



BLACKDUCK CITY COUNCIL MEETING

MONDAY AUGUST 8TH, 2016 6PM

REGULAR COUNCIL MEETING MINUTES

CALL TO ORDER: The City Council of the City of Blackduck met in Regular Session at Blackduck City Hall at 6:12p.m. on August 8th, 2016.

ROLL CALL:

Councilors present: Councilors Stade, Patch, and Mayor Lundberg

Councilors Absent: none

Staff Present: City Administrator Christina Regas, Liquor Store Manager Shawnda Lahr, Golf Course Superintendent Jim Andersen, Public Works Supervisor Bob Klug, Fire Chief Troy Gabrelcik, Assistant Fire Chief Brian Larson

Others Present: Audrey Zimmerman Bemidji Pioneer, Dawn Jourdan, Jordan Lee WSN, Karen Brylle, Conrad Berg, Mary Thompson HRDC, Andrew Jespersen, Heidi Jespersen, Scott Jespersen, and Ashley Jespersen

APPROVAL OF AGENDA – Moved by Councilor Patch and seconded by Councilor Stade to approve the agenda as written. Motion carried unanimously.

CONSENT AGENDA – Moved by Councilor Stade and seconded by Councilor Patch to approve the consent agenda items:

- a. July 5th, 2016 Council Meeting Minutes
- b. July 5th, 2016 Council Work Session Minutes
- c. July 11th, 2016 Council Work Session Minutes
- d. July 13th, 2016 Blackduck Development Corp Meeting Minutes
- e. July 27th, 2016 Planning Commission Minutes
- f. July 12th, 2016 Blackduck Municipal Golf Board Meeting Minutes
- g. June 16th, 2016 Kitchigami Regional Library Board Meeting Minutes
- h. August 4th, 2016 Council Meeting Minutes
- i. July 2016 Fund Balance Report
- j. July 2016 Bills
- k. YTD July 2016 Income Statements
- l. July 2016 Month End Remittance Report
- m. June 2016 LG216 Lawful Gambling Monthly Rent Report
- n. Assessment Agreement between City of Blackduck & Beltrami County
- o. 2016 Annual Continuing Disclosure Report
- p. 2016 First Half LGA payment
- q. Resolution 2016-03 Revised – Resolution of Annual Appointments & Designations for 2016
- r. Final Approval of Part time Employee Resignations

Motion carried unanimously.

BLACKDUCK FORUM –

No one present to speak.



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2016 ROAD IMPROVEMENT PROJECTS – Jordan Lee, WSN

1. Funding Updates for Summit and Main – Lee was present to report updates on funding from the July council meeting. There still is no contract from Small Cities, but as of this morning those contracts may be out later in the week. Once the contract is out then the funds would be available in the next few weeks. The PFA side has received grant dollars for Blackduck from other cities that have chosen not to take their grant dollars. PFA has been able to come up with \$290,000 grant today for Blackduck to use as soon as the contracts are signed. If there is a special session and if the bonding bill is signed then that amount would cap at \$597,170 grant with the remaining \$149,000 loan. The big thing to remember is that grant amount caps only if a bonding bill is passed.
2. Construction Update - Curt Meyer has a tentative construction restart date of August 29th right now. Meyer and Lee hope to know by then if there is a special session as there are talks that it is going to be the third week of August if it happens. Klug asked what the plan is to finish the west side of the highway this fall. Lee stated that as soon as funding is available the plan will be to complete as much of the project as possible.
3. PFA Needs – PFA will need a rate study or rate increase plan. Blackduck's average user rate is about \$34 per month, and in order to pay back that loan the user rate will need to increase to about \$36 per user. Lee states it is not a significant increase as thought a month ago but a rate study will still need to be completed. Councilor Stade asked who does the study and when it will need to be completed by. Lee stated that the study won't need to be completed until late fall, and that MN Rural Water can assist completing the study. Regas will be reaching out to MN Rural Water after the Primary.

PUBLIC WORKS REPORT – Bob Klug Jr., Public Works Supervisor

1. Water Tower Cleaning – Klug has received a quote to clean the water tower this fall.
2. VEIT Sewer Main Cleaning – Next week VEIT will be in town doing some Sewer Main Cleaning.
3. Patio at the Liquor Store – Klug is awaiting one more bid to complete the patio at the Liquor store. Klug received one today from Complete Concrete out of Guthrie but is still waiting on Freisen.
4. 4th Street Repaving – Mark Sand and Gravel is supposed to come up and give Klug a bid on repaving 4th Street NE but Briana is out of town at the moment. Klug will ask for a quote on the Liquor store parking lot at the same time.
5. Pine Ave. & Frontage Road – Still scheduled to be done this fall.
6. Blackduck Trail - Bids are out.

LIQUOR STORE REPORT – Shawnda Lahr, Liquor Store Manager

1. 2016 Backwoods Bash Pond Party – the band and bar will be at the Wayside rest this year. The band starts at 9pm, but the Pond will have bar coverage from 10am until 1am.
2. Training Request MMBA Regional Meeting – Moved by Mayor Lundberg and seconded by Councilor Patch to approve sending both Lahr and Guellette to the regional meeting in Bemidji on September 7th, 2016 at the Sanford Center. Motion carried unanimously.



