



BLACKDUCK CITY COUNCIL WORK SESSION

TUESDAY AUGUST 30TH, 2016 5:30PM

WORK SESSION MEETING MINUTES

CALL TO ORDER: The City Council of the City of Blackduck met in a scheduled work session at the City Hall at 5:30 p.m. on August 30th, 2016.

Roll Call

Councilors present: Mayor Lundberg, Councilors Stade, and Patch,

Councilors Absent: none

Staff Present: City Administrator, Christina Regas, WSN Grant writer Pat Conroy

Others Present: none

The meeting was called to order at 5:30pm the Pledge of Allegiance was not recited.

Topics covered in the work session were as follows:

1. **2016 WATER/SEWER UPDATES** – Conroy was present to update the council on the Funding side of the 2016 Road Project.
 - a. **Funding Updates** – Conroy reported that the DEED contract is in and the City can move forward again with the sewer side of the project. The PFA waterside funding is in the final stages of approval as well. Council can expect to see final contracts and resolution to approve at the September meeting. The final approved amounts are as follows:
 - i. **DEED amount = \$888,750 all grant**
 - ii. **PFA amount = \$746,463 (\$277,629 is grant & \$468,834 is loan)**The PFA loan is set for the full amount as of right now at 1% for 30 years. When the bonding bill is passed in 2017 PFA will amend the agreement for the loan amount once additional grant is awarded. The council still has the ability to assess for repayment of the loan and the contract being sent will be set up that way. The council wants to have the choice depending on how much additional grant the City is awarded in 2017.
 - b. **Construction update** – Meyer was not present due to illness but did report that there will be a construction meeting with the contractor, subs, County, and City on August 31st, at 10:00am. The City will know at that time if and when the construction on Summit will begin again.
2. **PFA RATE STUDY** – Regas updated the council on a scheduled rate study for the City with MN Rural Water on October 4th, 2016 as part of the requirements for the PFA loan/grant contract. Regas will report findings after the study to the council. No further action needed.
3. **GOLF EQUIPMENT FUNDING** – Regas updated council on the proper procedure the City of Blackduck must adhere to fund the recently approved equipment purchase for the golf course. Regas is working with the City Bond Council to approve an equipment bond and will have the required resolution to approve at the September regular council meeting.
4. **2017 GENERAL BUDGET** – Regas presented a draft of the general budget for 2017 highlighting the proposed levy, LGA, and employee salaries and health care coverage costs. The largest change to the levy is the reduction of the principal amount of the 2009A refunding bond to \$15,000 from \$45,000. Council asked for another budget work session to only focus on the budget. It was decided to schedule a work session on September 19th, 2016 at 5:30pm and announce a special council meeting to adopt the proposed levy on September 26th, 2016.



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5. **PATROL OFFICER VACANCY** – Regas asked for feedback on replacing the vacant Chief of Police position with another full time officer so that the City can post the position on the POST board website. After hearing comments from council from the community it was agreed that the City does want to have two full time officers. Regas will post the vacancy and plan for council to interview candidates as a panel. It was also commented that the City must have the Police Department require a different coverage time for the City officers. Not having day coverage has been a disappointment to the community. Regas stated that having all new staff is a clean slate for the department to have difference coverage.
6. **2015 FIRE BUDGET EXCESS** – Regas reported that the Fire Department budget surplus from 2015 after the audit was a little over \$10,000 and recommends the council transfer the surplus to the Capital Replacement Truck fund, per the request of the fire protection service towns and cities. It was agreed to transfer the amount at the September meeting.
7. **PUBLIC HEARING FOR ‘GRANNY PODS’** – Regas reported the Planning Commission will hold a public hearing prior to the September council meeting at 5:00pm to take public comment on the City to allow or opt out of the new Minnesota Statute 462.3593 Temporary Family Health Care Dwellings. The Planning Commission is recommending the City opt-out.
8. **2016 ELECTIONS** – Regas reported that the City of Blackduck had two fillings for the 2016 election. Rudy Patch for City Mayor, and Amata Jo Molnar for City Council. There are still two council seats available.
9. **ADJOURN** – Council adjourned their work session at 6:45pm.

Christina Regas, City Administrator

Daryl Lundberg, Mayor