholas Seitz moved to approve Resolution 2025-13 Ronald Fredrickson seconded the motion.

Carried 4 to 0

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

- g. Approval Needed - Resolution 2025-15 - Resolution Approving Excluded Gambling License for the Boys & Girls Club of Bemidji Area in City of Blackduck

Nicholas Seitz moved to approve Resolution 2025-15 Ronald Fredrickson seconded the motion.

Carried 4 to 0

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

- h. Approval Needed - Rural Economic Development Grant Letter of Conditions - Supplemental Financing & Management Representation Letter for Ultimate Loan Recipient for the City of Blackduck City Hall Project

Ronald Fredrickson moved to approve Supplemental Financing Documents for Rural Development for a loan between Beltrami Electric and the City of Blackduck Nicholas Seitz seconded the motion.

Carried 4 to 0

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

- i. Council Consideration - Grant Writing Services - Water & Wastewater System Funding Requests, Widseth

Nicholas Seitz moved to approve grant writing services for water and wastewater system funding requests with Widseth Ronald Fredrickson seconded the motion.

Carried 4 to 0

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

- j. August 6, 2025 @ 3pm - 2026 Budget Meeting - Finance Committee
- k. August 18, 2025 @ 6pm - Blackduck City Council Work Session
- l. August 20, 2025 @ 2pm - Blackduck Planning Commission Meeting
- m. August 20, 2025 @ 3pm - 2026 Budget Meeting - Finance Committee
- n. August 21, 2025 @ 6pm - Blackduck Fire Protection Budget Meeting
- o. September 1, 2025 - Labor Day Observed - City Offices Closed
- p. September 3, 2025 @ 3pm - 2026 Budget Meeting - Finance Committee
- q. September 8, 2025 @ 6pm - Blackduck City Council Regular Meeting
- r. Report -
Regas reports July was a busy month for City Hall and August will have several meetings planning out the 2026 General Fund Budgets. Regas further reports independent auditors from CLA will submit the 2024 Financial Reports to the OSA by August 15th and present to the City on September 8, 2025.

7. MAYOR AND/OR COUNCIL MEMBER REPORTS

- a. Council Johnson reports he will not be in attendance to the August work session on the 18th.

8. COMMUNITY EVENTS/GOOD THINGS HAPPENING

- a. August 16, 2025 - Backwoods Bash
- b. August 17, 2025 - Drakes Scramble

c. August 20, 2025 - Blackduck Area Chamber Meeting

9. ADJOURNMENT

a.

Nicholas Seitz moved to adjourn the regular council meeting at 6:45pm 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