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LAW ENFORCEMENT REPORT –

1. Final approval of Full time Patrol Officer – Moved by Councilor Patch and seconded by Councilor Stade to hire Andrew Jespersen as a full time patrol officer for the City of Blackduck. Motion carried unanimously.
2. Swearing in of Officer Jespersen – Mayor Lundberg officially swore in Officer Jespersen.
3. Joint Powers Police Training Agreement City of Bemidji & City of Blackduck – Regas provided for review an agreement to provide FTO training to Officer Jespersen. No further action needed.
4. Police Administration Agreement between Scott Wherley & the City of Blackduck – Moved by Councilor Stade and seconded by Councilor Patch to approve the police administration agreement with Scott Wherley for Part time temporary patrol officer coverage. Motion carried unanimously.

FIRE DEPARTMENT REPORT – Troy Gabrelcik, Fire Chief

1. Annual Township Budget Meeting August 11th, 2016 @ 6:30pm – Chief Gabrelcik reported the annual budget meeting will be held on August 11th, and that the proposed budget has not changed from 2016. Gabrelcik believes the townships will not have many changes.
2. Resignation of Fire Chief Gabrelcik – Moved by Councilor Patch and seconded by Councilor Stade to accept the resignation of Fire Chief Gabrelcik. Mayor Lundberg thanked the Fire Chief for his many years of service and wishes him well. Motion carried unanimously.
3. Final approval of appointment of Brian Larson to Fire Chief – Moved by Councilor Stade and Councilor Patch to approve the appointment of Brian Larson to the Blackduck Fire Chief. Motion carried unanimously.

GOLF COURSE REPORT – Jim Andersen, Golf Course Superintendent

1. Golf Board Report – Dawn Jourdan reported that the ladies league is interested in purchasing some new patio furniture for the club house. Jourdan also reported that there are plans to assist in updating some tee boxes and signs. Jourdan is interested in working hard to do off season promotions for the upcoming 80th anniversary of the golf course. Jourdan also asked for the City to consider an incentive to members that wish to provide some assistance in the pro shop when staffing is low and if the City would consider taking the work off the members' costs. Jourdan urged the council to strongly consider approving the purchase of a new fairway mower. The Ladies Scramble has been really successful and the Thursday Night Scrambles have been doing great!
2. Equipment and building Financing Options – Andersen was present to report that the fairway mower 4WD is still out. Andersen hopes to have it fixed this Wednesday, he has approved about \$2,000 of repairs to it and the mower won't perform any better once that is fixed. Regas offered the council 3 options to purchase a new fairway mower and greens mower from Ehlers (Abatement Bond); MTI (seasonal lease for 5 years); and Deerwood Bank (5 or 7 year loan to purchase). Regas provided a study of membership rates increased over the course of 3 years to assist in offsetting the cost of the loan payments. After much discussion of the pro's and con's to each option the Council made the following recommendation:

Moved by Mayor Lundberg and seconded by Councilor Patch to approve financing up to \$100,000 to purchase both a fairway mower, and greens mower from MTI financed through Deerwood Bank for 7 years of seasonal payments at 4.5% interest rate and put



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down \$10,000 to secure the financing from the General Reserve Fund. Further discussion requested Regas confirm that Deerwood can structure the loan to have the first payment begin May of 2017. Stade asked if rate increases need to be part of the purchase. Regas stated that the increases should be factored into the 2017 budget so Regas will work on a new rate increase schedule. Motion carried unanimously.

LIBRARY REPORT – Alayna Nestberg, Head Librarian

No report submitted.

Mayor Lundberg commented that he has heard several positive comments regarding the Free Little Libraries and that they are a hit! Stade gave a big thanks to the Blackduck 4H Club!

ADMINISTRATOR'S REPORT – Christina Regas, City Administrator

1. Resolution 2016-22 – Mary Thompson updated the council on how she has been involved in securing a developer for some new housing. Thompson is present to request Resolution in Support of Application to MN DEED 2017 Workforce Housing Development Program – Moved by Mayor Lundberg and seconded by Councilor Patch to approve Resolution 2016-22. Motion carried unanimously.
2. Donation Request from Blackduck Chamber – Moved by Councilor Stade and seconded by Councilor Patch to approve a donation in the amount of \$520 to the Blackduck Chamber for liability insurance coverage for their annual events. Motion carried unanimously.
3. On-Sale Intoxicating Liquor License 2016-03 – Moved by Mayor Lundberg and seconded by Councilor Stade to approve the On-Sale Intoxicating Liquor license 2016-03. Motion carried unanimously.
4. Filing date for 2066 City of Blackduck Elections – Reminder dates to file are August 2 – August 16th, 2016
5. National Voter Registration Day – September 27th, 2016
6. Work Session Request August 29th, 2016 @ 6pm
7. September Council Meeting Reminder – September 6th, 2016

COMMUNITY EVENTS/GOOD THINGS HAPPENING –

1. Blackduck Development Corporation Meeting – August 10th, 2016
2. Blackduck Chamber of Commerce Meeting – August 17th, 2016 – Duck In and Eat
3. Backwoods Bash Drenched Dash 5K- August 20th, 2016
4. Backwoods Bash – August 20th, 2016
5. Drakes Scramble – August 21st, 2016 – Blackduck Golf Course
6. Blackduck Chamber of Commerce Taco Night at the Pond – August 26th, 2016
7. Blackduck Farmer's Market – Every Saturday – Wayside Rest Park
8. Beltrami County Commissioner Public Meeting Summer & Gross Q&A – September 12th, 2016 6pm City Hall, Blackduck



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ADJOURN – Moved by Councilor Stade and seconded by Mayor Lundberg to adjourn the meeting at 7:24pm. Motion carried unanimously.

Christina Regas, City Administrator

Daryl Lundberg, Mayor