



MINUTES

Council Meeting

6:00 PM - Monday, February 9, 2026
City Hall, 8 Summit Drive, Blackduck MN

The Council of the City of Blackduck was called to order on Monday, February 9, 2026, 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 Laurie Hamilton, and Council member Ronald Fredrickson

COUNCILORS EXCUSED: Councilor Donald Johnson

STAFF PRESENT: City Administrator Christina Regas, Assistant Liquor Store Manager Melissa Gulette, and Director of Liquor Operations Shawnda Lahr

OTHERS PRESENT: Time Ramerth, Widseth and Mike Zimmerman of Blackduck

1. CALL TO ORDER

- a. Mayor Gulette called the meeting to order at 6:00pm and led the meeting with the pledge of allegiance.

2. APPROVAL OF AGENDA

- a.

Nicholas Seitz moved to approve the agenda as presented Laurie Hamilton seconded the motion.

Carried 4 to 0

Maxwell Gulette	For
Nicholas Seitz	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. January 5, 2026 Blackduck City Council Meeting Minutes
- b. January 15, 2026 KRLS Board Meeting Packet and Minutes from November 20, and December 18, 2025
- c. January 26, 2026 Blackduck City Council Work Session Minutes
- d. January 2026 Fund Balance Report & Bond Payment
- e. January 2026 Bill Report

- f. January 2026 Sewer Income Statement
- g. Janaury 2026 Water Income Statement
- h. January 2026 Pine Tree Park Income Statement
- i. Janaury 2026 Lakeview Cemetery Income Statement
- j. January 2026 Golf Course Income Statement
- k. Janaury 2026 Liquor Store Income Statement
- l. Janaury 2026 Blackduck DMV Income Statement
- m. December 2025 LG216 Lawful Gambling Monthly Rent Report - Blackduck Relief Association
- n. Final Approval - January 2026 Business Credit Card Payment
- o. Final Approval - January 2026 EFT Disbursements for City of Blackduck payrolls supporting MN Statute §471.38 subd. 3 (3a)
- p. Final Approval - December 2025 Supplemental Bills
- q. Final Approval - Local Option Sales Tax Report - December 2025
- r. Final Approval - DVS No Fee Payments - Oct - Dec. 2025 - City of Blackduck DMV
- s. Final Approval - Ehlers Annual Report - Potential Refunding of Existing Bonds for the City of Blackduck
- t. Final Approval - Statement of Work - Audit Services - CliftonLarsonAllen LLP for the City of Blackduck
- u. Final Approval - January 2026 Short Settlement Property Tax Statement
- v. Final Approval - City of Blackduck Water Infrastructure Project Information Worksheet(s) for PFA
- w. Final Approval - Information for Municipal Advisory Clients - MSRB
- x. Final Approval - City of Blackduck Analytics Report for www.blackduckmn.com
- y. Final Approval - JPHI Estimate for New Furnace @ 80 Main Street N. - Blackduck Fire Department - Estimate #2694
- z. Final Approval - MNPCA - Petroleum Tank Release Site File Closure - 288 Main St. N.

Nicholas Seitz moved to approve the consent agenda as presented Ronald Fredrickson seconded the motion.

Carried 4 to 0

Maxwell Gullette	For
Nicholas Seitz	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. 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. Approval Needed - Professional Services Proposal - Lift Station Rehabilitation Project - Widseth

