



1. **CALL TO ORDER** – Mayor Rudy Patch
 - a. **Pledge of Allegiance**
 - b. **Roll Call**

2. **APPROVAL OF AGENDA**

3. **CONSENT AGENDA** –*All items listed under the Consent Agenda, unless removed from the Consent Agenda shall be approved by one Council motion.*
 - a. **December 9, 2019 Council Meeting Minutes**
 - b. **December 12, 2019 Public Works Committee Minutes**
 - c. **December 16, 2019 Liberty Drive Public Hearing Minutes**
 - d. **December 16, 2019 Croswell Avenue Public Hearing Minutes**
 - e. **December 17, 2019 Personnel Meeting Minutes**
 - f. **December 2019 Fund Balance Report & Scheduled Transfers & 2020 Bond Payments**
 - g. **December 2019 Bills**
 - h. **YTD December 2019 Income Statements**
 - a. **Water, Sewer, Pine Tree Park, and Golf Course**
 - b. **Liquor Store**
 - i. **November 2019 LG216 Lawful Gambling Monthly Rent Report**
 - j. **Final Approval - 2019 Self-Appraisal for City Administrator Christina Regas**
 - k. **Final Approval - Second half 2019 LGA & PERA aid**
 - l. **Final Approval - 2018 Beltrami Electric Capital Credit Customer Profile & Allocation information**
 - m. **Final Approval - Written Municipal Advisor Client Disclosure w/the City of Blackduck Pursuant to MSRB Rule G-42 Elhers**
 - n. **Final Approval - Notice of Availability, Public Comment Opportunity, & Written Comment Period for the Revised Final Environmental Impact Statement on the Line 3 Replacement Project**
 - o. **Final Approval - Office of the State Auditor Volunteer Fire Relief Association Investment Report Card**
 - p. **Final Approval - Governmental Lease-Purchase Agreement with #008-0777379-300 TCF National Bank & City of Blackduck (The Pond Message Board)**
 - q. **Final Approval – Notice to Residents water & sewer rate increases**

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.*

5. **PUBLIC WORKS REPORT** – Mike Schwanke, Public Works Supervisor

6. **LIQUOR STORE REPORT** – Shawnda Lahr, Liquor Store Manager

7. **LAW ENFORCEMENT REPORT** – Jace Grangruth, Police Chief

8. **FIRE DEPARTMENT REPORT** – Brian Larson, Fire Chief

9. **GOLF COURSE REPORT** – Jim Andersen, Golf Course Superintendent

- a. Golf Board Meeting January 9th, 2020 @ Club House

10. LIBRARY REPORT – Kelly Hanks, Head Librarian

11. ADMINISTRATOR’S REPORT – Christina Regas, City Administrator

- a. Resolution 2020-01 – Resolution of Annual Appointments & Designations for 2020
- b. Property Owner Petition for detachment of Property from a City – Daryl & Lori Lundberg
 - 1. **Parcel #81.00561.00 Map**
 - 2. **City Attorney Recommendation to City Counsel - MN §414.06**
 - 3. **Resolution 2020-02 – Resolution Responding to a petition initiated by property owner(s) for detachment of Property form the City of Blackduck Pursuant to MN §414.06**
- c. Resolution 2020-03 – Resolution approving the terms of an internal loan in connection with the construction of the Blackduck Golf Course Cart shed
 - 4. **2020 Amortization Schedule**
- d. Resolution 2020-04 – Resolution Approving an excluded Bingo License for the Blackduck Area Chamber of Commerce
 - 1. LG240B Application to Conduct Excluded Bingo – Blackduck Area Chamber of Commerce
- e. **Resolution 2020-05 – Resolution acknowledging a donation from the Blackduck Fire Relief Association**
- f. **Action needed - Assessment Agreement between City of Blackduck & Beltrami County for 2020**
- g. **Reminder City offices closed January 20, 2020 Martin Luther King Jr. Day**
- h. **Request Tuesday, January 21, 2019 Work Session**
- i. **Reminder February 4, 2020 Council Meeting**
- j. **Reminder 2020 Newly Elected Official Conference – February 28 – 29, 2020 Baxter, MN**
- k. **Presidential Primary – March 3, 3030 Blackduck City Hall**
- l. **Board of Review Meeting for City of Blackduck – April 27th, 2020 @ 9am Blackduck City Hall**

12. COMMUNITY EVENTS/GOOD THINGS HAPPENING –

- a. City of Blackduck Employee Anniversaries –
 - i. **Melissa Tindell - 6 years (January 2014 - Liquor Store)**
 - ii. **Christina Regas – 6 years (February 2014 - Administration)**
- b. Blackduck Development Corporation Meeting –January 8, 2020 @ 11am
- c. Blackduck Chamber Meeting – January 15, 2020 Noon @ Hungry Duck Restaurant
- d. Blackduck Planning Commission Meeting – January 15, 2020 @ 2pm
- e. Revolving Loan Fund Committee Meeting – January 16, 2020 @ 11am

13. ADJOURN



BLACKDUCK CITY COUNCIL MEETING
MONDAY, DECEMBER 9, 2019 @ 6:00PM
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CALL TO ORDER: The City Council of the City of Blackduck met in Regular Council Meeting at Blackduck City Hall at 6:00pm. November 4, 2019. Meeting called to order by Mayor Patch and the Pledge of Allegiance was stated.

ROLL CALL:

Councilors present: Mayor Patch, Councilors Kolb, Moore, and Gulette

Councilors Absent: none

Staff Present: City Administrator Christina Regas, Public Works Supervisor Mike Schwanke, Police Chief Jace Grangruth, and Lead Bartender Melissa Gulette, and Fire Chief Brian Larson

Others Present: Chris Dirkes and Daryl Lundberg

APPROVAL OF AGENDA –Moved by Councilor Kolb and seconded by Councilor Gulette to approve the agenda as submitted. Motion carried unanimously.

CONSENT AGENDA – Moved by Councilor Gulette and seconded by Mayor Patch to approve the consent agenda removing items ‘i’, and ‘n’.

- a. November 4, 2019 Council Meeting Minutes
 - b. November 18, 2019 Council Work Session Minutes
 - c. November 25, 2019 Personnel Meeting Minutes
 - d. December 5, 2019 Golf Board Meeting Minutes
 - e. November 2019 Fund Balance Report & Bond Payments & Transfers
 - f. November 2019 Bills
 - g. YTD November 2019 Income Statements
 - a. Water, Sewer, Pine Tree Park, and Golf Course
 - b. Liquor Store
 - h. October & November 2019 Month End Remittance Report
 - i. ~~October 2019 LG216 Lawful Gambling Monthly Rent Report~~
 - j. Final Approval – 2020 Contract for Municipal Rental Code Inspection Services
 - k. Final Approval – Corporate License for amusement machines Permits 2020-01 & 2020-02
 - l. Final Approval – 3.2 Malt Liquor License for Blackduck Bowling Lanes 2020-01
 - m. Final Approval - December 2019 Property Tax Settlement
 - n. ~~Final Approval – 2020 Liquor Store Cleaning Contract – Melissa’s Cleaning~~
 - o. Final Approval – Miller McDonald 2019 City of Blackduck Financial Audit Engagement Letter
 - p. Final Approval – 2019 LMCIT Property/Casualty Insurance Dividend @ May 31, 2019
1. October 2019 LG216 Lawful Gambling Monthly Rent Report – Councilor Gulette requested further details of why the closing of the gambling at the Liquor store has still shortages. Gulette asked if the Gambling Manager has been letting the Liquor Store management know sooner when there are shortages to pull-tab boxes. Regas stated that has been more conversation with the gambling manager and additional training of the staff but there needs to be more done to ensure a



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timely response of the shortages. Lead Bartender Melissa Gullette stated she too does not typically hear about any shortages until the report is released which is almost a month later. Gullette asked if it is known how much time goes by prior to the liquor store being alerted to the shortages. Regas stated it depends on when a box is closed out and depends on play. Regas further stated all boxes need to closeout at the end of the month. Mayor Patch stated it sounds like the boxes need to start being tracked when they are short or long. Melissa Gullette stated it is difficult process not knowing what box is coming up short some boxes playback and others don't. Mayor Patch suggested the gambling managers and leadership need to meet to find a solution. Nothing further.

2. Final Approval – 2020 Liquor Store Cleaning Contract – Melissa's Cleaning – Councilor Gullette asked if the contract option for a liquor store cleaner was bid. Regas stated since the liquor store janitor position has been vacant for several months and the staff was not interested in taking the additional hours and pay to dedicate to just janitorial work the Liquor store manager offered the idea to Melissa Tindell's cleaning service to assist 8 hours weekly. Regas stated the Personnel Committee was included in the consideration and the contract will not affect paid wages but invoiced and billed monthly instead. Nothing further.

Moved by Councilor Gullette and seconded by Councilor Moore to approve consent agenda items 'i', and 'n' after further discussion.

BLACKDUCK FORUM –

No one present to speak.

FIRE DEPARTMENT REPORT – Brian Larson, Fire Chief

1. Approval Needed – Volunteer Fire Fighter candidates Joseph Wilhelmi & Clinton Reeves –
Moved by Councilor Gullette and seconded by Councilor Moore to approve the hiring of two new volunteer fire fighters Joseph Wilhelmi and Clinton Reeves pending background and physical fit testing. Motion carried unanimously.

LAW ENFORCEMENT REPORT – Jace Grangruth, Police Chief

1. Approval Needed – Part-time Patrol Officer candidate – Robert J. Fraik – Moved by Council Kolb and seconded by Councilor Moore to approve the hiring of part-time patrol officer Robert J. Fraik. Motion carried unanimously.

LIBRARY REPORT – Kelly Hanks, Head Librarian

1. Report – Councilor Gullette reported the Library is having a day with Santa and is giving away books to the children that are in attendance. Mayor Patch asked if the event was posted on the City website. Regas stated she knew it was posted on the City Facebook page but not the website. Councilor Kolb asked if the City had calendars on both the website and Facebook page. Regas did not believe the Facebook page had a calendar but knew the event was posted with a date for the public to view. Nothing further.



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CLOSE REGULAR MEETING & OPEN PUBLIC HEARING – Moved by Mayor Patch and seconded by Councilor Moore to close the regular meeting at 6:14pm and open the public hearing for the 2019 Truth in Taxation Report. Motion carried unanimously.

2019 TRUTH IN TAXATION PUBLIC HEARING – Christina Regas – City Administrator

1. 2019 Truth in Taxation -Regas was present to review the report provided to the public reviewing the 2020 proposed budget; the general fund revenues and expenditures; how the increase to the levy could affect the taxpayers; and highlights of what drove the levy. Regas summarized the report by highlighting the 2019 property tax levy amount with an increase of 16.9% and provided a sample property tax calculator on a \$100,000 home. Regas further discussed the 2020 LGA contribution from the state and the increase to the City of Blackduck; the EMV & TMV of the City and noted the TMV dropped 1.7% affecting the burden on the taxpayers. Regas highlighted the detailed increases on the general fund budget noting how personnel, equipment, and operating affect the budget by percentage. Regas further stated the details on the personnel changes for 2020; an increase to street maintenance materials budget; and general operating increases to administration such as the City website and Library building maintenance increases. Lastly, Regas provided a summary of where the City revenues come from noting a significant increase of \$10,000 for a total of \$75,000 of liquor store transfers to the general fund; the amount of LGA; and Property Taxes.
2. Questions & Comments Period - Administrator Regas and the Blackduck City Council then took questions regarding the 2020 budget.
 - a. Chris Dirkes – stated the figures in the report do not come close to what he is paying and the increase for his home valued at \$74,000 was 24% and in the last few years over 40%. Dirkes further stated he is disappointed the City is going to reconstruct the road in front of his home and raise the water bill. Dirkes stated he did not understand why the City was going to rebuild a brand-new street. Regas recommend Dirkes attend the public hearing on December 16th to ask the specific questions to the City Engineer at that time.
 - i. Water/Sewer increases – Councilor Gullette stated there has not been much of an increase to the water/sewer budgets in several years and the infrastructure is showing its age. Mayor Patch further stated there have been additional studies done on water/sewer rates in the region and the proposed increases are similar.
 - b. Daryl Lundberg – stated like Dirkes his property taxes are going up 22% and wanted to know if that is going to be for everyone. Dirkes stated if the City keeps the increases up, everyone’s taxes will double in 6 years. Mayor Patch stated he hopes is not to continue raising taxes but he believes the City is playing ‘catch-up’ from the last 8 years. Patch stated after touring the City streets in June the Council was made aware of how neglected everything is. Patch stated there has been no funding for the streets for many years, the trucks are falling apart due to lack of funding.
 - c. Daryl Lundberg – asked why the planning and zoning budget is increasing 10x but the revenue side only shows half the amount. Regas stated the planning and zoning budget is increasing due to the rental inspection rounds in 2020 and that the true amount of revenue received each year for permits varies. Lundberg stated the revenues are going up 11% but the taxes are going up 16% is there a reason for that.
 - d. Net Tax Capacity Supplemental Report – Lundberg asked for clarification as to why the City debt continues to be added to the levy noting an increase in 2019. Regas reported in 2019, the City approved adding half of the golf debt to the city levy and that shows the



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increase. Lundberg stated that he understands the need to fix streets and fund that department, but the City has always been able to fund itself and not increase the mill rate. Lundberg stated now the mill rate is at 100% and can't go any further and is now a bad deal and the City can't continue this way. Lundberg asked the council what the Council's plan will be if the Liquor store has a bad year. Regas stated after the 2018 audit the Liquor store had almost 4 months of cash balances to continue to operate. Dirkes stated that will cover the liquor store but not the City general fund. Mayor Patch stated there has been an increase in sales in the liquor store to add more to the levy.

3. Council Comment – Mayor Patch stated the council took many meetings to discuss the levy and it is the City's hope that new home builds will assist in the increase of the tax burden. Regas stated as the net tax capacity increases it will ease the increase on the taxpayers. Dirkes stated the city isn't growing right now. Regas stated there is a new home being built on 4th Street NE. Dirkes stated he believes one of the issues the City has now is it used to be business heavy and people light and now it is the other way around. Patch agreed noting older business owners are leaving and younger owners are coming in. Chief Grangruth stated the 0.5% sales tax increase that did not pass in 2018 could have been a relief to the taxpayers. Regas stated that could have brought in almost \$30,000 annually based on 2015 numbers from the state. Dirkes did not believe a 0.5% sales tax would bring in much since only Timberline would be affected. Mayor Patch stated all the traffic from tourists through town would bring that funding in.
4. Golf Course Debt - Lundberg stated there is 5 years of golf debt left to fund and asked if there are any sights of the golf course funding itself. Mayor Patch stated without the debt it could fund itself. Councilor Kolb agreed stating it would be close to funding itself. Dirkes asked if the traffic at the course was up. Regas stated the walk-on traffic was down in 2019, however, the amount of play was up significant. Dirkes stated if the use of the course continues to drop there is no sense in keeping it open. Lundberg asked if since the golf course is an enterprise fund and should fund itself if sliding the debt back to the taxpayers is allowable. Mayor Patch stated the Pond is an enterprise fund. Lundberg agreed and stated it too is funding the golf course. Patch stated the increase if divided monthly is not a large increase. Lundberg replied to Patch stating it is still an increase. Regas stated the liquor store can in future provide more revenue to the general fund in the future as it continues to grow business. Lundberg stated that is all relative because the city has leveraged more revenue in the past but now the levy is increasing instead. Patch stated once some of the city debt is clear the cost to the levy can level out and the liquor store can leverage more. Patch stated not having the liquor store would make the city suffer more. Dirkes stated Blackduck is successful and that is good as many other city liquor stores are not doing well. Dirkes stated that when all the rest of the bars in town shutdown then the liquor store did better. Patch stated he didn't know if that really helped a lot and differed to Gulette. Gulette stated that when Restaurant 71 shuts down at 3pm the Pond receives more dinner traffic now that the menu has increased and being the only bar in town the Pond does well. Gulette also stated that the Pond does has its slow months and when weather plays into customer traffic the store sees a dip in revenue but they typically can make it up.
5. Further Comments & Questions – Mayor Patch asked the public if there are any further questions regarding the levy. Lundberg asked why there was a large increase in 'other professional services' in 2020. Regas stated the City website hosting and maintenance is coded in that fund line. Patch stated in the past the cost was shared among other organizations in the City. Regas agreed and stated that in 2020 the cost is solely the City's. Lundberg further asked if the Police Department and Fire Department share the cost of the electricity for the Law Enforcement Center.



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Regas stated the law enforcement building is a separate meter from fire department, however, part of the heating and electricity funds part of the building the fire department utilizes. Lundberg asked if the street lighting expenditures have decreased due to the improvements made to LED fixtures. Regas confirmed. Dirkes asked if the City still charges him on his utility bills for street lighting. Regas stated the cost associated with the street lighting was amended in 2016 and put in the levy. Regas further stated the City has a few fixtures left to improve and that BEC has been working with the City to improve their older fixtures the City pays for a flat rate on. Mayor Patch called for any further questions on the 2020 levy from the public. There were no more questions at this point.

CLOSE PUBLIC HEARING & RE-OPEN REGULAR MEETING – Moved by Mayor Patch and seconded by Councilor Moore to close the public hearing at 6:50pm. Motion carried unanimously. Moved by Councilor Kolb and seconded by Councilor Moore to re-open the regular meeting. Motion carried unanimously.

