



MINUTES

Council Meeting

7:54pm - Monday, October 6, 2025

City Hall, 8 Summit Drive, Blackduck MN

The Council of the City of Blackduck was called to order on Monday, October 6, 2025, at 7:54pm, 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 and Golf Director Misty Frenzel

OTHERS PRESENT: Karin Parker, Legion Auxillary, John Winnett, Glenn Schumann, Legion, Larissa Donovan KAXE

1. CALL TO ORDER

- a. Roll Call
Regas took roll call of those present to the meeting.
- b. Pledge of Allegiance
Mayor Gullette dispensed with the pledge of allegiance as it was stated preceding the public hearing.

2. APPROVAL OF AGENDA

- a.

Nicholas Seitz moved to approve the agenda as presented Ronald Fredrickson 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. September 8, 2025 Blackduck City Council Public Hearing Minutes
- b. September 8, 2025 Blackduck City Council Meeting Minutes

- c. September 17, 2025 Blackduck Planning Commission Minutes
- d. September 17, 2025 Blackduck Finance Committee Meeting Minutes
- e. September 18, 2025 KRLS Board Meeting Packet - includes minutes from July 17 & July 24, 2025
- f. September 22, 2025 - Blackduck City Council Public Hearing Minutes
- g. September 22, 2025 Blackduck City Council Work Session Minutes
- h. September 22, 2025 Blackduck City Council Meeting Minutes
- i. September 29, 205 Blackduck Golf Board Meeting Minutes
- j. September 29, 2025 Blackduck Personnel Committee Meeting Minutes
- k. September 2025 Fund Balance Report and recommended transfers
- l. September 2025 Bill Report
- m. September 2025 Sewer Income Statement
- n. September 2025 Water Income Statement
- o. September 2025 Pine Tree Park Income Statement
- p. September 2025 Lakeview Cemetery Income Statement
- q. September 2025 Golf Course Income Statement
- r. September 2025 Liquor Store Income Statement
- s. September 2025 Blackduck DMV Income Statement
- t. Q3 2025 General Fund Income Statement
- u. August 2025 LG216 Lawful Gambling Monthly Rent Report - Blackduck Fire Relief Association
- v. Final Approval - September 2025 Business Credit Card Payment
- w. Final Approval - September 2025 EFT Disbursements for City of Blackduck payrolls supporting MN Statute §471.38 subd. 3 (3a)
- x. Final Approval - July 2025 Local Option Sales Tax Report - City of Blackduck
- y. Final Approval - August 2025 Supplemental Bills - Blackduck Leavers Foods
- z. Final Approval - 2025 Police State Aid
- aa. Final Approval - PSOB 2025 Reimbursement - Blackduck Police Department
- ab. Final Approval - 2026 City of Blackduck Municipal Liquor Store/Bar - DBA The Pond - Intoxicating Liquor & Wine License
- ac. Final Approval - 2026 City of Blackduck Municipal Golf Course Intoxicating Liquor & Wine License
- ad. Final Approval - MN Dept. of Labor 2026 Minimum Wage increase - City of Blackduck
- ae. Final Approval - 2026 City of Blackduck Wage Scale
- af. Final Approval - September 2025 New Hires Report
- ag. Final Approval - City of Blackduck letter to Beltrami Electric Cooperative Directors - RD RLF Project
- ah. Final Approval - LMC Claim #459829 Determination - Claimant - T. Wick
- ai. Final Approval - 2024 Financial Audit Report - Kitchigami Regional Library System
- aj. Final Approval - City of Blackduck Valuation of Other Postemployment Benefits (OPEB) Under GASB 75 for fiscal year ending 2025.
- ak. Final Approval - Blackduck Library Renovation Midpoint Payment to GHI

- al. Final Approval - MN Dept of Transportation Conveyance No. 2024-0019 - City of Blackduck and MN Dept. Of Transportation
- am. Final Approval - Donation Request - Use of Golf Course Clubhouse for Distribution - Blackduck Area Toys for Kids
- an. Final Approval - Memorandum of Agreement between the City of Blackduck and the International Union of Operating Engineers Local No. 49
- ao. Final Approval - City of Blackduck Analytics Report - blackduck website
- ap. Final Approval - Minnesota Department of Employment & Economic Development (DEED) MIF State Revolving Loan Fund Annual Report - September 2025
- aq. Final Approval - LMCIT Property / Casualty Coverage 2nd half Premium 2025-2026 City of Blackduck

Ronald Fredrickson moved to approve the consent agenda as presented Laurie Hamilton seconded the motion.

Carried 5 to 0

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

ar.

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. **ADMINISTRATOR'S REPORT**

- a. Approval Needed - Ordinance 2025-04 - An Ordinance Amending Chapter 11, Business Regulations of the City Code, Providing for Section 1170, Regulating Cannabis Businesses

Laurie Hamilton moved to approve Ordinance 2025-04 Maxwell Gullette seconded the motion.