Regas requests that in Schwanke's absence, he respectfully asks the council to table the decision on the proposal from Widseth. Fredrickson requests Ramerth provide information on the proposal for services. Ramerth asked if there were any questions first. Ramerth states Widseth will need to document flows and other items for future use of the lift stations and there is much time and effort on the project, including being on site during the reconstruction. Mayor Gulette states pushing the decision off until the March meeting may delay the project. Regas states a typical project will have construction costs and admin/design costs which is included not just estimates provided from a vendor - and the City will be bonding for the full project including those fees plus issuance fees in the total. Regas states that was the reason Ramerth asked the Council if they find it feasible to move forward. Regas states if the council does not find it feasible knowing what the services costs will be then the project could be pushed off until later. Regas states there is the side that is screaming to update all the lift stations and then other side of considering to just reconstruct the three that are being considered. Regas states now the council can consider if it is feasible to move forward with the three or wait and do all seven, however, the design and admin services will still be included. Ramerth proposes to not lose a month, would the council consider approving the proposal contingent upon hearing Schwanke's input if not then move forward to save time. Regas states Schwanke's concern is he is questioning if the city can hold off until the full project is ready to go to save on service costs, he is trying to weigh the pro's and con's of waiting. Mayor Gulette states he was under the impression the city was trying to knock out these lift stations as fast as possible because those three couldn't wait. Ramerth states he spoke with Angela Bokovoy from USDA and asked if any smaller projects could later be rolled into the larger project. Ramerth states Bokovoy states it is possible. Fredrickson states he was understanding the three lift stations were urgently needing reconstruction and he is confused why the city would wait now. Hamilton states she would like to see the liftstations fixed before they breakdown. Fredrickson understands that these services would be included in the project. Ramerth reminded the board that when the larger project comes through the city will not have the ability to designate what types of pumps and materials are used to update the lift stations once the city goes into the free open market. Regas states if the city had the funding to for the project and not bond the process would look different, but the process is still there and the city has to debt for it. Mayor Gulette asked if Ramerth would be ok if the city approved the proposal pending discussion with Schwanke. Ramerth states Widseth does not want to force the city to do anything. Regas states the council can discuss it at the work session. Fredrickson states everything he has heard is that the city should move ahead, so he is confused why the city would hold off. Seitz states he trusts Schwnake and if he has a reason for wanting to table the decision he would like to hear that.

Nicholas Seitz moved to approve the proposal for services from Widseth contingent upon hearing feedback from Public Works Director Schwanke at the February 23, 2026 work session Ronald Fredrickson seconded the motion.

Carried 4 to 0

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

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

5.2.1. Report -

Lahr reports the Pond will be starting a small weekend breakfast beginning with a roll-out this coming weekend. Lahr states the key traffic is towards the weekend crowd that wants a bar breakfast with their Bloody Mary's. Lahr states the bar will open early at 9am and the breakfast will be offered until noon. Lahr provided the sample menu that will be advertised on social media. Lahr states the bar breakfast is a smaller menu without a full breakfast menu not to target the cafe in town and take away business from the Hungry Duck. Lahr states the menu will start small with advertising as the staff work on perfecting the items. Lahr states this is the business model changing and it must adjust with the times, the amount of non-alcoholic beverages (pop) being served etc. is an example of this. Lahr further informed the board that Chamber Bingo starts Sunday, February 15th.

5.3. FIRE DEPARTMENT REPORT - BRIAN LARSON, FIRE CHIEF

5.3.1. Council Information - 2026 Blackduck Fire Protection Annual Meeting - February 26, 2026

Regas provided the packet for the Annual Meeting on February 26 and states year end expenditures will be updated prior to. Regas noted the department responded to 89 calls in 2025 which is much higher than 2024. Regas reports several of the responses are for lift assists which is becoming common with most emergency management because nursing homes, etc. are short staffed.

5.4. LIBRARY REPORT - KELLY HANKS, HEAD LIBRARIAN

5.4.1. Approval Needed - The Library Store Quote #944032 -

Regas requested approval of the quote from The Library Store for new shelving.

Nicholas Seitz moved to approve quote #944032 and paying 30% down Laurie Hamilton seconded the motion.

Carried 4 to 0

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

6. ADMINISTRATOR'S REPORT

a. Approval Needed - Resolution 2026-07 - Resolution authorizing electronic fund transfers for the City of Blackduck Minnesota and Designating the City Administrator

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as the eligible authority

Laurie Hamilton moved to approve Resolution 2026-07 Resolution authorizing electronic fund transfers for the City of Blackduck and designating the City Administrator as the eligible authority Ronald Fredrickson seconded the motion.

