



# BLACKDUCK CITY COUNCIL MEETING

MONDAY JUNE 4<sup>TH</sup>, 2018 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 6:00p.m. June 4<sup>th</sup>, 2018. Meeting called to order by Mayor Patch and the Pledge of Allegiance was stated.

**ROLL CALL:**

**Councilors present:** Mayor Patch, Councilors Sellon, and Kolb

**Councilors Absent:** Molnar

**Staff Present:** City Administrator Christina Regas, Public Works Supervisor Bob Klug, Liquor Store Manager Shawnda Lahr, Lead Bartender Melissa Guellete, Fire Chief Brian Larson, and Chief of Police Jace Grangruth

**Others Present:** Jon Roscoe, Miller McDonald, and Jordan Shearer, Blackduck American

**APPROVAL OF AGENDA** –Moved by Mayor Patch and seconded by Councilor Sellon to approve the agenda as submitted. Motion carried unanimously.

**CONSENT AGENDA** – Moved by Councilor Kolb and seconded by Councilor Sellon to approve the consent agenda as submitted:

- a. May 7<sup>th</sup>, 2018 Council Meeting Minutes
- b. May 9<sup>th</sup>, 2018 Blackduck Development Corp. Meeting Minutes
- c. May 16<sup>th</sup>, 2018 Planning Commission Meeting Minutes
- d. May 21<sup>st</sup>, 2018 Council Work Session Meeting Minutes
- e. May 2018 Fund Balance Report
- f. May 2018 Bills
- g. YTD May 2018 Income Statements
  - a. Water, Sewer, Pine Tree Park, and Golf Course
  - b. Liquor Store
- h. May 2018 Month End Remittance Report
- i. April 2018 LG216 Lawful Gambling Monthly Rent Report
- j. May 2018 Revolving Loan Fund Bills
- k. Final approval of May/June Part-time & Seasonal employees
- l. Special Event/Community Festival Liquor License Application 2018-01– Blackduck American Legion July 14, 2018
- m. Final approval of Sanitary Sewer Discharge Permit 2018-02 – Juelson Plumbing & Heating
- n. MN Investment Fund State funded RLF One-Time Exception Submitted 20% returned funds – final approval

Motion carried unanimously.

**BLACKDUCK FORUM** –

No one present to speak.



# BLACKDUCK CITY COUNCIL MEETING

MONDAY JUNE 4<sup>TH</sup>, 2018 6PM

## REGULAR COUNCIL MEETING MINUTES

---

### **2017 FINANCIAL AUDIT PRESENTATION – Jon Roscoe, Miller McDonald**

1. Board Presentation Report – Roscoe presented a 5-year summary of the fund balances and expenditures for the City of Blackduck funds. Roscoe noted the difference amounts of fund balances and the number of months the City can operate from the fund balances. Roscoe noted the differences in expenditures and revenues for all enterprise funds.
2. Financial Audit Report – Roscoe presented a summary of the 2017 Financial Audit and its findings to the public and council. Roscoe reviewed the new findings.
  - a. Finding 2017-01 was related to pledge collateral pertaining to the road project and an invoice that was not paid and just a timing issue no action plan needed.
  - b. Finding 2017-02 was related to debt service for the equipment bond for the golf course. Roscoe explained the City will need plan other dollars to cover the golf debt if the enterprise fund cannot fund the debt itself or levy for the debt each year.
  - c. Findings 2017-03 & 04 are repeated from prior years related to filing of the financial statements with the State Auditor and who files the statements and the separation of duties in the financial responsibilities of the City. Roscoe summarized that most smaller cities have other auditors complete the filings and review the responsibilities instead of having the City hire additional staff to complete those duties.

### **FIRE DEPARTMENT REPORT – Brian Larson, Fire Chief**

1. Resolution 2018-11 – Resolution approving a gambling license for the Blackduck Baseball Inc. – Moved by Mayor Patch and seconded by Councilor Kolb to approve Resolution 2018-11 for a gambling license for the Blackduck Baseball Inc. Motion carried unanimously.
2. Training Storage Unit Purchase – Chief Larson outlined the costs associated with attaining a training container for the Blackduck Fire Department. Moved by Mayor Patch and seconded by Councilor Kolb to approve the-a purchase and set up fees associated with securing a training container not to exceed \$4,000. Public Works Supervisor Klug requested purchasing gravel for a base for the trailer to rest on. Chief Larson reported the shipping, plumbing, and set up fees will be minimal. Chief Larson reported to the council that the only items allowed to be burned in the container is wood and straw, nothing flammable that would emit any harmful smoke. Chief Larson reported the container would be located near the hydrant – water source on the vacant City owned parcel adjacent to the City Garage on Railroad Ave. Hearing no further discussion on the motion Mayor Patch called for a vote on the motion. Motion carried unanimously.
3. Final Approval new Volunteer Fire Fighter – Chris Collison – Moved by Councilor Kolb and seconded by Councilor Sellon to approve the hiring of Chris Collison as a new Volunteer Fire Fighter for the Blackduck Fire Department. Motion carried unanimously.