PUBLIC WORKS REPORT – Mike Schwanke, Public Works Supervisor

1. Report – Schwanke reported the streetlights that have been down are now working on MnDot 71 & Main and Frontage Road. Schwanke stated the wayside park are all new fixtures too. Schwanke stated snow removal has been keeping the department busy. Mayor Patch asked if parking of vehicles is impeding snow removal. Schwanke stated yes. Patch suggested the enforcement for not parking during snow removal increase. Schwanke stated there is a plan in place and the police department has been ticketing vehicles and with the recent snow the same vehicles are impeding removal again today. Schwanke would like to implement a ‘3-strikes and you are out’ for those vehicles. Schwanke stated the strikes would go as follows: 1-warning; 2-ticket; 3-vehicle tow. Schwanke stated the vehicles create a danger to the staff that is plowing and his first responsibility is the safety of his staff. Councilor Kolb asked if the City has ever thought of adopting a calendar parking option for snow removal. Schwanke stated as the ordinance is stated right now as soon as there is 2” or more of new snow all vehicles should be removed from the streets. Schwanke stated if the City went to calendar parking the vehicles are still in violation of the ordinance. Schwanke stated it is better the City has the ordinance in place as is so that public works can clean up all the streets from snow and have it completed in one day. Kolb stated he understood but was thinking of ways to eliminate the mound of snow in the middle of the roads. Schwanke stated that the process he has implemented allows for sooner clearing of the snow. Kolb understood but stated he was thinking of ways to eliminate that issue. Schwanke stated that issue will always be there as there is no where to go with the snow and with businesses on both sides of the roads plowing the snow to the middle is the best/fastest way to remove it. Regas stated the City has received several thank you’s appreciating the way the snow is being removed. Kolb understood and asked if the snow in the middle of the road is considered an obstruction according to our policy and ordinance and is the City above the ordinances by creating the obstruction. Schwanke stated no, because he does have to do what he needs to do to remove the snow unless he gets a 10’ snowblower to push the snow off the road. Schwanke stated his equipment is in need of some repair that is used for snow removal but it is necessary for his crew to complete the snow removal first. Councilor Gullette stated he likes the idea of a 3-strikes policy. Kolb stated he believes it should be more than one and further stated the fine should either be raised or tow the vehicle on the first incident and give no leeway. Schwanke stated it is going to be the same offenders each time. Kolb stated again to increase the fine so



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they don't violate or tow the vehicle. Patch stated towing the vehicle will sit heavier with the owners. Gullette stated either way when the city ends up damaging a vehicle then things may change. Melissa Gullette asked if the liability then falls on the City. Schwanke stated if the vehicle is parked where it isn't supposed to be then no. Kolb asked to hold a public works committee meeting to review the ordinance. Regas stated the penalty section of the ordinance only states the city can ticket and then tow if the violation occurs. Regas suggests increasing the fine or revise the ordinance to a different violation. Chief Grangruth stated some of the repeat offenders are renters in apartment buildings that are ordered by their landlords to vacate the parking lots. Grangruth stated he is trying to find a happy medium on ticketing because of this. Patch stated the apartments are supposed to have enough parking for the tenants. Grangruth stated they due but their snow removal rules are the same as the City's. Schwanke stated for homes that have no alley access or off street parking his department will try to work with them. Patch stated when he hears the grader in the morning he moves his vehicle. Schwanke stated people can park in their yard until the snow is removed and he is willing to work with people and open up a space for them. Kolb asked Regas if the City has an ordinance that states vehicles cannot park within 100 feet of the right of way or front yards. Schwanke stated you would never be able to park in your driveway. Kolb stated driveway versus gravel or unpaved surface. Regas stated she would prefer to validate the ordinance. Kolb stated if that is the case then the city would be asking people to violate one ordinance to adhere to another. Regas stated that the parking would be very temporary. Kolb stated he understood but if the ordinance is in place then is difficult to uphold one and not the other. Schwanke suggested the ordinance could be revised stating in winter month exceptions could be made. Kolb asked how often tickets are issued. Schwanke stated it may have to be discussed at a public works committee meeting. Regas stated she recalls the ordinance provides the authority to the administrator, public works supervisor, and police department to issue tickets as needed. Kolb stated with the ticket cost being \$25 he could leave his vehicle on the road each time there is a snowfall. Regas stated if ticketed each time then yes. Patch requested setting up a committee meeting. Schwanke requested the meeting be held soon to clarify the ordinance. *A Public Works Committee Meeting was called for Thursday, December 12, 2019 @ 10am @ City Hall.* Nothing further.

LIQUOR STORE REPORT – Shawnda Lahr, Liquor Store Manager

1. Report – Melissa Gullette was present to report on the 2019 Deer Season business reporting although slower the liquor store ended the month of November up over 2018. Gullette further reported on upcoming customer appreciation events and Christmas holiday hours. Councilor Kolb asked how much the business has gone up since the auto-fry has been installed. Regas reported on the income statement the sales for food year-to-date over 2018 have increase over \$21,000. Gullette stated the store is still working on perfecting the kitchen process and training the bartender to cook. Councilor Gullette asked if anything was decided to do about the patio and snow removal. Gullette states currently after today's snow the liquor store closed it due to lack of time to shovel it, however, last week a bartender brought in his snow blower. Kolb asked if the leaf blower is working. Gullette stated not on the heavy snow but did for the lighter snow. Kolb asked if it did for today's snow fall. Gullette could not confirm. Schwanke stated that Lahr was shoveling today when he was working on the parking lot. Gullette stated the blower works until the accumulation increases then it is difficult. Kolb asked if seafood is being sold at the Pond. Gullette stated not anymore. Kolb asked if it was removed from the menu. Gullette stated yes. Kolb asked if the auto-fryer ever cooked the seafood. Gullette stated yes. Kolb asked if there



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was a clause on the menu. Gulette stated there was no disclaimer so the menu was changed and sampler basket was changed and the shrimp was removed. Kolb confirmed if the seafood was run in the auto-fry for about a month and if there were any anti-phylactic shock issues. Gulette stated not to her knowledge. Nothing further.

GOLF COURSE REPORT – Jim Andersen, Golf Superintendent

1. Cart Shed Financing Options – Regas presented new financing options for council consideration for the cart shed.
 - a. Internal Loan with Revolving Loan Fund – 10 years @ 2.5% - Shed only
 - b. Ehlers schedule cart shed only for 10 years
 - c. Ehlers schedule cart shed with extra money for club house for 10 years
 - d. Refinancing schedule with cart shed & additional funds for club house maintenance for 10 years
 - e. Refinancing schedule with cart shed & city hall funding & additional fund for club house maintenance for 10 years

Regas further reported the golf board met and agreed on the pricing for cart storage and rental for 2020 and made reference to the golf board minutes of 12/05/2019. Regas then opened up the financing options up for discussion of the council. Councilor Gulette asked why the green fees are not being increased. Regas noted the consensus from the golf board was that if the green fees increase it would not help revenue but hurt. Patch stated the current green fees are competitive with other surrounding courses. Kolb asked if the debt ration of the other courses is similar to the City course. Patch stated they are privately owned and would not know that information. Kolb asked if walk on traffic was up this year. Regas stated rounds of golf played was up but walk-on was down. Patch asked if memberships were up this year. Regas stated the number of memberships was flat. Kolb asked how many members the course had this year. Regas stated the number of memberships was about 48-50. Kolb asked how many walk-on's average. Regas stated she did not have that information. Kolb stated he is trying to figure out 50 people. Regas stated the course did not have 50 members but 50 memberships which doesn't give you total number of members because of the different types of memberships sold. Kolb asked if there is a logbook of rounds played for members vs. non-members. Regas stated yes.

Cart Storage Rate Questions – Regas asked if the council had any questions about the new rates. Gulette stated no.

Financing Options Questions – Councilor Gulette stated it seems the City Council is more concerned about making the cart shed break even then the golf course by the funding options provided. Gulette stated it isn't the big solution. Regas asked if the City should have ever taken the shed down. The Council agreed it had to come down. Kolb asked if the City should work to fund remodeling the kitchen to sell booze instead of a golf cart to make money for the golf course. Regas stated if the City does not rebuild the cart shed the course will lose all 14 members that store their carts as members. Kolb asked if 14 memberships would be more than 2 people to a membership. Patch stated that is just the current members that are storing their cart. Gulette asked if any of those members live in city limits. Patch could not comment. Kolb stated like charity events or tournaments he believes the Hoot n Holler would be very happy if the golf course sold liquor instead of having golf carts. Kolb stated he believes that liquor would make



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more money than even having golf carts. Regas asked if Kolb believed the golfers that use the course did not have the option of using a golf cart when they golfed if they would return. Kolb stated he did not believe the golf carts are the issue. Gullette understands the city needs to put up the shed. Councilor Moore stated she is leaning more toward funding the cart shed and putting money into the club house to provide food and alcohol would be a better opportunity for the course. Gullette stated cart shed or not, if the city builds the shed, the course is still going to lose \$30,000 next year. Schwanke asked the council to confirm that the city agreed the shed would be rebuilt but it is just a matter of how the city wants to pay for it and what was going to be done to supplement it. Schwanke further stated many good ideas were discussed at the last work session and it isn't unknown that the golf course is losing money, but if the whole course is closed down, the City is still going to lose the money no matter what. Schwanke encouraged the council to put some money into the kitchen and try to make it into something great and do something about it. Gullette stated the cart shed is just not enough to keep the golf course profit. Patch asked stated he believes it is necessary to achieve a solid number to find out what it is going to cost to upgrade the kitchen. Patch believes it would be beneficial to have a professional come in and provide an estimate of costs. Patch stated without a shed the course will lose more than 14 members, and if it closes the property is worth nothing and the community will not be happy. Regas stated it will take time to provide council with an accurate cost estimate; receive permission for a full-liquor license from Hines Township; and the permits that are associated with food. Regas further stated the time it takes to complete all these steps the cart shed is going to be put off if some type of funding can be approved to construct it for the 2020 season. Regas stated there isn't enough time to put together the estimates required in a short amount of time to improve the club house to have a full restaurant and full bar. Kolb stated the council does not want to put a full bar in like the Pond but something smaller. Regas agreed that is a better plan but if the intention is to have burgers and waitstaff more planning is going to be needed. Patch stated he was considering just another griddle like the Pond and an auto-fry. Regas stated that was not the impression she was receiving. Kolb asked how large of a kitchen was she thinking. Regas stated she was uncertain because the ideas and concepts are not complete. Melissa Gullette stated the space for the golf course kitchen is the same as the Pond and there should be no reason why just the upgrade of the appliances, flooring, counters could just be upgraded. Patch stated again a professional needs to look at it first for a proper cost estimate. Patch stated as it pertains to the cart shed financing then he is in favor of the internal financing first and then pay the city back with a bond. Moore asked if the funding decision should be tabled for a couple of months. Kolb asked if the city doesn't vote on the approval of how to fund the cart shed will it be in the budget in 2020. Regas stated the funding isn't currently in the budget for the cart shed in 2020 and would not be until 2021. Regas stated there will be some procedures to approving the internal financing before it is final to use it for the cart shed. Patch stated he believes what Councilor Kolb is asking is if the funding needs to be approved before the end of 2019. Kolb agreed stating does the financing need to be built into the golf budget in 2020 if the shed is built in 2020 or if the financing is not approved now will the shed be built in 2021. Regas stated if not funded by the RLF fund in 2020 then it would not be built in 2020. Regas further stated without agreeing on the financing in 2019 or even early 2020 then there will be no funding in 2020 to build it. Regas stated it depends on when the funding starts as to when the payments start. Regas stated the further the funding is pushed off the later the payments will begin whether it is self-funded or with Ehlers. Patch stated if self-funded in January to build it in May 2020 could that still work. Regas stated yes. Patch stated it will take longer to receive funding from a bond then to self fund it. Kolb stated he



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understood and would appreciate having a bond tie all the funding together to include the kitchen or the city hall. Regas recommended due to timing, the best path would be to approve the internal loan from the RLF and provide her with the correct amount of time to receive an accurate estimate for the kitchen then bond for all the funding. Regas stated by waiting for the estimates it provides more time to bond for the whole project and pushes off the payments. Patch stated the planning process for a kitchen remodel needs state approval too. Regas stated yes, the process is long and the state will be involved for a kitchen remodel. Regas further stated the permitting for the cart shed will take time too and she should not begin that process if the funding isn't approved.

Financial Approval – Moved by Councilor Kolb and seconded by Mayor Patch to finance the cart shed with the internal loan from the RLF for 10 years @ 2.5% until the kitchen estimates can be received. Kolb stated it isn't the best way but the City has to move forward. Gulette asked if the City has received any further pledges from the members. Patch stated the members are waiting to see what the city agrees to. Regas further stated she has not pushed the pledges forward until the city agrees to funding the process. Kolb asked if the members were still willing to fundraise for the cart shed. Regas stated yes, but it was in her opinion that the members were waiting to see how the city would decide on the financing. Patch asked for a review of the 5-year offer for cart storage to the members. Regas reviewed the golf board minutes for the council. Moore asked Regas if it is her recommendation to fund the cart shed internally. Regas stated it was her recommendation to fund internally to begin the process on the cart shed. Patch called for any further discussion on the motion. Hearing none Patch called for a roll call vote on the motion. The roll call vote was as follows: Mayor Patch: aye; Councilor Moore: aye; Councilor Gulette: nay; Councilor Kolb: nay. Motion ties and fails.

Further discussion – Schwanke stated the option to add additional funding for the club house if just has a better number for the kitchen in the motion would the City agree to it. Schwanke further stated that then the cart shed could be funded temporarily and move forward while the planning process of the kitchen is worked. Regas asked if there is a number that will satisfy the board. Kolb asked if the number that is added affect the tax payers. Patch at this time no but can in the future. Kolb asked how much can the golf course borrow and still pay back faithfully without it hurting the taxpayers. Regas stated at the point where the mill rate is the taxpayers cannot absorb any more. Lundberg stated the city could start on the project and the city is not wasting any money by borrowing against itself with the bond rates the city receives and then at a later date lock in the bonds at the 2.5% because the rates won't increase much. Kolb asked Melissa Gulette how much the Pond used to upgrade their kitchen. Gulette and Regas stated about \$5-6,000 but that was on an existing kitchen. Kolb asked if anyone has an idea of how the golf course looks like in the kitchen. Lundberg stated a safe number would be about \$50,000 to make a difference. Councilor Gulette asked how far down will the revolving loan fund go down if the city borrows from itself. Regas stated the fund is currently at \$80,000. Regas asked Mayor Patch how the board would like to proceed. Patch stated a decision needs to be agreed on sooner than later and asked the board how they would like to proceed. Kolb stated his concern for putting \$50,000 into the kitchen and the costs are higher. Patch stated that is why he wants a solid estimate but borrow from the RLF and pay the city back with the bond. Kolb stated he would prefer to have a dollar amount to approve. Patch stated he does not want to go forward without building the cart shed he is concerned of losing members and never getting them back.



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Councilor Gullette stated his concern of moving forward with the option to only fund the cart shed and the other discussion regarding making money for the golf course dies. Gullette stated that as long as he is sitting on the board, the golf course is going to hear about how much money it is losing. Regas suggested moving forward with a stipulation and a date attached to move forward after the shed is financed to bond.

New financing option - Moved by Mayor Patch and seconded by Councilor Moore to finance the cart shed with the RLF with the stipulation the shed is refinanced after with the kitchen estimates are secured. Hearing no discussion on the motion Mayor Patch called for a vote on the motion. Motion carried unanimously.

ADMINISTRATOR'S REPORT – Christina Regas, City Administrator

1. Resolution 2019-22 – Resolution adopting a schedule of fees & charges for various services, licenses, & permits for the City of Blackduck for 2020 – Moved by Mayor Patch and seconded by Councilor Gullette to approve Resolution 2019-22. Motion carried unanimously.
2. Resolution 2019-23 – Resolution Approving Final 2019 Tax Levy, Collectable in 2020 – Moved by Councilor Moore and seconded by Mayor Patch to approve Resolution 2019-23. Councilor Gullette requested a roll call vote on the motion. The roll call vote was as follows: Councilor Kolb: aye; Councilor Gullette: aye; Councilor Moore: aye; and Mayor Patch aye. Motion carried unanimously.
3. 2019 Financial Audit Scheduled – February 10-14, 2020
4. Reminder December 16, 2019 @ 6pm Public Hearing – Liberty Drive
5. Reminder December 16, 2019 @ 7pm Public Hearing – Crosswell Avenue
6. Reminder Government Offices – City Hall Closed – December 24, 2019 @ noon
7. Reminder Government Offices – City Hall Closed – December 25, 2019
8. Reminder Government Offices – City Hall Closed – January 1, 2020
9. Reminder January 6, 2020 Regular Council Meeting
10. Training Notice - 2020 LMC Elected Leaders Institute: Advance Program – February 28-29, 2020 Baxter
11. Training Notice – 2020 LMC Safety & Loss Control Workshops – March 25, 2020 Bemidji

MAYOR AND/OR COUNCIL MEMBER REPORTS – Mayor Patch & Council

Mayor Patch asked if the City has received any comments on the winter lights. Regas stated she has received positive feedback. Patch asked what happened to the older holiday decorations. Regas stated some of them are in the park for Christmas decorations.

Councilor Gullette congratulated the National Honor Society inductees.

COMMUNITY EVENTS/GOOD THINGS HAPPENING –

1. City Employee Anniversaries - Jacob Lien Fire Department (5 years)
2. Blackduck Development Corporation Meeting – December 11, 2019 11am @ Good Samaritan Community
3. Blackduck Chamber Meeting – December 18, 2019 @ noon @ The Pond
4. Blackduck Planning Commission Meeting –December 18, 2019 @ 2pm @ City Hall



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OTHER NEW BUSINESS – No new business.

ADJOURN – Moved by Councilor Kolb and seconded by Councilor Moore to adjourn the meeting at 8:24pm. Motion carried unanimously.

Christina Regas, City Administrator

Rudy Patch, Mayor



BLACKDUCK PUBLIC WORKS COMMITTEE

THURSDAY DECEMBER 12, 2019 @ 10AM

MEETING MINUTES

CALL TO ORDER: The Public Works Committee of the City of Blackduck met in a scheduled meeting at the City Hall at 10:00 a.m. on December 12, 2019.