Carried 4 to 0

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

b. Approval Needed - Assessment Agreement between the City of Blackduck and Beltrami County for 2026

Ronald Fredrickson moved to approve the assessment agreement between the City of Blackduck and Beltrami County for 2026 Nicholas Seitz seconded the motion.

Carried 4 to 0

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

c. Approval Needed - MnDot Conditional Approval for Conveyance of real property - Phillip Patch

Laurie Hamilton moved to approve the conditional approval for conveyance of real property for Phillip Patch Ronald Fredrickson seconded the motion.

Carried 4 to 0

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

d. Approval Needed - Resolution 2026-08 - Resolution Authorizing Sale of State Rail Bank Property Acquired from the MnDot to Phillip Patch

Laurie Hamilton moved to approve Resolution 2026-08 a Resolution authorizing the sale of state rail bank property acquired from the MnDot to Phillip Patch Ronald Fredrickson seconded the motion.

Carried 4 to 0

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

- e. Approval Needed - Purchase Agreement between The City of Blackduck and Phillip J. Patch and Tammy M. Patch

Laurie Hamilton moved to approve a purchase agreement between the City of Blackduck and Phillip and Tammy Patch Ronald Fredrickson seconded the motion.

Carried 4 to 0

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

- f. February 16, 2026 - Blackduck City Hall and DMV Closed in Observance of President's Day
- g. February 18, 2026 - Blackduck Planning Commission Meeting 2pm
- h. February 23-27, 2026 Blackduck Financial Audit - On-site Final Review
- i. February 23, 2026 Blackduck City Council Work Session
- j. March 9, 2026 6pm Blackduck City Council Regular Meeting
- k. April 24, 2026 1pm - Beltrami County Local Board of Appeal and Equalization Meeting - City Hall

- l. Report -
Regas reports on-site independent auditors will be present February 23-27 for final preparation. Regas has deadline of February 16, for audit prep items for CLA that requires the City to provide. Regas states the auditors will not be present to the work session on February 23, this visit is required for final review and part of the contracted services. Mayor Gullette asked how the audit prep is going. Regas states there are new items that CLA is requesting the City complete that the auditors did for the 2024 audit. Regas states this is the first year completing those requirements and it is taking time to finish. Regas further states that there are new items that independent auditors test every year that are not tested in previous years which provides more time. Regas states it is a constant challenge to complete the requirements of the audit timely in her position and the time allowed to make the required deadlines. Regas states she hopes that the criteria placed on local governments is placed on everyone in the state especially how everyone in the state is questioning the fraud that is in the headlines now. Regas states she takes the audit and her position to meet those requirements very personally.

Regas states Kayla Schmishney is interested in sitting on a committee for the city hall discussion and Regas hopes to set a date for that meeting soon.

Regas reports visiting with the new owners of Anderson Fabric Outlet and noted that the new owners purchased the vacant lot and they notified the City they plan to relocate their electrical this spring. Regas states concern for the electrical as the source for City Hall is also on their service pole. Council Fredrickson states if they relocate their power the pole still has to remain and Beltrami Electric will not cut power to City Hall. Regas states that it was the City plan to update and relocate the electrical of city hall in the updates. Fredrickson states the power will remain, they cannot leave a customer without power.

7. MAYOR AND/OR COUNCIL MEMBER REPORTS

- a. Council member Fredrickson respectively request the Christmas lights at Wayside Rest Park either come down or be not powered now that the holidays are over.

8. COMMUNITY EVENTS/GOOD THINGS HAPPENING

- a. Winter Festival - March 7, 2026 11-12pm @ Kellhier Public School

9. ADJOURNMENT

- a.

Laurie Hamilton moved to adjourn the council meeting at 6:56pm Ronald Fredrickson seconded the motion.

Carried 4 to 0

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

City Administrator, Christina Regas

Maxwell Gulette, Mayor