Council member Hamilton reports being in favor of the ordinance amendment. Hamilton states the ordinance is what the City is dealing with but I don't feel like this company is coming in to wreck this town. Hamilton states they are a business with a product, it is an indoor grown house. Council member Seitz states they plan to produce their own grown lights too. Hamilton states there is no big element of negative of the company come in. Hamilton asked if anyone has tried to break in to the liquor store in the past. Gullette states there have been attempts in the past. Hamilton states if you have something people want there will be attempts. Gullette states speaking with the Mayor of Benton Harbor, MI and they stated NoBo Inc. is a company that puts their money where their mouth is and Alan is the kind of person who if he says he is going to do something he does it which was a direct reflection of his character. Seitz states cannabis is legal and your next door neighbor could be growing it now. Gullette states the idea that someone could come in not only in Blackduck but our area, buy

their 20 acres and do the exact same thing, then there is no need for the building that sits inside city limits, but it just sits there. Gullette further states the Mayor of Benton Harbor states NoBo took a building in town that had sat there for 5-6 years and used it. Gullette states not wanting to see the facility to sit that long. Gullette states as a city how do you attract anything else. Gullette states he has heard the rumor mill of Polaris or Artic Cat was going to come in to the facility. Gullette states the last thing he wants to do is exclude a business. Seitz states if something doesn't go in there our taxes are going to go up 7% every year until something does or people can't afford to live here. Gullette understands the scary part of cannabis as a recovering alcoholic but I think that has a lot to do with an individual person than a substance. Council member Fredrickson states the city is only considering revising an ordinance to amend a buffer requirement to a daycare or school. Fredrickson states putting a manufacturer next to a daycare - knowing that NoBo may assist relocating Headstart and had stated they would entertain that if needed, but does not see that happening. Fredrickson states if the daycare was not there the city would not be having this discussion. Hamilton states bi-cap is neither for nor against, and does not see it being all that scary. Council member Johnson states taking in all that was discussed and states concerns if there are issues with the wastewater or the noise down the road and the people that live near by and can those issues be addressed civilly. Gullette does not see NoBo is lying to the City they are interested in community. Johnson states the city needs businesses and has concerns of the city infrastructure. Gullette states it is within the city's power to not amend the ordinance and future issues from other cannabis businesses being prohibited in the city. Johnson asked will NoBo be the owners of the property. Gullette could not comment. Hamilton states the property hasn't been purchased yet. Regas asked permission to make a statement. Gullette provided permission. Regas states the state has made it legal and all local governments can do is control it locally with zoning. Regas states if the city prohibit businesses from coming in they will open themselves up to lawsuits noting issues in Silver Bay and Albert Lea. Regas states all the city can do is work with what has been provided to the local government from the state. Regas states having a great discussion with the City Administrator of Benton Harbor, MI noting NoBo Inc. has been a good company to work with with not licensing or law enforcement issues. Regas states that speaks highly of the company and what they are trying to do.

Gullette called for further discussion. Hearing no further discussion, Gullette called for a roll-call vote.

Carried 4 to 1

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

b. Council Consideration - Blackduck Legion & Legion Auxillary Presentation - Veterans Memorial Bench Replacement - Karin Parker, Sheila Reinerz, Glen Shuman, Mike Zimmerman

Schumann and Parker presented a request for a donation in the amount of \$269.47 to pay for the shipping on new benches replacing the existing benches at the Veterans Memorial at the Wayside Rest. Parker states the Legion and Auxillary have paid to replace the benches and wish to have the City install the new benches and pay for the shipping.

Ronald Fredrickson moved move to approve paying for the shipping on the new benches and install the new benches in the amount of \$269.47 from the Wayside Rest Park fund Nicholas Seitz seconded the motion.

Carried 5 to 0

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

Laurie Hamilton moved to take a 10 minute recess beginning at 8:25pm Donald Johnson seconded the motion.

Carried 5 to 0

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

Ronald Fredrickson moved to come out of recess at 8:35pm Laurie Hamilton seconded the motion.

Carried 5 to 0

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

- c. Approval Needed - Resolution 2025-17 - Resolution Adopting an Amended Spending Plan for TIF Districts No. 1-4 & 1-6

Donald Johnson moved to approve Resolution 2025-17 Nicholas Seitz seconded the motion.

Carried 5 to 0

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

- d. Approval Needed - Purchase Agreement between City of Blackduck and Blackduck Coop AG Services, Inc.

Ronald Fredrickson moved to approve the purchase agreement between the City of Blackduck and Blackduck Coop AG Services Inc. Nicholas Seitz seconded the motion.

Carried 5 to 0

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

- e. Approval Needed - Resolution 2025-18 - Resolution authorizing the Conveyance of State Rail Bank Property to Blackduck Coop AG Services in the City limits of the City of Blackduck

Ronald Fredrickson moved to approve Resolution 2025-18 Laurie Hamilton seconded the motion.

Carried 5 to 0

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

- f. October 15, 2025 @ 2pm - Blackduck Planning Commission Meeting
- g. October 20, 2025 @ 6pm Blackduck City Council Work Session
- h. November 10, 2025 @ 6pm - Blackduck City Council Regular Meeting
- i. November 11, 2025 - Blackduck City Offices Closed in Observance of Veteran's Day
- j.

6. REPORTS OF COMMITTEES AND CITY STAFF

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

- 6.1.1. Approval Needed - MN Pump Works Invoice #28967 - Blackduck Golf Course Liftstation and Panel

Maxwell Gullette moved to approve payment for repairs to the lift station at the Blackduck Golf Course to MN Pumpworks from the General Fund Reserves Nicholas Seitz seconded the motion.

Carried 5 to 0

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

7. MAYOR AND/OR COUNCIL MEMBER REPORTS

- a. Public Notice - Beltrami County Opiod Steering Committee Seeking Members
- b. Mayor Gullette - Thanks the board members for their input on the public hearing topics the past few weeks.

8. COMMUNITY EVENTS/GOOD THINGS HAPPENING

- a. October 21, 2025 @ 6pm - Beltrami County Board Room - Beltrami County Annual Meeting of Opioid Steering Committee
- b. October 15, 2025 Blackduck Area Chamber of Commerce Meeting

Nicholas Seitz moved to adjourn the regular council meeting at 8:58pm Laurie Hamilton seconded the motion.

Carried 5 to 0

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

9. ADJOURNMENT

- a.

City Administrator, Christina Regas

Maxwell Gullette, Mayor