Roll Call

Councilors present: Mayor Patch, and Councilor Kolb

Staff Present: City Administrator, Christina Regas, Public Works Supervisor Mike Schwanke

Others Present: none

The meeting was called to order at 10:05am the Pledge of Allegiance was not recited.

Topics covered in the work session were as follows:

PARKING REGULATIONS DURING SNOW REMOVAL – Regas provided for review of the committee Ordinance §710.06 – 710.09 & the Snow removal Policy to discuss the process for ticketing and towing vehicles during snow emergencies. Regas further stated Schwanke discussed with Chief Grangruth how the process has been working and similar issues and fines in Bemidji for comparison. Schwanke reported that by the ordinance language currently all vehicles must be off the city streets if there is a snowfall of 2” or more. Schwanke would like to enforce the ordinance and he will ticket the vehicles and the police department will do the towing. Schwanke explained the ticket books have 3 copies (1 for the recipient; 1 for Police; 1 for City). Schwanke requested feedback on how many tickets should be issued before towing commences. Mayor Patch asked if a warning a ticket then a tow is what should be done. Regas stated she believes the ‘warning’ is the notice that is in the current ordinance and when the City announces a snow emergency to the public. Regas has concern that the current ordinance states the notice should be given by radio, television, or other media source. Regas further stated she has been using the city Facebook page because most people look on social media. Schwanke agreed the warning is the notice. Councilor Kolb asked if street signs need to be put up instead to eliminate people saying they didn’t know. Schwanke stated the cost will be high with signs and further stated if it is written in the ordinance it is the public’s responsibility to be aware.

Warnings & Tickets – Schwanke presented his plan which includes placing a colored warning tag on the vehicle(s) that are not cleared from the streets when the city clears snow. Schwanke then stated after the warning is not adhered to, he would ticket the vehicle(s) and keep a log of all the vehicles by plate number who has been warned and ticketed to enforce the towing which would be the last step. Schwanke asked Regas if the warnings could have the ordinance number on the tag. Patch asked if exceptions need to be considered. Kolb was not in favor of exceptions.

Other Cities – Kolb stated he researched other city’s fines for snow removal parking violations and some are up to \$100 per ticket. Schwanke stated by the Police department regulations parking tickets can’t exceed what the state regulates, however, administration fines or a snow emergency fine can be higher. Regas stated the City may ticket for both a parking violation (\$25) and an impeding snow removal violation (\$20) for a total of \$45.



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Towing timeframe after tickets – Schwanke asked the committee when the towing shall begin after ticketing. Schwanke suggested after the first warning and first ticket then the vehicle shall receive another ticket and an immediate tow. Kolb asked when that will take place in the process. Schwanke stated he would like to see the steps agreed upon so that he may be consistent with everyone that violates. Kolb asked how long a vehicle will sit before the tow begins. Schwanke stated he would like the repeat offenders dealt with but understands those vehicles that receive a warning or ticket will most likely move right away.

Tow Contracts with the City of Blackduck – The committee discussed several processes to contract with one local company to tow and store the vehicles. Regas suggested asking both providers in Blackduck for a bid requiring proper liability coverage and requiring proper storage and then proceeding with that contract to properly charge the owners of the vehicles that are towed. Patch stated there are specific requirements for tow companies to properly work with government entities. Regas offered to ask the City of Bemidji how they proceed and contract with tow companies. Schwanke stated towed vehicles could be stored in the City impound lot and the vehicle owners should be charged daily for storage. Regas recommended increasing the storage rate.

Summary –

First Notice = Supporting the Ordinance Administrator will send out a Facebook notice on Social Media and if possible, for timing put the reminder of the Ordinance in the Blackduck American.

Warning Notice = Public Works will place colored warning tag on vehicles that need to be moved and keep a log of those vehicles that were provided the warning tag.

Ticket = Public Works will ticket the vehicles for violation of §710.06 & §710.07 for \$45 total that did not move after the warning tag was given.

Ticket & Tow = Public Works will ticket and Police Department will tow the vehicles for violation of §710.06 & §710.07 for \$45 and tow the vehicle to city impound lot and charge a daily storage fee. Owners of the vehicles must pay the tickets. Tow, and storage prior to removal of vehicle from impound.

Standard Operating Procedure SOP – Schwanke will draft a standard operating procedure so the steps that will be taken can be communicated to staff and the public.

SIDEWALK SNOW REMOVAL –

Policy – Schwanke stated he would like reinforcement of the property owners to have the sidewalks cleared. Schwanke stated the policy states the property owner adjacent to the sidewalk is the property owner's responsibility, however, the City may clear the sidewalks when time permits. Schwanke stated the inconsistencies with vacant properties and other property owners thinking the City is completing the clearing is challenging. Schwanke further stated if the policy is going to change and the City is going to absorb the responsibility it will be difficult to complete everything before businesses open.



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Procedures – Regas requested the committee allow for communication and reminders to surrounding businesses to clean up their sidewalk areas first before the City begins to invoice property owners for cleaning up sidewalks. Kolb asked if there are issues with residential properties. Regas stated mostly on 1st Street NE but most of the snow is a result of plowing for the school. Regas further stated it will be challenging for the City to clean the sidewalk quickly with the boulevard trees on that road. Kolb asked if the City could contract with another snow removal company and then pass the costs on to the property owner. Regas stated it could get looked into but would prefer to work with the homeowners first.

Snow Piles from Businesses – Schwanke would like to have the businesses to either remove and dump the snow in the City lot instead of pushing it into a corner impeding traffic view or allow the City to do it and charge the property owner. Schwanke further stated it is state law that snow cannot be pushed into or across a street, highway, or road and Blackduck should be enforcing this. Schwanke is requesting the assistance of the council and committee to enforce with the businesses that are pushing the snow onto sidewalks and roads to come to an understanding of how/where the snow should be placed. Patch suggested Schwanke speak with the contractors that are pushing the snow where it shouldn't go first before any fines or invoices happen. Kolb suggested allowing the snow be moved to the City lot by the businesses and the residents if they have the means to bring it there. Schwanke was in favor of this.

ADJOURN – The Committee adjourned their meeting at 11:30am.

Christina Regas, City Administrator

Rudy Patch, Mayor



BLACKDUCK CITY COUNCIL PUBLIC HEARING
MONDAY, DECEMBER 16, 2019 @ 6:00PM
LIBERTY DRIVE PUBLIC HEARING MINUTES

CALL TO ORDER: The City Council of the City of Blackduck met in Public Hearing at Blackduck City Hall at 6:00pm. December 16, 2019. Meeting called to order by Mayor Patch and the Pledge of Allegiance was not stated.

ROLL CALL:

Councilors present: Mayor Patch, Councilors Kolb, Moore, and Gullette

Councilors Absent: none

Staff Present: City Administrator Christina Regas, and Public Works Supervisor Mike Schwanke, City Engineer Curt Meyer

Others Present: Liberty Drive Residents Joe Wilhelmi and Chris Dirkes

UTILITY & ROAD IMPROVEMENTS TO LIBERTY DRIVE FROM MAIN STREET N. TO MNDOT 71

1. Description of Liberty Drive Improvement – Review of Feasibility Report – Curt Meyer was present to review the proposed improvements to Liberty Drive. Meyer reported the City of Blackduck ordered the feasibility report and scheduled the public hearing for the public to hear about the existing conditions of Liberty Drive and why the City is considering the improvements and the proposed costs of the project. Meyer reviewed the conditions stating currently the road built in 2001 is showing multiple signs of distress and fatigue, indicating the need for reconstruction. Meyer further stated the project may include replacing the curb and gutter, the pavement, the storm sewer, install drain tile and concrete driveway aprons, and catch basins. Meyer further stated geotextile fabric will be placed at the bottom of the subcut, to serve as material separator between the aggregate base and organic materials.
2. Project Cost – Meyer provided for review an estimated project cost of \$569,130. Meyer stated the City may decide not to improve the entire stretch of the road and instead complete the project in two phases.
3. Conclusion – Meyer stated it is recommended the City of Blackduck review the feasibility report and discuss the report with the residents of the area and decide if the project will move forward. Meyer reported if the City agreed the project should move forward, the City would proceed immediately with the necessary engineering, legal, and administration tasks associated with an assessment-type improvement project for the Summer of 2020.
4. General Questions & Answers –
 - a. Rudy Patch – Has there been any improvements to the road since its original build.
 - i. Chris Dirkes stated Yes – there was some storm sewer replaced back when Nayda Cheney was on the City Council. Meyer stated that came before him and was uncertain of the year.
 - b. Joe Wilhelmi – What is the normal life expectancy of a road in Blackduck.
 - i. Meyer stated 15 years is normal, with the clay soils in Blackduck it could be less – perhaps 10 years.
 - c. Joe Wilhelmi - Is there a fair number of roads replaced in the City?
 - i. Meyer stated the City does not, but if you were to drive around the City one would see that there are some roads that are in reasonable condition, and some



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that are in terrible shape. Those that are not in good condition could be for similar reasons to Liberty with sump pump hoses emptying out onto lawns and soils being very wet. Meyer stated it is difficult to determine how wet some area of the City is going to be than others.

- d. Christina Regas – When the road was built during the development was the storm sewer not placed deep enough in the road and is that what is causing the issues.
 - i. Meyer – Yes, the road was built during the development and did not follow a City standard for roads at that time. Storm sewer could be placed deeper with a V-type trench and it could be wrapped to prevent movement. Meyer also stated it is difficult to know how far down to place the storm so as to not conflict with sewer and water services.
- e. Rudy Patch – What year was the road built?
 - i. Regas – 2001 – completed by the developer
- f. Christina Regas – Is there a better solution for resident’s sump pumps?
 - i. Meyer – provide some way for residents to tie into the storm like drain tile that runs under the curb. Meyer stated it isn’t the best solution. It is best to tie right into the storm sewer with a solid pipe for everyone to tie into but it is more expensive solution.
- g. Joe Wilhelmi – Will the residents on Liberty Drive solely be paying for the project.
 - i. Regas & Meyer – The City has an assessment policy and for road improvements it is assessed by amount of frontage of property owner. There may be some City funding available to offset the Purdon to the property owners. Regas further stated the costs are split overtime with bonding for 10-15 years and the policy has a percentage set in the assessment policy. Meyer stated the assessment cannot exceed the value that is added to the adjacent property and the life expectancy of the improvement.
- h. Max Gullette – Are there pro’s and con’s in doing this project in 2 parts versus 1.
 - i. Meyer – With this size of a project, cutting it in half the project becomes a little small. Meyer stated most contractors have enough work and can be ‘choosier’ of what they would like to take. A larger project will be more of an incentive for a good contractor to bid for. Meyer stated by cutting this project in half he believes it will still be attractive enough to gain bidders that way the City can address the worst of the road at this time. Meyer stated the project with the storm sewer would most likely not be in ‘half’ but more like two thirds due to the length of the storm putting that portion of the project to approximately \$300,000. Meyer stated if the storm is treated separately, he recommends tying it together with another project.
- i. Rudy Patch – What is the life expectancy of the utility in that road?
 - i. Meyer – This road is new and all the utility is PVC so the life on that can be almost 100 years but it is unknown. What is less is the grading of the manholes and the project could include inspecting those. Meyer further recommended inspecting the manholes and planning in 15-20 years relining the manholes. Regas asked if relining be tied into the project? Meyer stated no it is self-contained.
- j. Rudy Patch – Has there been any issues on Liberty Drive with water or sewer lines freezing up?



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- i. Meyer – Has no knowledge of any issues on that road with freezing lines but would like to know if there has been. Dirkes stated he has been in his home since 2003 and has no knowledge of freezing lines in the development.
- k. Jason Kolb – Can the aggregate or under layer be saved?
 - i. Meyer – it is a thin layer of aggregate and could be good fill but not good base-layer so it could be used for surfacing in some gravel areas in the City.
- l. Rudy Patch – Are sidewalks needed in the development.
 - i. Dirkes & Kolb – no, most residents use the walking trail and kids play in the road. Kolb stated his concern is just through traffic and speeding.
- m. Christina Regas – What is the depth of the subgrade now.
 - i. Meyer – this is unknown, there are not good ‘as-builts’ of the subgrade to reference. Meyer stated bores could be completed to find out and that will help to know if reclaiming the asphalt and aggregate is deep enough to reuse.
- n. Chris Dirkes – If the project moves forward with the residents be able to get in and out of their homes.
 - i. Meyer – the road is wide enough so the contractor should keep one lane of traffic open at all times.
- o. Rudy Patch – How long would a project of this size take a contractor to complete.
 - i. Meyer – A project of this size weather permitting should be able to be completed in 5 weeks.
- p. Max Gullette – If nothing is done and the project is not completed how much longer can the road last.
 - i. Meyer – There will be parts of the road that will need to be cut-out and repaired because of the amount of movement from the storm sewer and the reason the voids that are seen now is from movement under the bituminous. Meyer stated with clay soils the particles suspend and don’t void as fast as sand so it is unpredictable.
- q. Rudy Patch – Are there other driveways that are having issues washing away.
 - i. Schwanke – it is difficult to say unless you dig. Meyer stated when the curbs tilt back that is a sign.
- r. Rudy Patch – If the City moves forward with the project when will it begin.
 - i. Meyer – if the project is ordered at the January meeting then the design process can begin and then a good plan set can take about 8 weeks. Meyer stated bidding in April is possible so the project could begin in June. Meyer stated with road projects funding has less options except for loan dollars.

Mayor Patch called for further questions on the project.

Mayor Patch called again for further questions on the project.

ADJOURN – Moved by Mayor Patch and seconded by Councilor Moore to adjourn the meeting at 6:42pm. Motion carried unanimously.

Christina Regas, City Administrator

Rudy Patch, Mayor



BLACKDUCK CITY COUNCIL PUBLIC HEARING
MONDAY, DECEMBER 16, 2019 @ 7:00PM
CROSWELL AVENUE PUBLIC HEARING MINUTES

CALL TO ORDER: The City Council of the City of Blackduck met in Public Hearing at Blackduck City Hall at 7:00pm. December 16, 2019. Meeting called to order by Mayor Patch and the Pledge of Allegiance was not stated.

ROLL CALL:

Councilors present: Mayor Patch, Councilors Kolb, Moore, and Gullette

Councilors Absent: none

Staff Present: City Administrator Christina Regas, and Public Works Supervisor Mike Schwanke, City Engineer Curt Meyer

Others Present: Croswell Avenue Residents: Jim Wolden, Karl Erickson & Sue Rasmussen, Scott Magoon, Rhonda Ferdig, Russell & Sharon King

RECONSTRUCTION OF THE SOUTHERN 420 FEET OF CROSWELL AVENUE

1. Description of Croswell Avenue Improvement – Review of Feasibility Report – Meyer was present to the City council and residents the description of the proposed improvement of Croswell Avenue. Meyer reported the City of Blackduck ordered the feasibility report and scheduled the public hearing for the public to hear about the existing conditions of Croswell Avenue and why the City is considering the improvements and the proposed costs of the project. Meyer stated the southern most 420 feet of Croswell Avenue is showing multiple signs of distress and fatigue, indicating the need for reconstruction. Meyer stated the proposed improvements may include removing and replacing the aggregate road surface and clay/organic subgrade, culverts; ditching in the right-of-way and grading the Croswell/Carlson intersection. Meyer further stated the project would include installing a geotextile fabric to serve as a material separator between the aggregate base and organic materials; driveway culverts and centerline culverts will be installed as necessary to maintain drainage; topsoil will be provided in disturbed areas; and turf establishment will be included.
2. Project Cost – Meyer provided for review an estimated project cost of \$42,097. Meyer stated the road suffered additional damage in the Spring of 2019 due to a wet season and there is existing class 5 that was added to the road and that will be needed to be removed prior to the improvement. Meyer stated the ditching will assist with the subgrade by moving water in a better way. Meyer stated there will not be a large visible difference to the road once completed but the roadway will be higher than it is now. Meyer stated at this time there are no plans to pave the road, but the project will stabilize the road for a future paving project if the City chose to.
3. Conclusion – Meyer stated it is recommended the city of Blackduck review the feasibility report and discuss the report with the residents of the area and decide if the project will move forward. Meyer reported the City agreed the project should move forward, the City would proceed immediately with the necessary engineering, legal, and administration tasks associated with an assessment-type improvement.
4. General Questions & Answers –
 - a. Scott Magoon – Will the road elevation be raised 4”?
 - i. Meyer – The actual elevation in some areas may raise but the overall elevation will remain the same. The plan is to cut-down so the finished profile is higher.



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Meyer stated there is a portion of the road where Carlson and Croswell meet where a culvert crosses the road and there would be more cover added to the road and replace the culvert so it would be prepared for paving. Meyer stated the plan would be to ditch and move the culvert down but if that can't be done significantly then the plan may include raising the grade 6" in that area.