# BLACKDUCK CITY COUNCIL MEETING

MONDAY JUNE 4<sup>TH</sup>, 2018 6PM

## REGULAR COUNCIL MEETING MINUTES

---

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

1. Resolution 2018-10 – Resolution authorizing the City of Blackduck to be a party to Minnesota Water Agency Response Network (MnWARN) – Moved by Councilor Kolb and seconded by Mayor Patch to approve Resolution 2018-10 authorizing the City of Blackduck to be a party to MnWARN. Public Works Supervisor Klug recommended the City pass the resolution for future mutual aid with other public works agencies in the State of MN. Klug reported that MnWARN would help with a catastrophic issue with water or wastewater in our City. Councilor Sellon asked if the City is only called upon to respond if the City has the resources. Klug confirmed yes. Hearing no further discussion Mayor Patch called for a vote on the motion. Motion carried unanimously.
2. Minnesota Water Agency Response Network (MnWARN) Mutual Aid Agreement – Moved by Mayor Patch and seconded by Councilor Kolb to approve the Mutual Aid Agreement with MnWARN. Councilor Kolb asked who sits on the board outlined in the agreement. Klug stated it has a representative from each region. Councilor Kolb asked who sits on the board from our region. Klug did not have that information but would find out for the council. Hearing no further discussion Mayor Patch called for a vote on the motion. Motion carried unanimously.

### **LIQUOR STORE REPORT** – Shawnda Lahr, Liquor Store Manager

1. Ice Machine Quotes – Naylor’s, Higgins, AL Supply, Base price for Part – Lahr reported the ice machine at The Pond had broke recently and she brought to the council quotes on replacement parts and machines for council to consider. Moved by Mayor Patch and seconded by Councilor Sellon to approve a budget not to exceed \$5,123 to replace the broken ice machine. Council requested Lahr request a timeline for delivery, if removal of the old unit is included in quotes from Naylor’s or Higgins; and find out if a local plumber can install the replacement unit if the Pond were to order the part instead of having a vendor order and install it. Naylor’s quoted price installed was \$5,123; Higgin’s quoted price installed was slightly higher at \$5,509.
2. Parking Lot - Regas requested the Liquor Committee meet in June to continue the process to replace the parking lot. Regas will request a date from all committee members that will work and report back.
3. Income Statements – Councilor Kolb asked for clarification on the reduction in inventory dollars on the May income statements compared to 2017. Regas reported the inventory cost is what is owned by the Pond and does not have anything pertaining to lost product. Lahr believed the reported revenue in May was higher than what she keeps track of. Regas reported she would re-review the income statements sent and report back if any changes are needed.

### **LAW ENFORCEMENT REPORT** – Jace Grangruth, Police Chief

1. Report – Chief Grangruth reported the turbo in the squad has had issues and Ford cannot find the problem. Grangruth stated the squad is in working condition but emits large amounts of smoke out the back when acceleration happens. Council and Administrator recommended Chief Grangruth prepare quotes for review at the next work session to begin the replacement of the existing squad. Nothing further at this time.



# BLACKDUCK CITY COUNCIL MEETING

MONDAY JUNE 4<sup>TH</sup>, 2018 6PM

## REGULAR COUNCIL MEETING MINUTES

---

### **GOLF COURSE REPORT** – Jim Andersen, Golf Course Superintendent

1. Golf Board Meeting – June 12<sup>th</sup>, 2018 – Regas stated the next golf board meeting is June 12<sup>th</sup>. Chief Grangruth mentioned he received a nice compliment on the course from a guest staying at the campground. Nothing further.

### **LIBRARY REPORT** – Kelly Hanks, Head Librarian

No Report submitted

### **ADMINISTRATOR’S REPORT** – Christina Regas, City Administrator

1. Public Hearing Requested - Resolution Vacating Streets & Alleys in the Lee’s Addition - Regas requested council call a public hearing for the clarification of a vacation on Morris Ave that was approved by resolution in October of 1980. Mayor Patch called for the public hearing to be held prior to the July 9<sup>th</sup>, 2018 regular council meeting. Nothing further.
2. Reminder June 18<sup>th</sup>, 2018 Council Work Session
3. Reminder July 9<sup>th</sup>, 2018 Council Meeting

### **COMMUNITY EVENTS/GOOD THINGS HAPPENING** –

1. **City of Blackduck Employee Anniversaries** –  
    Terry Frenzel - (June, 2000)  
    Natasha Stadstad – (June 2016)
2. Blackduck Development Corporation Meeting – June 13<sup>th</sup>, 2018 @ 11:00am
3. Blackduck Chamber Meeting – June 20<sup>th</sup>, 2018 noon @ Restaurant 71
4. Blackduck Planning Commission Meeting – June 20<sup>th</sup>, 2018 @ 2pm

**OTHER NEW BUSINESS** – No new business was brought to Council.

**ADJOURN** – Moved by Mayor Patch and seconded by Councilor Kolb to adjourn the meeting at 7:25pm. Motion carried unanimously.

---

Christina Regas, City Administrator

---

Rudy Patch, Mayor