- b. Paige Moore – When the project is under construction will the road being it is only 20' wide be passable and remain open as it is not as wide as other roads in the City.
 - i. Meyer – The road should be able to remain open as the contractors would only work on one lane at a time, however, if the road gets wet during construction there is always a chance the stability of the road could get worse making it difficult to pass. Meyer stated since Croswell is a dead-end road, emergency vehicles need to get in it and the contractors know that. Meyer stated there is always a chance additional material may have to be brought in to bridge the road temporarily during construction.
- c. Rudy Patch – Does Scott Magoon have a sump pump on the Croswell side of the home that water goes into the ditch and does that need to be considered where it goes.
 - i. Meyer – The ditch will be graded in such a way where the water will have somewhere to escape.
- d. Sharon King – How deep is the ditch going to be?
 - i. Meyer – the attempt will be 24" but if there are some trees that could be impacted then there could be discussion with home owners.
- e. Jim Wolden – I built the road in late 80's early 90's and I don't ever remember having issues with the road until last year. Why are there issues now what changed?
 - i. Meyer – A heavy wet year and Spring a combination of heavy vehicles in and out of the area can create ice dams in the ditches and as the road gets older clays migrate up into the road. It is not just a result of one bad winter, but we don't have the luxury of seeing how it breaks up overtime.
- f. Jim Wolden – How much percentage does the City plan on funding the project.
 - i. Meyer – The City has an assessment policy that states what percentage the City assumes and what the property owners assumes. Regas stated the City has not determined what portion of the project the City will fund. Regas further stated the City will need to hold additional public hearings to determine those amounts.
- g. Jim Wolden – The 420 feet was not a plotted street when Townsend Addition was added to the City of Blackduck and it was more of a driveway back then.
 - i. Regas – the subdivision north of Croswell has grown and more homes are in the area so more increased traffic is on the road (i.e. Residential vehicles; buses; garbage trucks, etc.)
- h. Jim Wolden – Were the cement trucks a factor to the deterioration of the road.
 - i. Regas – it is difficult to tell. Wolden stated he did not think the cement trucks should have never been able to enter the road when they did and that is the City's responsibility to keep road restrictions on. Regas stated to her knowledge road restrictions were not on.
- i. Karl Erickson – The cement trucks were in 2018 for his slab grade home that was built on Croswell. There were two loads of crushed granite to be delivered, he was not present when it was delivered, and the granite was delivered over the frost boil then it started to rain. Erickson stated the year before the road was fine. Erickson stated there has been



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- additional 'hauling' in the area of the township in previous years. What about ditching on the westside of Croswell?
- i. Meyer – yes there will be ditching on the westside, however none of the driveways should be impacted. Erickson stated he still have more on his project to do but will take care to ensure the road is in good shape for delivery.
 - j. Rudy Patch – What is the life expectancy of Croswell given it is a dirt/gravel road?
 - i. Meyer – an urban section of road could be 15 years and since roads that are gravel have more flexibility to move and clays that can migrate up then that will weaken the road but a gravel road will last longer.
 - k. Jim Wolden – Why can't the road improvement be deferred until the ditching is completed and see if that takes care of the problem.
 - i. Meyer – the rock that is in the road now needs to be removed, and there is a need for a roadway to have consistency. The City may decide to just ditch the roadway.
 - l. Russ King – How many properties would be assessed?
 - i. Regas – in the municipal boundaries there are only 6 property owners and one is to the south of Carlson. Regas further stated the City discussed the state of the road with Hines Township board to ask to consider a shared cost for the improvement but that is an unknown at this time.
 - m. Rudy Patch – What is the total amount of property owners in the township?
 - i. Regas – She believes it is 10 property owners.
 - n. Scott Magoon – I hope the City has consideration for how much is assessed since he barely uses Croswell except to park his camper in the back of his property.
 - i. Regas – this public hearing is a beginning, and if the City choses to only do the ditching the assessment may not happen.
 - o. Max Gullette – Will Magoon be assessed for both Croswell & Carlson?
 - i. Meyer – that would be determined based on what will need to be completed to the culvert at the corner. Gullette asked where the City draws the line.
 - p. Jim Wolden – The culvert that is in Carlson is only on the east side of the intersection and there is not one on the west.
 - q. Rudy Patch – Is the driveway on the westside of Carlson in the City.
 - i. Wolden – that is a City road.
 - ii. Regas – that is a driveway
 - iii. Wolden – the City has been plowing it for years.
 - iv. Rasmussen – met with Keely's regarding property lines and Keely stated part of Carlson is City road.
 - v. Regas – the only way to really know would be to find the property lines
 - r. Rhonda Ferdig – What point would the assessment go north into the township and how far?
 - i. Regas – The City has no jurisdiction in the township and that is why the City met with the town board.
 - ii. Meyer – in the past when a roadway enters into a township each property owner would be assessed the same amount no matter how close to the project, but the township would have to determine that. Meyer stated it may not even be an assessment but a charge to assist in the funding.
 - s. Magoon – What kind of timeline is being considered?



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- i. Meyer – not in the Spring 2020 until the road can dry out but shortly after.
- t. Max Gulette – Is there anything public works can do to mitigate the water.
 - i. Schwanke – as far as plowing the best would be to load all the snow out of the area, the road is flat with not much slope for the water to go anywhere.
 - ii. Meyer – the spring of 2019 did not help the road.
- u. Rudy Patch – Does the county plow the road in the winter or does the City?
 - i. Schwanke – the city plows the snow in the winter. Wolden asked if there is formal agreement between the town and city. Schwanke stated that there is an agreement between the county road supervisor and himself. Schwanke stated the county takes care of Beighley road and the City takes care of Croswell.
 - ii. Regas – the plowing of snow was discussed with the township.
- v. Erickson – does the County take care of the grading in the summer?
 - i. Schwanke – mainly an agreement for plowing of snow and the county does the grading for the township.
- w. Magoon – what is the next step after this hearing?
 - i. Regas – at the next city council meeting the board will decide if the project improvement is ordered to move forward and to what extent. The city would then order the plans from WSN and plan for bids. Regas further stated during the next council meeting the board could decide to just ditch the road and do minimal improvements.
 - ii. Patch – if the contractor recommends the rock come out of the road to be improved then it is in the best interest of the city to listen to the engineer.
 - iii. Gulette – stated Magoon’s point to assessments and the scale of them has been heard by the board. He does not believe the City should ‘stick it’ to just two property owners.

Mayor Patch called for further questions on the project.

Mayor Patch called again for further questions on the project.

ADJOURN – Moved by Mayor Patch and seconded by Councilor Gulette to adjourn the meeting at 7:36pm. Motion carried unanimously.

Christina Regas, City Administrator

Rudy Patch, Mayor



BLACKDUCK PERSONNEL COMMITTEE

TUESDAY, DECEMBER 17, 2019 @ 5:30PM

MEETING MINUTES

CALL TO ORDER: The City of Blackduck Personnel Committee met in a scheduled meeting at the City Hall at 5:30pm on December 17, 2019

Roll Call

Committee Members present: Mayor Patch, Councilor Moore, and City Administrator, Christina Regas

Committee Members Absent: none

Staff Present: none

Others Present: none

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

Topics covered in the personnel meeting were as follows:

OLD BUSINESS:

1. Potential Revisions Maintenance Worker #2 & Maintenance Worker #1 Job Description & Wage Scales – Nothing discussed at this time.
2. Liquor Store Job description(s) update – Nothing discussed at this time.
3. Dangerous Weapons Policy – Regas reported the City Attorney reviewed the current policy and did not recommend the policy be removed from the personnel policy. Mayor Patch asked if the attorney recommended any part of the policy be removed as an alternative. Regas stated it was recommended the entire policy remain. Nothing further.

NEW BUSINESS:

1. 2019 Performance Review Process – The committee met in council chambers to discuss the annual reviews of full and part time employees of the City of Blackduck for the 2019 year and discuss potential wage increases to take effect in 2020. The Personnel Committee reviewed all appraisals by department.
 - a. Public Works Department – All appraisal scores for Mike Schwanke, Rae Burmeister, and Chris Brown were reviewed by the committee all ratings were approved. The Committee approved wages for 2020. Overall the committee was pleased with the performance of the Public Works Department. Regas noted the reviews for public works staff were completed from his start date in June through December. Nothing further.
 - b. Police Department – All appraisal scores for Jace Grangruth, Andrew Jespersen, and Lee Anderson were read by the committee and all ratings were approved and recommended wages for 2020 approved. The Personnel Committee was pleased with the department and the staff. Nothing further.
 - c. Liquor Store – All appraisal scores for the Liquor store were discussed by the committee noting that the Liquor Store Manager has done a good job on this year's reviews, the



BLACKDUCK PERSONNEL COMMITTEE

TUESDAY, DECEMBER 17, 2019 @ 5:30PM

MEETING MINUTES

committee approved the ratings and wages for 2020. The Committee noted the liquor store had a successful year and brought some new ideas and overcame some new challenges this year. Nothing further.

- d. Golf Course – Appraisals written for Jim Andersen and Pam Exner was reviewed and wage increases were approved for 2020 although there was some reluctance from the committee based on the loss of sales in 2019. Regas stated it is very important for the health of the golf course to retain the current staff at the course to continue working toward a successful enterprise fund. Regas stated the department heads believe very strongly the staff should be paid more closely like a resort staff to keep and retain the best staff possible. Regas further stated she understands the viewpoint of Andersen & Exner but is cautious about a pay scale that could increase the budget and potential losses for the golf course. Nothing further.
- e. Administration – All appraisals written for Gail Landowski, and self-reviews and department reviews of City Administrator Christina Regas were read by the committee. All ratings were approved and the committee approved the recommended wages for 2020. Regas noted how pleased she was with Landowski's performance in 2019 supporting the public works staff during the supervisor turnover. The committee noted they have heard great feedback of the staff at City hall. Nothing further.

ADJOURN – Committee adjourned their meeting at 6:30pm.

Christina Regas, City Administrator

Rudy Patch, Mayor

January 6, 2020

FUND	Deerwood Checking BEGINNING BALANCE	Bill Report through 1/06/2020	Deerwood Checking ENDING BALANCE	Deerwood First Preferred Savings BEGINNING BALANCE	Deerwood First Preferred Savings Bill Report through 1/06/2020	Deerwood First Preferred Savings ENDING BALANCE	Total Balance of all Accounts
GENERAL	\$264,162.45	\$24,918.48	\$239,243.97	\$81,163.18	\$0.00	\$81,163.18	
POLICE RESTRICTED CASH	\$1,129.09	\$0.00	\$1,129.09	\$0.00	\$0.00	\$0.00	
CEMETERY	(\$1,257.42)	\$0.00	(\$1,257.42)	\$2,073.66	\$0.00	\$2,073.66	
PERPETUAL CARE	\$7,752.83	\$0.00	\$7,752.83	\$53,418.01	\$0.00	\$53,418.01	
SEWER MAINTENANCE	\$0.00	\$0.00	\$0.00	\$69,214.00	\$0.00	\$69,214.00	
SEWER REPLACE.	\$0.00	\$0.00	\$0.00	\$8,680.69	\$0.00	\$8,680.69	
SCDP REVOLVING LOAN FUND	\$0.00	\$0.00	\$0.00	\$60,980.76	\$0.00	\$60,980.76	
FIRE DEPT RESERVE (TruckFund)	\$0.00	\$0.00	\$0.00	\$226,828.52	\$0.00	\$226,828.52	
PINE TREE PARK	\$64,251.42	\$104.70	\$64,146.72	\$0.00	\$0.00	\$0.00	
WATER SINKING FUND	\$0.01	\$0.00	\$0.01	\$121,155.68	\$0.00	\$121,155.68	
PUBLIC WORKS RESERVE FUND	\$0.00	\$0.00	\$0.00	\$17,397.46	\$0.00	\$17,397.46	
Fire Dept Special Equip Fund	\$201,245.44	\$0.00	\$201,245.44	\$26,192.56	\$0.00	\$26,192.56	
2018 Revolving Loan Fund (NEW)	\$0.00	\$0.00	\$0.00	\$80,777.37	\$1,307.88	\$79,469.49	
2006 GO BOND	\$53,840.72	\$37,557.50	\$16,283.22	\$33,368.75	\$0.00	\$33,368.75	
2009A Refunding Bond	\$32,265.68	\$0.00	\$32,265.68	\$13,942.37	\$0.00	\$13,942.37	
2011 Industrial Lane IntraLoan	\$12,311.46	\$0.00	\$12,311.46	\$0.00	\$0.00	\$0.00	
2014A Disposal System Loan	\$23,188.19	\$7,960.00	\$15,228.19	\$0.00	\$0.00	\$0.00	
2017A Disposal System Project/Sum/Maint	\$39,737.53	\$0.00	\$39,737.53	\$0.00	\$0.00	\$0.00	
2017A Disposal Sys Loan	\$24,140.98	\$14,056.75	\$10,084.23	\$0.00	\$0.00	\$0.00	
2017 PFA Debt Sys Bond Debt Service	\$35,224.41	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
2018 Frontage/Pine Ave Internal Loan	\$4,074.19	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
TAX INCREMENT FINANCING	\$90,280.42	\$0.00	\$90,280.42	\$0.00	\$0.00	\$0.00	
WATER FUND	\$257,952.73	\$59,432.65	\$198,520.08	\$0.00	\$0.00	\$0.00	
SEWER FUND	\$103,531.53	\$5,354.61	\$98,176.92	(\$1,283.00)	\$0.00	(\$1,283.00)	
LIQUOR FUND	\$321,894.24	\$59,772.41	\$262,121.83	\$0.00	\$0.00	\$0.00	
LIQUOR RENT FUND	\$23,317.99	\$0.00	\$23,317.99	\$0.00	\$0.00	\$0.00	
GOLF COURSE	(\$109,896.04)	\$11,888.98	(\$121,785.02)	\$0.00	\$0.00	\$0.00	
WATER PROJECT FUND	\$20,044.93	\$0.00	\$20,044.93	(\$1,389.00)	\$0.00	(\$1,389.00)	
SEWER PROJECT FUND	\$3,179.31	\$0.00	\$3,179.31	\$0.00	\$0.00	\$0.00	
Total:	\$1,472,372.09	\$221,046.08	\$1,212,027.41	\$792,521.01	\$1,307.88	\$791,213.13	\$2,003,240.54

Transfer Recommended:

Fund Transfer from: **Fund transfer to:** **Amount of Transfer:**

2020 Bond Payments:	Principal:	Interest:	Fees:	Total:
2017A Disposal System Bond Payment	\$16,000.00	\$1,056.75	\$0.00	\$17,056.75
2006A General Obligation Bond Payment	\$35,000.00	\$2,557.50	\$575.00	\$38,132.50
20012A General Obligation Bond	\$55,000.00	\$9,475.00	\$0.00	\$64,475.00
2014A General Obligation Bond	\$10,000.00	\$960.00	\$0.00	\$10,960.00

CITY OF BLACKDUCK

Monthly Bills

December 2019

Check Name	Amount		
Fund		Fund 314 2014A DISP SYS BOND DE	\$7,960.00
		Fund 317 2017A DISP SYS BOND DEBT SERV	
Fund		BANK OF ZUMBROTA	\$14,056.75
Fund 101 GENERAL FUND		Fund 317 2017A DISP SYS BOND DE	\$14,056.75
Marco Technologies LLC	\$187.87	Fund 601 WATER FUND	
ACME Tools	\$826.91	BANK OF ZUMBROTA	\$3,000.00
ALEX AIR APPARATUS	\$284.23	BELTRAMI ELECTRIC COOP	\$229.00
AMERIPRIDE LINEN & APPAREL	\$64.13	BLACKDUCK AUTO PARTS, INC	\$329.96
BELTRAMI ELECTRIC COOP	\$4,335.25	BOGARTS REPAIR AND RECOVERY	\$74.51
BLACKDUCK AUTO PARTS, INC	\$2,189.17	BOND TRUST SERVICES CORP.	\$54,612.50
BLACKDUCK CO-OP	\$31.50	CARD SERVICE CENTER	\$311.68
BLACKDUCK FAMILY FOODS	\$28.23	Hawkins, Inc	\$798.64
BOGARTS REPAIR AND RECOVERY	\$286.95	TIMBERLINE SPORTS, INC	\$76.36
CARD SERVICE CENTER	\$463.21	Fund 601 WATER FUND	\$59,432.65
DILIGENT CORPORATION	\$2,575.00	Fund 602 SEWER FUND	
DVS RENEWAL	\$57.75	BELTRAMI ELECTRIC COOP	\$1,862.15
EVOLVE CREATIVE LLC	\$235.00	BLACKDUCK AUTO PARTS, INC	\$435.25
FRENZEL CONSTRUCTION	\$5,000.00	PAUL BUNYAN COMMUNICATIONS	\$34.60
FRONTIER REPAIR	\$95.33	PINE ISLAND BANK	\$3,000.00
LARSON, BRIAN	\$188.60	QUILL CORPORATION	\$22.61
LOSSING EXCAVATING	\$490.00	Fund 602 SEWER FUND	\$5,354.61
MARKETING FACTORY GROUP	\$235.00	Fund 609 MUNICIPAL LIQUOR FUND	
MN CHIEFS OF POLICE ASSN.	\$199.00	AMERIPRIDE LINEN & APPAREL	\$575.80
NORTHWOODS LUMBER CO	\$291.92	BELTRAMI ELECTRIC COOP	\$2,752.10
PAUL BUNYAN COMMUNICATIONS	\$1,367.34	BEMIDJI COCA-COLA	\$212.10
QUILL CORPORATION	\$597.51	BERNATELLOS	\$168.90
ROGER'S TWO WAY RADIO	\$690.00	Bernick Companies	\$6,635.85
TIMBERLINE SPORTS, INC	\$526.53	BLACKDUCK FAMILY FOODS	\$2,522.67
VERIZON WIRELESS	\$175.05	Breakthru Beverage	\$1,015.72
WIDSETH SMITH NOLTING & ASSOC	\$3,497.00	CARD SERVICE CENTER	\$112.74
Fund 101 GENERAL FUND	\$24,918.48	D & D BEVERAGE	\$126.10
Fund 209 PINE TREE PARK FUND		DICK DISTRIBUTING	\$13,874.80
BELTRAMI ELECTRIC COOP	\$104.70	GUARDIAN PEST CONTROL	\$174.48
Fund 209 PINE TREE PARK FUND	\$104.70	HEGGIES PIZZA LLC	\$643.95
Fund 250 2018 REVOLVING LOAN FUND		HENRYS	\$2,261.71
HRDC	\$1,307.88	JOHNSON BROTHERS LIQUOR CO.	\$6,074.68
Fund 250 2018 REVOLVING LOAN F	\$1,307.88	MELISSAS CLEANING	\$792.00
Fund 307 2006 GO BONDS		MIKINNON CO., INC	\$4,226.05
BOND TRUST SERVICES CORP.	\$37,557.50	NEI BOTTLING INC	\$890.18
Fund 307 2006 GO BONDS	\$37,557.50	NORTHWOODS ICE, INC	\$127.20
Fund 314 2014A DISP SYS BOND DEBT SERV		NORTHWOODS LUMBER CO	\$72.50
PINE ISLAND BANK	\$7,960.00	OLD DUTCH	\$64.40

Check Name	Amount
PAUL BUNYAN COMMUNICATIONS	\$266.03
Phillips Wine and Spirits	\$4,287.36
QUILL CORPORATION	\$78.78
Southern Glazer's of MN	\$1,615.11
SYSCO	\$754.77
TCF NATIONAL BANK	\$7,403.75
US FOODS	\$1,692.14
VINOCOPIA INC	\$105.00
WASTE MANAGEMENT OF WI-MN	\$245.54
Fund 609 MUNICIPAL LIQUOR FUN	\$59,772.41
Fund 613 GOLF COURSE	
BELTRAMI ELECTRIC COOP	\$426.66
BOND TRUST SERVICES CORP.	\$10,437.50
LOSSING EXCAVATING	\$980.00
PAUL BUNYAN COMMUNICATIONS	\$44.82
Fund 613 GOLF COURSE	\$11,888.98
	\$222,353.96

Water Fund

Year to Date Income Statement thru 12/31/2019

Water Operating Revenue:	Budget:	
Water Meter Sales	\$3,116.68	\$0.00
Health Dept Charges	\$1,701.49	\$1,500.00
Interest	\$2,957.99	\$0.00
Water Sales	\$196,625.89	\$212,000.00
Water Connect/Reconnect Fee	\$1,330.21	\$1,000.00
Water Penalty	\$1,785.95	\$1,750.00
Miscellaneous Revenues	\$0.00	\$0.00
Interest Earnings	\$0.00	\$0.00
Reimbursements	\$220.37	\$400.00
Total Water Revenues	\$207,738.58	\$216,650.00

Water Operating Expenditures:	Year to Date	Budget	Remaining
Full-Time Employees Regular	\$57,469.01	\$58,621.00	\$1,151.99
Full-Time Employees OT	\$1,807.76	\$500.00	(\$1,307.76)
Part-Time Employees	\$1,049.30	\$1,250.00	\$200.70
PERA	\$4,286.10	\$4,490.00	\$203.90
FICA	\$4,537.50	\$4,580.00	\$42.50
Employer Paid Health	\$12,389.65	\$12,648.00	\$258.35
Office Supplies (GENERAL)	\$235.87	\$200.00	(\$35.87)
Printed Forms	\$0.00	\$0.00	\$0.00
Electricity	\$5,025.25	\$11,000.00	\$5,974.75
Computer Supplies	\$0.00	\$0.00	\$0.00
Training and Instruction	\$0.00	\$500.00	\$500.00
Operating Supplies (GENERAL)	\$527.92	\$600.00	\$72.08
Cleaning Supplies	\$0.00	\$0.00	\$0.00
Motor Fuels	\$809.61	\$1,000.00	\$190.39
Lubricants and Additives	\$0.00	\$0.00	\$0.00
Chemicals	\$0.00	\$0.00	\$0.00
Chlorine	\$4,831.74	\$7,000.00	\$2,168.26
Fluoride	\$52.68	\$500.00	\$447.32
Repairs/Maint Supply	\$871.54	\$1,500.00	\$628.46
Equipment Parts	\$0.00	\$1,000.00	\$1,000.00
Building Repair Supply	\$0.00	\$0.00	\$0.00
Utility Maint Supply	\$0.00	\$0.00	\$0.00
Small Tools	\$500.00	\$500.00	\$0.00
Merchandise for Resale	\$2,915.59	\$750.00	(\$2,165.59)
Auditing and Acc't	\$3,000.00	\$3,000.00	\$0.00
Legal Fees	\$0.00	\$0.00	\$0.00
Testing/Analysis	\$0.00	\$0.00	\$0.00
Engineering Fees	\$0.00	\$0.00	\$0.00
Professional Services	\$1,699.52	\$500.00	(\$1,199.52)
Other Professional Services	\$3,355.00	\$0.00	(\$3,355.00)
Telephone	\$34.08	\$500.00	\$465.92
Postage	\$749.15	\$750.00	\$0.85
Travel Expense	\$129.34	\$500.00	\$370.66
Freight and Express	\$0.00	\$0.00	\$0.00
Legal Notices/Publications	\$0.00	\$0.00	\$0.00
General Liability Insurance	\$314.08	\$300.00	(\$14.08)
Property Insurance	\$1,514.00	\$1,600.00	\$86.00
Workers Compensation	\$1,923.58	\$2,000.00	\$76.42
Unemployment Paid	\$0.00	\$0.00	\$0.00
State Connection Fee	\$1,796.00	\$1,800.00	\$4.00
Repairs/Maint Building	\$22.99	\$0.00	(\$22.99)
Repairs/Maintenance Structure	\$10,669.07	\$10,000.00	(\$669.07)
Repairs/Maintenance Machinery	\$0.00	\$0.00	\$0.00
Dues and Subscriptions	\$3,875.64	\$2,100.00	(\$1,775.64)
Uncolletable Checks/Bad Debt	\$279.01	\$0.00	(\$279.01)
Cash Short	\$0.00	\$0.00	\$0.00
Miscellaneous	\$207.96	\$0.00	(\$207.96)
Bank Service Charges	\$270.30	\$500.00	\$229.70
Total Water Expenditures	\$127,149.24	\$130,189.00	\$3,039.76

Other Water Expenditures:	Budget		Remaining
Transfer Fr Other Fund	\$0.00	\$0.00	\$0.00
Debt Service Bond Principal	\$45,000.00	\$45,000.00	\$0.00
Debt Service Bond Interest	\$18,356.50	\$18,356.25	-\$0.25
Depreciation/Capital Outlay	\$0.00	\$10,000.00	\$10,000.00
Total	\$63,356.50	\$73,356.25	\$9,999.75
Net Total	\$17,232.84	\$203,545.25	\$13,039.51

Sewer Fund

Year to Date Income Statement thru 12/31/2019

Sewer Operating Revenue:		Budget
Reimbursements (insurance proceeds)	\$168.93	\$0.00
Penalties and Interest	\$0.00	\$0.00
Interest Earnings	\$1,376.41	\$0.00
Sewer Sales	\$141,572.12	\$163,000.00
Farm Lease Agreement Revenue	\$6,098.80	\$6,098.00
Sewer Connect/Reconnect Fee	\$0.00	\$0.00
Swr Penalty	\$1,653.21	\$1,500.00
Charges for Service	\$2,062.86	\$0.00
Total Sewer Revenues	\$152,932.33	\$170,598.00

Sewer Operating Expenditures:		Budget	Remaining
Full-Time Employees Regular	\$62,385.72	\$61,986.00	(\$399.72)
Part-Time Employees	\$524.59	\$625.00	\$100.41
PERA	\$4,438.38	\$4,673.00	\$234.62
FICA	\$4,731.84	\$4,767.00	\$35.16
Employer Paid Health	\$12,880.63	\$13,199.00	\$318.37
Office Supplies (GENERAL)	\$200.00	\$200.00	\$0.00
Electricity	\$32,773.91	\$16,000.00	(\$16,773.91)
Training and Instruction	\$390.00	\$500.00	\$110.00
Operating Supplies (GENERAL)	\$468.43	\$500.00	\$31.57
Motor Fuels	\$1,074.36	\$1,200.00	\$125.64
Lubricants and Additives	\$0.00	\$500.00	\$500.00
Repairs/Maint Supply	\$166.05	\$500.00	\$333.95
Equipment Parts	\$0.00	\$0.00	\$0.00
Tires	\$0.00	\$0.00	\$0.00
Merchandise Resale	\$0.00	\$0.00	\$0.00
Building Repair Supply	\$0.00	\$0.00	\$0.00
Utility Maint Supply	\$0.00	\$0.00	\$0.00
Small Tools	\$600.00	\$600.00	\$0.00
Auditing and Acc't	\$3,000.00	\$3,000.00	\$0.00
Legal Fees	\$0.00	\$0.00	\$0.00
Chemicals and Chem Products	\$0.00	\$0.00	\$0.00
Testing/Analysis	\$844.00	\$750.00	(\$94.00)
Other Professional Services	\$504.88	\$1,000.00	\$495.12
Telephone	\$378.85	\$500.00	\$121.15
Postage	\$499.27	\$500.00	\$0.73
Travel Expense	\$59.74	\$500.00	\$440.26
Other Printing/Binding	\$0.00	\$0.00	\$0.00
Freight and Express	\$0.00	\$0.00	\$0.00
Legal Notices/Publications	\$0.00	\$0.00	\$0.00
General Liability Insurance	\$1,847.16	\$2,100.00	\$252.84
Property Insurance	\$1,442.00	\$1,500.00	\$58.00
Other Insurance	\$0.00	\$0.00	\$0.00
Automotive Insurance	\$0.00	\$0.00	\$0.00
Workers Compensation	\$2,330.87	\$2,200.00	(\$130.87)
Unemployment Paid	\$0.00	\$0.00	\$0.00
State Connection Fee	\$0.00	\$0.00	\$0.00
Repairs/Maint Building	\$0.00	\$0.00	\$0.00
Repairs/Maintenance Structure	\$8,307.45	\$8,000.00	(\$307.45)
Repairs/Maintenance Machinery	\$379.55	\$0.00	(\$379.55)
Dues and Subscriptions	\$4,630.94	\$3,200.00	(\$1,430.94)
Miscellaneous	\$207.95	\$0.00	(\$207.95)
Debt Service Bond Interest	\$0.00	\$0.00	\$0.00
Fiscal Agent Fee	\$0.00	\$0.00	\$0.00
Other Equipment (irrigator)	\$6,586.25	\$6,500.00	(\$86.25)
Total Sewer Expenditures	\$151,652.82	\$135,000.00	(\$16,652.82)

		Budget	Remaining
Debt Srv Principal 2014 Go Bond	\$3,000.00	\$3,000.00	\$0.00
Depreciation/Capital Outlay	\$0.00	\$25,000.00	\$25,000.00
Total	\$3,000.00	\$28,000.00	\$25,000.00

Net Total (\$1,720.49) \$163,000.00 \$8,347.18

Pine Tree Park
Year to Date Income Statement thru 12/31/2019

PTP Revenues	2019	Beach Project	2018
Reservation Fees	\$914.00		\$748.00
Grants	\$11,000.00		\$10,000.00
Camping Fees	\$15,113.50		\$13,492.00
Other Revenue	\$233.45		\$169.65
Contributions and Donations	\$11,500.00	\$11,500.00	\$0.00
Interest Earnings	\$758.16		\$243.09
Total PTP Revenues	\$39,519.11	\$11,500.00	\$24,652.74

2019

PTP Expenditures	2019 YTD	Beach Project	2018 YTD	Budget	Remaining
Full-Time Employees Regular	\$3,840.58		\$3,576.22	\$3,832.00	(\$8.58)
Part-Time Employees Regular	\$1,311.64		\$1,330.89	\$1,560.00	\$248.36
PERA	\$375.99		\$368.04	\$280.00	(\$95.99)
FICA	\$381.99		\$367.39	\$405.00	\$23.01
Employer Paid Health	\$754.65		\$666.94	\$767.00	\$12.35
Office Supplies	\$8.75		\$6.13	\$0.00	(\$8.75)
Electricity	\$3,060.21		\$2,631.02	\$2,500.00	(\$560.21)
Operating Supplies (GENERAL)	\$714.22		\$517.75	\$700.00	(\$14.22)
Cleaning Supplies	\$20.05		\$11.89	\$100.00	\$79.95
Motor Fuels	\$900.00		\$405.19	\$900.00	\$0.00
Repairs/Maint Supply	\$635.67		\$436.96	\$750.00	\$114.33
Equipment Parts	\$185.62		\$7.10	\$200.00	\$14.38
Other Professional Services	\$950.00		\$0.00	\$500.00	(\$450.00)
Postage	\$0.00		\$0.00	\$0.00	\$0.00
Advertising	\$397.50		\$386.00	\$500.00	\$102.50
Other Printing/Binding	\$0.00		\$0.00	\$0.00	\$0.00
General Liability Insurance	\$628.16		\$583.20	\$600.00	(\$28.16)
Property Insurance	\$1,902.00		\$1,971.00	\$2,000.00	\$98.00
Workers Compensation Insurance	\$0.00		\$25.95	\$0.00	\$0.00
Garbage	\$1,573.08		\$2,195.70	\$1,750.00	\$176.92
Repairs/Maint Building	\$1,254.43	\$1,000.00	\$0.00	\$2,500.00	\$1,245.57
Repairs/Maintenance Structure	\$0.00		\$0.00	\$0.00	\$0.00
Improvements Other	\$0.00		\$37.54	\$500.00	\$500.00
Repairs/Maintenance Machinery	\$368.38		\$1,113.00	\$1,500.00	\$1,131.62
Portable Restrooms	\$0.00		\$0.00	\$0.00	\$0.00
Other Equipment	\$0.00		\$13,049.00	\$0.00	\$0.00
Transfer to General	\$0.00		\$0.00	\$0.00	\$0.00
Dues and Subscriptions	\$1,207.25	\$392.25	\$465.00	\$275.00	(\$932.25)
Total PTP Expenditures	\$20,470.17	\$1,392.25	\$30,151.91	\$22,119.00	\$1,648.83
Net Profit	\$19,048.94	\$10,107.75	(\$5,499.17)		
Total	\$19,048.94	\$10,107.75	(\$5,499.17)		

Blackduck Municipal Golf Course
Year-To-Date Income Statement 12/31/2019

	Sales	Cost of Goods	Gross Profit	Gross Margin	Budget	Remaining
Beer	\$4,854.64	\$2,764.05	\$2,090.59	43.06%	\$3,000.00	\$235.95
Soft Drinks	\$3,278.46	\$2,377.31	\$901.15	27.49%	\$3,000.00	\$622.69
Food	\$1,799.67	\$1,347.46	\$452.21	25.13%	\$1,500.00	\$152.54
Golf Merchandise	\$1,532.58	\$1,098.43	\$434.15	28.33%	\$500.00	(\$598.43)
Clothing	\$932.51	\$413.53	\$518.98	55.65%	\$500.00	\$86.47
Total	\$12,397.86	\$8,000.78	\$4,397.08	35.47%	\$8,500.00	\$499.22

Charges for Services

Green Fees	\$32,282.87
Membership Fees	\$17,176.00
Trail Fees	\$763.22
Cart Storage	\$2,406.43
Rentals (Clubs, Carts)	\$750.83
Power Carts	\$16,940.97
Clubhouse Rental	\$700.00
Golf Tournament Revenue	\$0.00
Total Charges for Services	\$71,020.32

Total Income \$83,418.18

Less Operating Expense

		Budget	Remaining
Wages	\$55,994.72	\$50,000.00	(\$5,994.72)
PERA	\$2,221.72	\$3,000.00	\$778.28
FICA	\$4,283.60	\$3,825.00	(\$458.60)
Office Supplies	\$8.75	\$0.00	(\$8.75)
Heating Fuel	\$209.88	\$0.00	(\$209.88)
Electricity	\$4,730.03	\$6,000.00	\$1,269.97
Training & Instructions	\$0.00	\$0.00	\$0.00
Operating Supplies	\$1,564.77	\$1,000.00	(\$564.77)
Cleaning Supplies	\$26.03	\$0.00	(\$26.03)
Motor Fuels	\$2,585.93	\$3,000.00	\$414.07
Lubricants/Additives	\$104.59	\$0.00	(\$104.59)
Chemicals	\$2,867.13	\$4,500.00	\$1,632.87
Repair/Maint/Supplies	\$163.18	\$0.00	(\$163.18)
Equipment parts	\$5.36	\$0.00	(\$5.36)
Building Repair supply	\$0.00	\$0.00	\$0.00
Small Tools/Equipment	\$203.54	\$0.00	(\$203.54)
Tires	\$402.47	\$0.00	(\$402.47)
Auditing/Accounting	\$0.00	\$0.00	\$0.00
Medical Fees	\$414.00	\$500.00	\$86.00
Dram	\$750.00	\$750.00	\$0.00
Telephone	\$579.80	\$600.00	\$20.20
Cable Television	\$367.07	\$0.00	(\$367.07)
Travel Expenses	\$50.00	\$0.00	(\$50.00)
Other Professional services	\$0.00	\$0.00	\$0.00
Postage	\$92.60	\$100.00	\$7.40
Advertising	\$0.00	\$0.00	\$0.00
Liability Insurance	\$2,277.08	\$2,000.00	(\$277.08)
Property Insurance	\$3,520.00	\$3,600.00	\$80.00
Work Comp	\$494.98	\$700.00	\$205.02
Unemployment	\$4,069.00	\$5,000.00	\$931.00
Insurance	\$0.00	\$0.00	\$0.00
Garbage Disposal	\$729.62	\$750.00	\$20.38
Repair/Maint Building	\$1,384.78	\$1,000.00	(\$384.78)
Repair/Main Structure	\$0.00	\$0.00	\$0.00
Repairs/Maint Machinery	\$9,157.24	\$4,000.00	(\$5,157.24)
Maintenance Course	\$9,708.67	\$3,000.00	(\$6,708.67)
Golf Cart Lease	\$0.00	\$0.00	\$0.00
Other Rentals	\$0.00	\$0.00	\$0.00
Leasehold Improvement	\$0.00	\$0.00	\$0.00
Dues and Subscriptions	\$3,301.16	\$1,500.00	(\$1,801.16)
Bank Service Charges	\$1,290.34	\$1,000.00	(\$290.34)
Debt Service Bond Principal	\$10,000.00	\$10,000.00	\$0.00
Interest	\$937.50	\$937.50	\$0.00
Equipment Bond Interest 2016	\$2,175.00	\$2,175.00	\$0.00

Equipment Bond Principal 2016	\$12,000.00	\$12,000.00	\$0.00
Total Expense	\$138,670.54	\$120,937.50	(\$17,733.04)

OPERATING INCOME OR LOSS (\$63,253.14)

Other Expenses

Misc. Expenses	\$0.00
Equipment - Gator	\$0.00
Management Fee	\$0.00
Capital Improvements	\$0.00
Transfer to General	\$0.00
Cash Short	\$314.20
Total Other Expenses	\$314.20

Other Income

Contributions & Donations	\$5,824.00
Transfer Fr Liq Str	\$10,000.00
Interest Earned	\$0.00
Miscellaneous/Reimbursments	\$636.92
Tee Box Sponsorship	\$2,000.00
Cash Over	\$63.83
General Property Taxes	\$15,544.87
Total Other Income	\$34,069.62

NET INCOME OR LOSS YEAR TO DATE (\$29,497.72)

Sales Comparison YTD	2018 thru October	2019
Green Fees	\$35,789.41	\$32,282.87
YTD Comparisons:	2018 thru October	2019
Operating Revenue	\$98,099.34	\$117,487.80
Operating Expense	\$113,802.10	\$146,985.52
	(\$15,702.76)	(\$29,497.72)

Other Income	
Reimbursements (NSF)	\$2,400.11
Rent Income	\$9,878.52
Vending Income	\$3,593.45
Interest	\$4,666.22
Cash Over	\$479.76
Total Other Income	\$21,018.06

Gross Profit Before Transfers **\$133,601.34**

Transfer to General Fund \$65,000.00

Net Profit After Inventory Exp & Transfers
\$68,601.34

Inventory at 1/1/2019 after inventory total	\$101,307.45
Inventory at 12/31/2019	\$109,107.43
Difference	\$7,799.98

Sales Comparison Year to Date Ending 12/31/2019

	2017	2018	2019	% of Increase from 2018-2019
Off-Sale Liquor	\$222,802.78	\$241,782.08	\$259,539.96	7.34%
Off-Sale Beer	\$450,890.10	\$468,926.18	\$473,541.10	0.98%
Off-Sale Wine	\$40,904.25	\$42,937.65	\$45,995.88	7.12%
Total Off-Sale	\$714,597.13	\$753,645.91	\$779,076.94	3.37%
On-Sale Liquor	\$103,583.22	\$114,451.02	\$125,587.54	9.73%
On-Sale Beer	\$130,151.29	\$143,834.90	\$160,316.08	11.46%
On-Sale Wine	\$1,208.46	\$1,248.89	\$1,529.49	22.47%
Total On-Sale	\$234,942.97	\$259,534.81	\$287,433.11	10.75%
Total On and Off Sale	\$949,540.10	\$1,013,180.72	\$1,066,510.05	5.26%
Total Food Sales	\$89,327.03	\$100,455.67	\$126,058.09	25.49%

LG216 Worksheet for Calculating Lawful Gambling Monthly Rent

Organization Name Blackduck Fire Relief	License Number 01944
Site Name MUNICIPAL LIQUOR STORE	Site Number 001
Bar op (Use one worksheet for each site. If lease changes, use new worksheet.)	
Booth Operation Rent 1 List the % to be paid for paper pull-tabs, tipboards, paddletickets, electronic pull-tabs and electronic linked bingo conducted by the organization's employees 1 <u> </u> 0.00 %	
Bar Operation Rent 2 List the % to be paid for paper pull-tabs, tipboards, and paddletickets conducted by the lessor or lessor's employees 2 <u> </u> 20.00 % 3 List the % to be paid for electronic pull-tabs and electronic linked bingo conduct by the lessor or lessor's employees 3 <u> </u> 15.00 %	

A	B1	B2	C1	C2	D	E1	E2	F	G	H
Booth Operation	Bar Operation		Rent Limit		Bar Operation Electronic Games		Total Rent	Bar Operation		
	Multiply the total of this month's net receipts from paper pull-tabs, electronic pull-tabs, tipboards, and paddletickets by the amount in Box 1.		Multiply the total of this month's net receipts from paper pull-tabs, tipboards, and paddletickets by the amount in Box 2.		If an amount was entered, in Col B, enter the sum of Col's B and C up to a max of \$1750. If Col B is blank, enter Col C.	Multiply the total of this month's net receipts from electronic pull-tabs and electronic linked bingo by the amount in Box 3.		Add Columns D and E Report amount on Schedule A, line 22h	Enter cash short for games sold from bar-op Report amount on Sched A, line 22m. In month the Col H is paid	Subtract Col G from Col F. This is the amount of rent to be paid. The amount is not reported on Sched A.
12 / 2018	0.00	0.00	4165.00	833.00	833.00	140.60	21.09	854.09	91.00	763.09
2 / 2019	0.00	0.00	5125.00	1025.00	1025.00	0.00	0.00	1025.00	195.00	830.00
3 / 2019	0.00	0.00	3380.00	676.00	676.00	0.00	0.00	676.00	10.00	666.00
4 / 2019	0.00	0.00	5524.00	1104.80	1104.80	0.00	0.00	1104.80	2.00	1102.80
5 / 2019	0.00	0.00	4123.00	824.60	824.60	0.00	0.00	824.60	0.00	824.60
6 / 2019	0.00	0.00	1679.00	335.80	335.80	0.00	0.00	335.80	29.00	306.80
8 / 2019	0.00	0.00	3680.00	736.00	736.00	0.00	0.00	736.00	0.00	736.00
9 / 2019	0.00	0.00	3796.00	759.20	759.20	0.00	0.00	759.20	131.00	628.20
10 / 2019	0.00	0.00	6012.00	1202.40	1202.40	0.00	0.00	1202.40	79.00	1123.40
11 / 2019	0.00	0.00	4965.00	993.00	993.00	0.00	0.00	993.00	0.00	993.00

1 This amount may not exceed 10%.
 2 Enter no more than 10% if paper or electronic pull-tabs, tipboards, paddletickets (other than paddletickets without a table once weekly), or electronic linked bingo games are conducted by the organization's employees. Otherwise, enter no more than 20%.
 3 This amount may not exceed 15%.
 4 Electronic pull-tab rent is based on the receipts incurred during the month, and not on when each pull-tab deal is closed.
 5 If the amount in Column H is negative, contact your compliance specialist.

FF 1 9 2019



CITY OF BLACKDUCK
CITY ADMINISTRATOR
SELF-APPRAISAL FORM FOR 2019 YEAR

Name Christina Regas

Title Administrator/Clerk/Treasurer

Department Administration

Original City Employment Date: 02/03/2014 **Rating Period** 12/05/2018 thru 12/05/2019

What were your major achievements this past year?

1. Successful 2018 Audit
2. Successful control of HR complaints publicly and privately.
3. Hired key replacement Public Works Supervisor for City.
4. Provided fair open discussion to achieve an agreement between new union with the International Union of Operating Engineers Local 49
5. Completed the 2019 Blandin Cohort Leadership Training & assisted in implementing a viable community project – Pine Tree Park Public Beach
6. Preserved the Lakeview Cemetery permanent records by electronically updating records and stepping into the role of liaison for the cemetery lot sales for the City of Blackduck
7. Preserved the Utility Billing procedures for the City of Blackduck water and sewer customers in the absence of the PWS, including learning how to utilize the hardware and software; updating both to current software versions to be compatible with newer water meters; and teaching the new PWS the procedures.
8. Assisted PWS in creating and implementing a PIP for staff that needed additional coaching & counseling from 2018 review period.
9. Successfully saved the City website blackduckmn.com from losing the domain name after web design company went out of business.
10. Hired key golf course manager for season to improve on relations with customers and staff for the 2019 season.
11. Assisted Liquor Store Manager and committee to improve the exterior signage at the Liquor Store to improve promotions and advertising.
12. Assisted the approval and closing of three new RLF loans to local businesses
13. Continued efforts to improve City Hall – asbestos testing; floor plans; security updates
14. Successfully supported department heads in planning and implementing the 2020 budgets
15. Assisted Golf Course management and golf board members in implementing the update to the Golf Cart Storage shed including financing options; design, and contractor estimates

What are your main strengths?

1. Positive Public Relations and Communications
2. Self-motivated
3. Human Resources
4. Collaboration skills Fair & Honest
5. Organized & Timely with deadlines

What do you believe to be your key job responsibilities?

1. Maintain & set the City of Blackduck budget.
2. Keep the tax levy stable.
3. Assist in increasing the Taxable Market Value of Blackduck
4. Oversee the administration of departments



CITY OF BLACKDUCK CITY ADMINISTRATOR SELF-APPRAISAL FORM FOR 2019 YEAR

5. Be a liaison for the City of Blackduck, the Community, & outside Towns, and local & State legislators.
6. Implement & Develop City Policy
7. Catalyst for City of Blackduck.

**What qualifications/skills are not being utilized in your present position?
Briefly describe how they could be utilized.**

1. None at this time.

What could your supervisor do to help you perform your job more effectively?

1. Check in often/be involved
2. Ask Questions
3. Challenge the status quo to improve the City.

What specific areas of your performance are you trying to improve?

1. To increase the responsibilities of the Deputy Clerk.
2. Knowing when to be hands off in departments so as to not overstep my position.
3. Communications other than email – being more face to face with the public.
4. Being a catalyst lobbying for growth in housing and commercial businesses.
5. Understand the benefits of Taxable Increment Finance to the City of Blackduck.
6. Improve tracking of City contract deadlines by utilizing tools at my disclosure. (ATM Liquor contract)

What training would help you perform your present job more effectively?

1. Minnesota Municipal Clerks Institute Annual Convention
2. Regional MCFOA meetings
3. Continued collaboration with HRDC staff.
4. LMC Training – online or meetings (loss control or other)
5. Increase department head meetings and use of Committee meetings.

Career Goals

What are your short range (within a year) and/or long range (1 year and beyond) goals?

Be as specific as possible.

SHORT TERM:

1. Keep City of Blackduck under budget in 2020
2. Comprehensive Plan – draft and implement – each City Department.
3. Continue to work to educate & collaborate positively with newly elected officials
4. City Hall renovation project.

LONG TERM:

1. Secure funding for infrastructure for housing addition in the Wolden Addition, Quiet Meadows, 4th Street SE, South Blackduck Estates.
2. Secure project house for A Brush with Kindness and Habitat for Humanity
3. Bring more small businesses to Blackduck
4. Preserve existing housing stock.



CITY OF BLACKDUCK CITY ADMINISTRATOR SELF-APPRAISAL FORM FOR 2019 YEAR

5. Continue to raise cash balances for municipal golf course to positive revenues.
6. Continue to work with Department heads to hire, train, and retain strong workforce with superior customer service for the residents of Blackduck.
7. Continue to lobby for a City Sales Tax to offset the future burden of infrastructure repairs.

What actions are you taking to reach these goals?

1. Working closely with the City Engineer and County Engineer.
2. Utilizing department head knowledge to make improvements necessary.
3. Research
4. Partnering with HRDC for resources
5. Partnering with Ehlers for resources and guidance
6. Working with all parties openly so the City works together.

What can we do to help you achieve these goals?

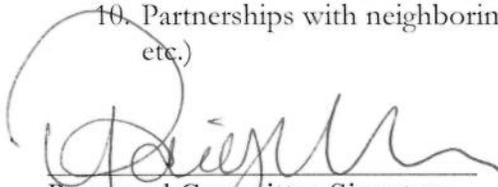
1. Elected officials can utilize their personal & business contacts to assist where can.
2. Be involved in other areas of government other than council meetings.
 - a. Sit on committees & other community boards
3. Expand training/knowledge by attending LMC annual conferences.

List subjects you would like to discuss during your Performance Appraisal and Development interview (career paths, possible assignments, job descriptions, etc.).

1. My overall performance for 2019
2. My weaknesses as a team leader and where certain areas can be improved.

Please comment on outside activities (professional organizations, etc.) that are contributing to your career development. (optional)

1. Blackduck Chamber of Commerce – 2019 Secretary
2. Blackduck Development Corporation – 2019 Secretary
3. BAH – Blackduck Ambulance Board – 2019 Board President
4. Blackduck Stumpjumpers
5. Backwoods Bash Committee
6. MCFOA – Region 1 Director position
7. LMC networking and other clerks
8. Northwest Minnesota Foundation
9. Take a Kid Fishing – Treasurer and committee member
10. Partnerships with neighboring City's staff. (Bemidji, Kelliher, Northome, Cass Lake, Walker, etc.)


 Personnel Committee Signature

12/23/19
 Date


 Administrator's Signature


 Personnel Committee Signature

12/17/19
 Date

To

Vendor ID: 0000201376
Vendor Location: 001
Vendor Name: BLACKDUCK CITY OF T
Vendor Address: PO BOX 380
 BLACKDUCK, MN 56630-0380

Reference Information

Pay Cycle: DLYEFT
Pay Cycle Seq Number: 2137

Payment Information

Payment Reference: 0005761406
Payment Date: 12/24/2019
Payment Method: Automated Clearing House

Agency Code / Description	Contact Phone	Voucher ID / Payment Message	Invoice Date	Invoice Number	Customer Account	Paid Amt
G90 / REVENUE/INTERGOVT	651/556-6092	00 07402469 LOCAL GOVERNMENT AID	12/26/2019	21909A20402002L001	CITY-040200 LOCAL_GOVT_AID	127,141.00
G90 / REVENUE/INTERGOVT	651/556-6092	00 07402470 MV CREDIT-AGRICULTURAL	12/26/2019	21909A20402002W001	CITY-040200 MVCREDIT_AGRIC	23.43
G90 / REVENUE/INTERGOVT	651/556-6092	00 07402471 PERA RATE INCREASE AID	12/26/2019	21909A20402002Z001	CITY-040200 PERA_RATE_AID	10.00
G90 / REVENUE/INTERGOVT	651/556-6092	00 07402472 PERA RATE INCREASE AID	12/26/2019	21909A20402002Z002	CITY-040200 PERA_RATE_AID	546.50
B24 / PUBLIC FACILITIES AUTHORITY	651/259-7059	15 00007243	12/20/2019	MPFA-DWRF-G-023-FY17 16		30,165.11
B24 / PUBLIC FACILITIES AUTHORITY	651/259-7059	15 00007244	12/20/2019	MPFA-DWRF-L-022-FY17 16		30,000.00

Total: 187,886.04 USD

12/17/2019 12:31:29 pm

BEL TRAMI ELECTRIC COOPERATIVE

Revision: 19713

CAPITAL CREDIT CUSTOMER PROFILE

Page: 1

CITY OF BLACKDUCK

CUSTOMER: 10710

MASTER INFORMATION

Customer Status: ACTIVE
Valid Address: C
Spec Handling: K
Estate Retire: N

CUSTOMER TOTALS

Table with columns: Type, Allocated, Unretired, TOTAL. Rows include ELEC-COOP, G&T, and a grand total of 114,478.03.

LAST RETIREMENT

Check Nbr: 240344
Date: 12/10/2019
Amount: 3,761.65

ADDRESS INFORMATION

MAIN Name: CITY OF BLACKDUCK

Add Name:
Print Cd: 1 CARR RT: 0004
Address: PO BOX 380

MAIN Name: CITY OF BLACKDUCK

Add Name:
Print Cd: 1 CARR RT: 0004
Address: STREET LIGHTS

MAIN Name: CITY OF BLACKDUCK

Add Name:
Print Cd: 1 CARR RT: 0004
Address: CITY LIBRARY

MAIN Name: CITY OF BLACKDUCK

Add Name:
Print Cd: 1 CARR RT: 0002
Address: DISPOSAL PLANT POWER

PO BOX 189
BLACKDUCK, MN 56630

PRIOR YEAR DETAIL

E-MAIL

E-bill: Home: (218) 835-4803

Misc: Bus:
Outage: Mobile:

E-MAIL

E-bill: Home:
Misc: Bus:
Outage: Mobile:

Misc: Bus:
Outage: Mobile:

E-MAIL

E-bill: Home:
Misc: Bus:
Outage: Mobile:

Misc: Bus:
Outage: Mobile:

E-MAIL

E-bill: Home:
Misc: Bus:
Outage: Mobile:

Misc: Bus:
Outage: Mobile:

BELTRAMI ELECTRIC COOPERATIVE

CAPITAL CREDIT CUSTOMER PROFILE

CITY OF BLACKDUCK
CUSTOMER: 10710

Year	Type	Allocated	Unretired	Usage	Patronage
1974	ELEC-COOP	9,853.65	0.00	0	0.00
1975	ELEC-COOP	193.86	0.00	0	0.00
1976	ELEC-COOP	377.22	0.00	0	0.00
1977	ELEC-COOP	305.33	0.00	0	0.00
1978	ELEC-COOP	673.14	0.00	0	0.00
1979	ELEC-COOP	1,118.65	0.00	0	0.00
1980	ELEC-COOP	393.47	0.00	0	0.00
1982	ELEC-COOP	1,983.15	0.00	0	0.00
1983	ELEC-COOP	1,912.92	0.00	0	0.00
1984	ELEC-COOP	2,521.17	0.00	0	0.00
1985	ELEC-COOP	2,321.84	0.00	0	0.00
1986	ELEC-COOP	3,554.77	0.00	0	0.00
1987	ELEC-COOP	3,129.30	0.00	0	0.00
1988	ELEC-COOP	2,815.21	0.00	0	0.00
1989	ELEC-COOP	2,071.32	0.00	0	0.00
1990	ELEC-COOP	1,892.84	0.00	0	0.00
1991	ELEC-COOP	3,877.66	0.00	0	0.00
1992	ELEC-COOP	4,318.59	0.00	0	0.00
1993	ELEC-COOP	4,346.83	0.00	0	0.00
1994	ELEC-COOP	3,746.74	0.00	0	0.00
1995	ELEC-COOP	4,073.58	1,878.08	0	0.00
1996	ELEC-COOP	3,394.12	3,035.77	0	0.00
1997	ELEC-COOP	4,154.33	3,715.72	0	0.00
1998	ELEC-COOP	2,277.69	2,037.20	0	0.00
1999	ELEC-COOP	3,278.40	2,932.27	839,495	51,798.10
2000	ELEC-COOP	3,030.89	2,710.89	756,008	49,208.86

BELTRAMI ELECTRIC COOPERATIVE

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CAPITAL CREDIT CUSTOMER PROFILE

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CITY OF BLACKDUCK
CUSTOMER: 10710

2001 ELEC-COOP	2,913.31	2,605.72	844,048	54,655.41
2002 ELEC-COOP	3,085.47	2,759.71	830,467	52,669.50
2003 ELEC-COOP	4,617.37	4,129.86	804,130	56,757.44
2004 ELEC-COOP	3,313.66	2,963.80	811,460	57,903.18
2005 ELEC-COOP	3,502.11	3,132.36	744,940	55,134.31
2006 ELEC-COOP	889.02	795.16	809,573	61,474.86
2007 ELEC-COOP	2,650.69	2,370.84	794,157	63,961.65
2008 ELEC-COOP	3,029.61	2,709.74	883,137	72,389.30
2009 ELEC-COOP	3,101.79	2,774.31	835,623	77,036.80
2010 ELEC-COOP	2,856.67	2,555.06	768,816	79,902.91
2011 ELEC-COOP G&T	2,371.65 194.25	2,121.25 194.25	805,333	93,236.71
2012 ELEC-COOP G&T	1,921.22 589.39	1,718.37 589.39	746,774	89,996.67
2013 ELEC-COOP G&T	2,797.54 165.54	2,502.17 165.54	842,958	97,939.22
2014 ELEC-COOP G&T	855.51 54.08	765.17 54.08	895,520	103,903.79
2015 ELEC-COOP	1,536.03	1,373.86	781,722	95,559.97
2016 ELEC-COOP	1,828.43	1,685.96	780,940	103,713.84
2017 ELEC-COOP	0.00	0.00	729,252	95,840.51
2018 ELEC-COOP	588.02	294.01	707,833	94,818.19
TOTALS:	114,478.03	54,570.54	16,012,186	1,507,901.22

RETIREMENT HISTORY

BELTRAMI ELECTRIC COOPERATIVE

ALLOCATION INFORMATION FOR 2018

Customer 10710
CITY OF BLACKDUCK

Current Unretired Capital Credits: \$ 54,570.54

ACCOUNT	SERVICE MAP LOCATION	SERVICE ADDRESS	RATE SCHEDULE	PATRONAGE 2018	USAGE 2018	ALLOCATED AMT
1071000	042-07-289	LIBERTY DR NE	170	1,266.57	6,803	7.85
1071000	042-07-305	HWY 71 NE & 4TH ST NE	160	1,115.20	5,510	6.92
1071000	042-07-331	441 4TH ST NE	170	576.05	624	3.57
1071000	042-18-001	57 1ST ST SE / ALLEY / WHITEWAY	160	2,508.35	18,097	15.56
1071000	042-18-002	72 RAILROAD AVE SE	170	4,449.27	36,290	27.59
1071000	042-18-020	OLD LEC 88 1ST ST SE	170	1,061.99	5,085	6.59
1071000	042-18-154	72 1ST ST SE	170	1,871.77	12,081	11.61
1071000	042-18-154	72 1ST ST SE	312	1,666.18	24,247	10.33
1071000	043-11-058	PINE TREE PARK RD NE	170	1,760.49	10,349	10.92
1071000	043-11-059	PINE TREE PARK RD NE	170	749.59	1,654	4.65
1071000	043-11-061	20857 BLACKDUCK LAKE RD NE	480	1,451.67	4,136	9.00
1071000	043-11-063	STONER MEMORIAL DR NE OR CSAH 30	550	5,923.01	38,300	36.73
1071000	043-11-068	STONER MEMORIAL DR NE	170	526.50	181	3.27
1071000	043-11-069	20857 BLACKDUCK LAKE RD NE	170	2,187.88	13,872	13.57
1071000	043-11-069	20857 BLACKDUCK LAKE RD NE	312	2,007.13	29,786	12.45
1071000	043-12-132	STREET LIGHTS	160	5,713.68	34,932	35.43
1071000	043-12-136	1ST ST NW & MARGARET AVE NW	170	505.50	0	3.13
1071000	043-12-150	1ST & SUMMIT ST / ALLEY	160	1,653.87	10,345	10.26
1071000	043-12-200	24 SUMMIT AVE E	170	5,680.46	47,156	35.23
1071000	043-12-217	NEW LEC 80 MAIN ST N	170	995.56	4,366	6.17
1071000	043-12-217	NEW LEC 80 MAIN ST N	312	1,246.66	18,524	7.73
1071000	043-12-218	33 MARGARET AVE NE	170	2,349.51	16,637	14.57
1071000	043-12-218	33 MARGARET AVE NE	312	2,404.52	36,404	14.91
1071000	043-12-316	HWY 71 NW & MAIN ST N / WHITEWAY	160	831.34	2,911	5.16
1071000	043-12-368	BLACKDUCK LAKE RD NE	550	4,042.04	21,946	25.07
1071000	043-12-386	BLACKDUCK LAKE RD NE	550	3,095.35	15,925	19.20

This list is purely a statement of capital credit allocation and cannot be applied to an energy bill at this time.

BEL TRAMI ELECTRIC COOPERATIVE

12/17/2019 12:30:27 pm

ALLOCATION INFORMATION FOR 2018

Page: 2

1071000	043-12-478	OSCAR AVE NW	170	1,116.48	5,416	6.92
1071000	043-12-481	372 SUMMIT AVE W	650S	6,153.48	43,600	38.16
1071000	043-13-189	224 FRONTAGE RD	650	12,222.66	110,120	75.80
1071000	043-13-189	224 FRONTAGE RD	650S	8,249.74	70,680	51.16
1071000	043-13-189	224 FRONTAGE RD	850	1,285.62	19,368	7.97
1071000	043-13-193	72 FRONTAGE RD SW	170	579.37	648	3.59
1071000	043-13-195	72 FRONTAGE RD SW	170	2,769.28	20,209	17.17
1071000	043-13-195	72 FRONTAGE RD SW	312	944.33	14,049	5.86
1071000	043-13-198	HIGHWAY 71 SW	170	522.84	155	3.24
1071000	043-13-254	SCENIC HIGHWAY SE	650	649.64	0	4.03
1071000	043-13-254	SCENIC HIGHWAY SE	650S	1,618.36	3,145	10.04
1071018	043-12-360	7264 MAIN ST N	140	1,066.25	4,282	6.61
TOTALS:				\$ 94,818.19	707,833	\$ 588.02

This list is purely a statement of capital credit allocation and cannot be applied to an energy bill at this time.

December 20, 2019

Christina Regas, City Administrator
City of Blackduck, Minnesota
8 Summit Ave NE
PO Box 380
Blackduck, MN 56630-0380

Re: Written Municipal Advisor Client Disclosure with the City of Blackduck (“Client”) Pursuant to
MSRB Rule G-42

Dear Christina:

In order for Ehlers & Associates, Inc., (“Ehlers & Associates” or the “Municipal Advisor”) to enter into an agreement to engage in municipal advisory activities with Client, we are required by Municipal Securities Rulemaking Board (MSRB) Rules¹ to provide certain information and disclosures in written form (a “Municipal Advisor Disclosure”). This letter sets forth such required information and disclosures as is necessary to allow the Municipal Advisor to engage in municipal advisory activities (as defined in the Securities Exchange Act and MSRB rules) on behalf of the Client that are not related to a specific project from the date of this letter through December 31, 2020:

1. When providing municipal advisor advice, we are required to act in a fiduciary capacity, which includes a duty of loyalty and a duty of care. This means we are required to place the Client’s interest above our own.
2. We have an obligation to fully and fairly disclose to you in writing all material conflicts of interest including any actual or potential conflicts of interest that might impair our ability to render advice to you in accordance with our fiduciary duty. We are providing these and other required disclosures in **Appendix A** attached hereto.
3. Ehlers & Associates shall provide municipal advisor advice and service at such fees, if agreed upon by Client, as described in **Appendix B** attached hereto.

This documentation and all appendices hereto shall be effective during the period indicated unless otherwise terminated by either party upon 30 days written notice to the other party.

During the term of our municipal advisory relationship, this Municipal Advisor Disclosure will be amended or supplemented to reflect any material changes.

Sincerely,

Ehlers & Associates



Todd Hagen, CIPMA
Senior Municipal Advisor/Vice President

¹ This document is intended to satisfy the requirements of MSRB Rule G-42(b) and Rule G-42(c).

Appendix A

Disclosure of Conflicts of Interest/Other Required Information

Actual/Potential Material Conflicts of Interest

Ehlers & Associates has no known actual or potential material conflicts of interest that might impair its ability to render unbiased and competent advice or to fulfill its fiduciary duty to Client.

Conflicts Arising from Compensation Contingent on the Size or Closing of Any Transaction

The Municipal Advisor's fees may be contingent on the [size and] successful closing of a transaction. Compensation contingent on the size of a transaction presents a conflict of interest because the Municipal Advisor may have an incentive to advise the client to increase the size of the securities issue for the purpose of increasing the Municipal Advisor's compensation. Compensation contingent on the closing of the transaction presents a conflict because the Municipal Advisor may have an incentive to recommend unnecessary or unsuitable financings to the Client. In addition, if the transaction is to be delayed or fail to close, a Municipal Advisor may have an incentive to discourage a full consideration of such facts and circumstances or alternatives that may result in the cancellation of the transaction. Understanding these conflicts, Client should select a form of compensation that best meets the Client's needs for the agreed-upon scope of services within this agreement and any addenda thereto.

Any form of compensation due the Municipal Advisor will likely present specific conflicts of interest with the Client. If Client is concerned about conflicts arising from Municipal Advisor compensation contingent on size and/or closing of a transaction, Ehlers & Associates is willing to provide another form of municipal advisor compensation. The Client must notify Ehlers & Associates in writing of this request within 10 days of receipt of this Municipal Advisor Disclosure. Ehlers & Associates is required to uphold its fiduciary obligation regardless of the method of compensation.

Other Engagements or Relationships Impairing Ability to Provide Municipal Advisor Advice

Ehlers & Associates is not aware of any other engagement or relationship that might impair its ability to either render municipal advisor advice to Client in accordance with its duty of loyalty and care.

Affiliated Entities

Ehlers Companies is a holding company with three wholly-owned subsidiaries. Ehlers & Associates is a registered municipal advisor and provides municipal advisory, economic development and dissemination agent services. Bond Trust Services Corporation (BTSC), which may be referenced as Ehlers Paying Agent Services, provides paying agent services. Ehlers Investment Partners (EIP), which may be referenced as Ehlers Investments, provides services with respect to the investment of bond proceeds and general cash accounts. If the services provided by BTSC or EIP are needed during any such time Ehlers & Associates is engaged as municipal advisor, Client will be asked if they wish to retain either affiliate of Ehlers & Associates to provide service. If Client wishes to retain BTSC and/or EIP, a separate agreement with such affiliate will be provided for Client's consideration and approval. Ehlers & Associates and these affiliates do not share fees. However, compensation paid to personnel of Ehlers & Associates and its affiliates is based on the overall profitability of the Ehlers Companies and, therefore, fees earned by the affiliates of Ehlers & Associates may affect the compensation of Ehlers & Associates personnel.

Ehlers Companies is the owner of Ehlers & Associates. Ehlers Companies does not participate in the day-to-day operations of the Municipal Advisor. A director of the Ehlers Companies is an executive at U.S. Bank National Association, a subsidiary of U.S. Banc Corp, which may provide or seek to provide other financial services to the Client either directly or through an affiliate or subsidiary.

Solicitors/Payments Made to Obtain/Retain Client Business

Ehlers & Associates does not use solicitors to secure municipal advisor engagements, nor make direct or indirect payments to obtain or retain municipal advisory engagements with Client.

Payments from Third Parties

Ehlers & Associates does not receive any direct or indirect payments from third-parties to enlist Ehlers & Associates' recommendation to the Client of third-party services, any municipal securities transaction or any municipal financial product.

Payments/Fee-splitting Arrangements

Ehlers & Associates does not share fees with any unaffiliated parties that provide services to the Client. However, within a joint proposal with other professional service providers, Ehlers & Associates could be the contracting party, or be a subcontractor to the contracting party resulting in a fee splitting arrangement. In such cases, the fee due Ehlers & Associates will be identified in a Municipal Advisor Disclosure and no other fees will be paid to Ehlers & Associates from any of the other participating professionals in the joint proposal.

Municipal Advisor Registration

Ehlers & Associates is registered with the Securities and Exchange Commission (SEC) and Municipal Securities Rulemaking Board (MSRB).

Material Legal or Disciplinary Events

Neither Ehlers & Associates nor any of its associated persons have been involved in any legal or disciplinary events reported on Form MA or Form MA-I, nor are there any other material legal or disciplinary events to be reported. Ehlers & Associates' application for permanent registration as a municipal advisor with the (SEC) was granted on July 28, 2014 and contained the information prescribed under Section 15B(a)(2) of the Securities and Exchange Act of 1934 and rules thereunder. It did not list any information on legal or disciplinary disclosures.

Client may access Ehlers & Associates' most recent Form MA and each most recent Form MA-I by searching the Securities and Exchange Commission's EDGAR system (currently available at <http://www.sec.gov/edgar/searchedgar/companysearch.html>) under either our Company Name (Ehlers & Associates, Inc.) or by using the currently available "Fast Search" function and entering our CIK number (0001604197).

Ehlers & Associates has not made any material changes to Form MA or Form MA-I since the above date.

MSRB Contact Information

The website address of the MSRB is www.msrb.org. A municipal advisory client brochure that describes the protections that may be provided by MSRB rules and how to file a complaint with regulatory authorities is posted on the MSRB website.

Appendix B General Consulting Services

As part of our Municipal Advisory relationship, Ehlers & Associates ordinarily provides Client with certain ongoing services without compensation. Examples of such services include:

- Respond to Client questions and provide general information on public finance approaches that are available under state and federal law.
- Act as a public finance resource for Client.
- Provide educational and informational materials.
- Provide current debt schedules for existing Client obligations.
- Answer questions pertaining to existing Client debt obligations.
- Provide periodic analysis of refunding opportunities.
- Participation in surveillance calls conducted by bond rating services.
- Preliminary Debt Issuance Planning:
 - Engage in discussions with Client, as needed, to develop an understanding of a possible project, the Client and Client's objectives relating thereto.
 - Identify feasible financing option(s) suitable for Client.
 - Structure possible financing option(s) and estimate the financial impact.
 - Solicit input from Client on financing options(s).
 - Revise option(s) as directed by Client.
 - Develop a customized financing plan for Client's preferred option(s).

Ehlers & Associates may charge Client for other general consulting services depending on the time needed to provide the service, the level of analysis required, or degree of complexity involved. Prior to charging Client, Ehlers & Associates will first advise Client of the anticipated charges and receive authorization to proceed. Unless another basis for compensation is agreed to by Client and Ehlers & Associates as a modification to this Appendix, Ehlers & Associates will bill Client at an hourly rate that is dependent upon the task/staff required to meet Client request at no less than \$125.00/hour and not to exceed \$350.00/hour. If the service requested by Client constitutes a new project, such as a debt issuance, Ehlers & Associates will provide either a separate scope of service and fees for that project or a separate Municipal Advisor Disclosure.

Examples of services for which Client may be charged include:

- Providing advice on a project or a work product as requested by Client.
- Reviewing plans, proposals, studies and other materials submitted by bankers, underwriters, engineers, accountants or other third parties where Ehlers & Associates has been designated by Client as its Independent Registered Municipal Advisor (IRMA) for purposes of allowing such third parties to operate under the IRMA exemption.
- Resolving payment related concerns with the Depository Trust Company (DTC) where Client is acting as its own paying agent.
- Assisting with the redemption of outstanding obligations where the Client has determined to pay those obligations from cash on hand or other sources.
- Providing advice to Client with respect to the terms, conditions, features or other aspects of loans or other forms of indebtedness Client seeks to obtain through private placement with a financial institution or through federal or state loan programs, and where Ehlers & Associates is not directly assisting Client with obtaining the financing.

**NOTICE OF AVAILABILITY, PUBLIC COMMENT OPPORTUNITY, AND
WRITTEN COMMENT PERIOD FOR THE REVISED FINAL ENVIRONMENTAL IMPACT
STATEMENT ON THE LINE 3 REPLACEMENT PROJECT**

Issued: December 9, 2019

In the Matter of the Applications of Enbridge Energy, Limited Partnership for a Certificate of Need and a Routing Permit for the Proposed Line 3 Replacement Project in Minnesota from the North Dakota Border to the Wisconsin Border

PUC Docket Numbers: PL-9/CN-14-916 and PL-9/PPL-15-137

On October 8, 2019, consistent with the June 3, 2019 decision by the Minnesota Court of Appeals, the Minnesota Public Utilities Commission (Commission) issued an order that found the final environmental impact statement (FEIS) for the proposed Line 3 Replacement Project to be inadequate because it did not sufficiently address the potential impact of an oil spill into the Lake Superior watershed. The order requested that the Minnesota Department of Commerce revise the FEIS to include an analysis of the potential impact of an oil spill into the Lake Superior watershed, and to submit a revised FEIS to the Commission within 60 days. In accordance with the Commission's October 8 Order, the Department issued the revised FEIS for the Line 3 Replacement Project on December 9, 2019.

The Commission will provide an opportunity to submit written comments and present comments in front of an administrative law judge from the Office of Administrative Hearings. The following topics are open for comment:

- Is the revised FEIS adequate?
- In light of the revised FEIS, what action should the Commission take on the application for a certificate of need for the Line 3 Replacement Project?
- In light of the revised FEIS, what action should the Commission take on the application for a pipeline routing permit for the Line 3 Replacement Project?

Public Comment Opportunity

The Commission will provide interested persons the opportunity to present comments in front of an administrative law judge from the Office of Administrative Hearings at the time and place set forth below. This is solely an opportunity to comment on the topics listed above and is not a public meeting or public hearing for the purpose of providing information or answering questions. A transcript of the comments will be made by a court reporter. The transcript will be filed and become part of the record before the Commission.

Date: Thursday, December 19, 2019
Time: Session 1 (1:00 p.m. – 4:00 p.m.) Session 2 (6:00 p.m. – 9:00 p.m.)
Location: Radisson Hotel Duluth-Harborview
505 W Superior Street
Duluth, MN 55802

To find out if a meeting is canceled due to bad weather or other call 1-855-731-6208 or 651-201-2213 or visit mn.gov/puc.

Written Comment Period

The Commission will also accept written comments on the topics listed above.

Comment Period: Initial comment period closes **January 6, 2020** at 4:30 p.m.
Reply comment period closes **January 16, 2020** at 4:30 p.m.

Please include the Docket Numbers 14-916 and/or 15-137 in all communications. Comments received after the close of the comment period may or may not be considered by the Commission.

Submit Written Comments: Visit mn.gov/puc, select the *Comment* on the main menu to connect to the public comment page.

Filing Requirements: Utilities, telecommunications carriers, official parties, and state agencies are required to file documents using the Commission's electronic filing system at: <https://www.edockets.state.mn.us/EFiling>

Revised FEIS Availability

The revised FEIS and all other documents filed in this matter are available on the Commission's website: mn.gov/puc, select *eDockets*, and enter year (14) and the certificate of need docket number (916) or year (15) and the routing permit docket number (137), select *Search*.

The revised FEIS may also be viewed on the Department of Commerce website:
<https://mn.gov/eera/web/file-list/13765>

Electronic copies of the revised FEIS are also available for viewing at the following public libraries:

- Albert Lea Public Library, 211 E Clark St, Albert Lea, MN 56007
- Austin Public Library, 323 4th Ave NE, Austin, MN 55912
- Bagley Public Library, 79 Spencer Ave SW, Bagley, MN 56621
- Bemidji Public Library, 509 America Ave NW, Bemidji, MN 56601
- Bemidji State University C. Clark Library, 1500 Birchmont Dr NE, Bemidji, MN 56601
- Benson Public Library, 200 13th St N, Benson, MN 56215
- Blue Earth County Library, 100 E Main St, Mankato, MN 56001
- Cambridge Public Library, 244 Birch St S, Cambridge, MN 55008
- Carlton Public Library, 213 Chestnut Ave, Carlton, MN 55718
- Cass Lake Community Library, 223 Cedar Ave, Cass Lake, MN 56633
- Crookston Public Library, 110 N Ash St, Crookston, MN 56716
- Crosslake Area Library, 14126 Daggett Pine Rd, Crosslake, MN 56442
- Duluth Public Library, 520 W Superior St, Duluth, MN 55802
- East Lake Community Center, 20650 363rd Lane, McGregor, MN 55760
- Fergus Falls Public Library, 205 East Hampden Ave, Fergus Falls, MN 56537
- Foley Public Library, 251 4th Ave N, Foley, MN 56329
- Fond du Lac Tribal & Community College, 2101 14th Street, Cloquet, MN 55720
- Gaylord Public Library, 428 Main Ave, Gaylord, MN 55334
- Godel Memorial Library, 314 E Johnson Ave, Warren, MN 56762
- Grand Rapids Public Library, 140 NE 2nd St, Grand Rapids, MN 55744
- Great River Regional Library, 1300 W St Germain St, St. Cloud, MN 56301
- Hallock Public Library, 101 1st St E, Hallock, MN 56728
- Hinckley Public Library, 106 1st St SE, Hinckley, MN 55037
- Kitchigami Regional Library, 212 Park Ave, Pine River, MN 56474
- Le Sueur Public Library, 118 Ferry St, Le Sueur, MN 56058
- Leech Lake Tribal & Community College, 6945 Little Wolf Rd NW, Cass Lake, MN 56633
- Legislative Reference Library, 100 Rev Dr Martin Luther King Jr Blvd, St. Paul, MN 55155
- Little Falls Public Library, 108 NE 3rd St, Little Falls, MN 56345
- McGregor Public Library, 111 E Center Ave, McGregor, MN 55760
- McIntosh Public Library, 115 NW Broadway, McIntosh, MN 56556
- Red Lake Nation Tribal & Community College, 15480 Migizi Dr, Red Lake, MN 56671
- Milaca Community Library, 235 1st St E, Milaca, MN 56353
- Minneapolis Central Library, 300 Nicollet Mall, Minneapolis, MN 55401
- Montevideo Public Library, 224 S 1st St, Montevideo, MN 56265
- Mora Public Library, 200 W Maple Ave, Mora, MN 55051

- Morris Public Library, 102 E 6th St, Morris, MN 56267
- Olivia Public Library, 405 S 10th St, Olivia, MN 56277
- Park Rapids Area Library, 210 1st St W, Park Rapids, MN 56470
- Red Lake Falls Public Library, 105 Champagne Ave SW, Red Lake Falls, MN 56750
- Rice Lake Community Center, 26209 Water Tower Loop, Bagley, MN 56621
- Rochester Public Library, 101 2nd St SE, Rochester, MN 55904
- St. Peter Public Library, 601 S Washington Ave, St Peter, MN 56082
- Staples Public Library, 122 6th St NE, Staples, MN 56479
- Thief River Falls Public Library, 102 1st St E, Thief River Falls, MN 56701
- Wadena City Library, 304 1st St SW, Wadena, MN 56482
- Waseca-Le Sueur Library, 408 N State St, Waseca, MN 56093
- Wheaton Public Library, 901 1st Ave N, Wheaton, MN 56296
- White Earth Tribal & Community College, 102 3rd St NE, Mahanomen, MN 56557
- Willmar Public Library, 410 5th St SW, Willmar, MN 56201

Questions about this docket or Commission process and procedure? Contact Commission staff member, Scott Ek at scott.ek@state.mn.us or 651-201-2255 or Charley Bruce, Public Advisor, at publicadvisor.puc@state.mn.us or 651-201-2251.

If any reasonable accommodation is needed to enable you to fully participate in these meetings, please contact the Commission at 651-296-0406 or 1-800-657-3782 at least one week in advance of the meeting. To request this document in another format such as large print or audio, call 651-296-0406 (voice). Persons with a hearing or speech disability may contact the Commission via their preferred Telecommunications Relay Service or email consumer.puc@state.mn.us for assistance.



JULIE BLAHA
STATE AUDITOR

STATE OF MINNESOTA OFFICE OF THE STATE AUDITOR

SUITE 500
525 PARK STREET
SAINT PAUL, MN 55103-2139

(651) 296-2551 (Voice)
(651) 296-4755 (Fax)
state.auditor@state.mn.us (E-mail)
1-800-627-3529 (Relay Service)

Volunteer Fire Relief Association Investment Report Card

The Office of the State Auditor is providing the attached “Investment Report Card” as an educational tool for your relief association. The report card provides one-year and multi-year rates of return calculated for your relief association, as well as a custom benchmark rate of return. The custom benchmark rate of return can be used to measure your relief association’s actual investment performance for 2018 against market returns. This cover document provides information to help your relief association understand its individualized report card. It does not contain investment or legal advice and should not be relied upon in lieu of investment or legal advice.

Rates of Return

The one-year rate of return is the return calculated based on your relief association’s Special Fund investments for calendar year 2018. The three-year, five-year, ten-year, fifteen-year, and twenty-year rates of return are also provided, which show the average annual returns for the respective periods.

Custom Benchmark: The custom benchmark rate of return is the standard which the performance of your relief association’s investments can be measured against. Measuring investment returns against an appropriate benchmark encourages prudent investment decisions, and gives trustees another method of evaluating investment performance. An ideal benchmark return would consist of a hypothetical portfolio of indices, invested in the same asset classes and in the same proportion as the actual holdings of the entire portfolio. Indices track different asset classes, such as domestic equity or bonds. An index may also track subsets of an asset class, such as small-capitalization growth domestic equity. Although benchmark indices are not directly available for investment purposes, mutual and collective index funds which hold the same securities as the index can be obtained. Known as “index funds,” these funds are managed with a passive style.

The benchmark return is calculated for your relief association by multiplying your association’s year-end asset class proportions by the rate of return earned on a common benchmark index for each asset class. If your relief association changed investment strategies during the year, the calculated benchmark return does not reflect the changes.

Benchmark Calculation Example:

December 31, 2018 Asset Allocation	Benchmark	Return	(a) x (b)	
	(a)	(b)	(c)	
Domestic Stock	41.4%	Russell 3000	-5.24%	-2.17%
International Stock	10.08%	MSCI ACWI ex. U.S.	-13.78%	-1.39%
Bonds	24.96%	Barclays U.S. Aggregate	0.01%	0.01%
Cash	18.54%	90-Day U.S. T-Bill	1.94%	0.36%
Other	5.02%	Russell 3000	-5.24%	-0.27%
Benchmark Return			Sum (c) =	-3.46%

Asset Allocation

The beginning of year and end of year asset allocations show the percentage of your relief association's portfolio that was invested in various asset classes. By diversifying an asset base, the goal is to create a favorable risk/reward ratio for the portfolio. When returns for one asset class decline, the expectation is that returns for another asset class will increase, offsetting the loss. The "other" asset class includes all investments besides cash, stocks, and bonds, including small allocations to this class within mutual funds.

Benchmark Information

Rates of return are provided for each index used to calculate your relief association's custom benchmark rate of return. Rates of return for the Voluntary Statewide Volunteer Firefighter Retirement Plan that is administered by the Public Employees Retirement Association and for the State Board of Investment accounts are also provided for reference purposes.

2018 Index Returns: The benchmark indices used to calculate your relief association's custom benchmark rate of return are provided in the Benchmark Information section of the attached report card, along with the rate of return for each respective index.

- **Russell 3000 Index** – A performance measure of the overall U.S. stock market. This index includes the 3000 largest publicly traded U.S. companies.
- **MSCI ACWI ex. U.S. Index** – A performance measure of international stocks, including developed markets and emerging markets. This index does not include the U.S. stock market's performance.
- **Bloomberg Barclays U.S. Aggregate Bond Index** – A performance measure of the U.S. investment grade bond market, including corporate and government bonds.
- **90-Day U.S. T-Bill** – A performance measure of short term cash investments.
- **S&P 500** – A performance measure of the 500 largest U.S. publicly traded companies.
- **NASDAQ Composite** – A performance measure of over 3,300 common equities listed on the NASDAQ stock exchange.
- **Dow Jones Industrial Average** – A performance measure that tracks 30 large, publicly traded companies trading on the New York Stock Exchange and the NASDAQ.

2018 State Board of Investment Returns: Relief associations are authorized to invest assets in the State Board of Investment (SBI) Supplemental Investment Fund. There are six investment accounts, or investment options, within the Supplemental Investment Fund that are available for relief association investment. It is not the intent of the SBI to advise relief associations regarding their choice among accounts. Relief associations may wish to consult an investment advisor for guidance. The SBI Returns section of the attached report card provides the rates of return for the six SBI accounts. The SBI rates of return serve as a good benchmark for your relief association, showing returns that were available during 2018. The six accounts are listed below.

- **Bond Fund** – Bonds
- **U.S. Stock Index Fund** – Domestic Stock (Passively Managed)
- **U.S. Stock Actively Managed Fund** – Domestic Stock (Actively Managed)
- **Balanced Fund** – Balanced
- **Broad International Fund** – International Stock
- **Money Market Account** – Cash



**GOVERNMENTAL LEASE-PURCHASE AGREEMENT NO. 008-0777379-300 DATED AS OF November 12, 2019
(TAX-EXEMPT)**

LESSOR	Name TCF National Bank	Email: customerservice@financediv.com
	Address 1111 West San Marnan Dr, Suite A2 West, Waterloo, IA 50701-8926	Fax Number: 319-833-4577

LESSEE	Full Legal Name City of Blackduck	Email: christina.regas@blackduckmn.com
	Primary Address 8 Summit Avenue East, Blackduck, MN 56630	Fax: (218) 835-4801
		Fiscal Year End: December
		FEIN: 41-6004988

LEASE PAYMENT INFORMATION	Principal Portion: \$64,867.49	Lease Payments: See Attachment 1: <i>Lease Payment Schedule</i>	BANK QUALIFIED	YOU hereby designate this Lease as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Internal Revenue Code and represent that the aggregate face amount of all tax-exempt obligations (excluding private activity bonds other than qualified 501(c)(3) bonds) issued or to be issued by YOU and YOUR subordinate entities during the calendar year in which WE fund this Lease is not reasonably expected to exceed \$10,000,000.
	Interest Rate: 4.49%	Payment Frequency: Semiannual		
	Maximum Lease Term: 60 Months			

TERMS AND CONDITIONS

Please read this Governmental Lease-Purchase Agreement No. 008-0777379-300 (including all attachments and schedules hereto, and any related escrow agreement, "Lease") carefully and feel free to ask US any questions YOU may have about it. Words "YOU" and "YOUR" refer to the "Lessee," and the words "WE," "US" and "OUR" refer to the "Lessor," its successors and assigns.

1. LEASE: WE agree to lease to YOU and YOU agree to lease from US, the equipment listed on Attachment 2: Equipment Description, including all replacement parts, repairs, additions and accessories ("Equipment") on the terms and conditions of this Lease and on any attached schedule.

2. TERM: This Lease is effective on the earlier of the date on which WE disburse funds to the vendor of the Equipment or the date on which WE deposit funds for the purchase of the Equipment with an escrow agent (the "Commencement Date"), which date YOU hereby authorize US to fill in on the executed Lease Payment Schedule following OUR receipt from YOU of the executed Acceptance Certificate in the form set forth as Attachment 3 hereto, and continues thereafter for an Initial Term ("Initial Term") ending at the end of YOUR budget year in effect on the Commencement Date and may be continued by YOU for additional one-year renewal terms ("Renewal Terms"), coinciding with YOUR budget year, up to the total number of months indicated above as the Maximum Lease Term; provided, however, that at the end of the Initial Term and at the end of each Renewal Term until the Maximum Lease Term has been completed, YOU will be deemed to have continued this Lease for the next Renewal Term unless YOU have terminated this Lease pursuant to Section 5 or Section 17. Lease Payments will be due as set forth on Attachment 1 until the balance of the Lease Payments and any additional Lease Payments or expenses chargeable to YOU under this Lease are paid in full. As set forth in the Lease Payment Schedule, a portion of each Lease Payment is paid as, and represents payment of, interest. YOUR obligation to pay Lease Payments and YOUR other Lease obligations are absolute and unconditional and are not subject to cancellation, reduction, setoff or counterclaim except as provided in Section 5. **THIS LEASE IS NON-CANCELABLE, EXCEPT AS PROVIDED IN SECTION 5.**

3. LATE CHARGES. If a Lease Payment is not made on the date when due, YOU will pay US a late charge at the rate of 10% of the amount due or the maximum amount permitted by law, whichever is less, from the due date.

4. CONTINUATION OF LEASE TERM. YOU currently intend, subject to Section 5, to continue this Lease, and to pay Lease Payments hereunder, through the Maximum Lease Term. YOU reasonably believe that legally available funds in an amount sufficient to make all Lease Payments during the Maximum Lease Term can be obtained. YOUR responsible financial officer will do all things lawfully within his or her power to obtain and maintain funds from which Lease Payments may be made, including making provision for Lease Payments to the extent necessary in each proposed annual budget submitted for approval in accordance with YOUR applicable procedures and to exhaust all available reviews and appeals if that portion of the budget is not approved. Notwithstanding the foregoing, the decision whether to budget or appropriate funds and to extend this Lease for any Renewal Term is solely within the discretion of YOUR governing body.

5. NONAPPROPRIATION. YOU are obligated only to pay such Lease Payments under this Lease as may lawfully be made from funds budgeted and appropriated for that purpose during YOUR then current budget year. If YOU fail to appropriate or otherwise make available funds to pay the Lease Payments required to be paid in the next occurring Renewal Term, this Lease will be deemed terminated at the end of the then current Initial Term or Renewal Term. YOU agree to deliver written notice to US of such termination at least 90 days prior to the end of the then current Initial Term or Renewal Term, but failure to give such notice will not extend the term of this Lease beyond the then current Initial Term or Renewal Term. If this Lease is terminated in accordance with this Section, YOU agree, at YOUR cost and expense, to peaceably deliver the Equipment to US at the location or locations specified by US.

6. WARRANTIES. WE are leasing the Equipment to YOU "AS-IS" and WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. To the extent such warranties are transferable, WE transfer to YOU, without recourse, for the term of this Lease all warranties, if any, made by the manufacturer. YOU ALSO ACKNOWLEDGE THAT NO ONE IS AUTHORIZED TO WAIVE OR CHANGE ANY TERM, PROVISION OR CONDITION OF THIS LEASE EXCEPT IN WRITING AND SIGNED BY THE PARTIES HERETO, AND, EXCEPT FOR THE MANUFACTURER WARRANTIES, MAKE ANY REPRESENTATION OR WARRANTY ABOUT THIS LEASE OR THE EQUIPMENT. WE WILL NOT BE LIABLE FOR SPECIAL, RESULTING OR CONSEQUENTIAL DAMAGES OR LOSS OF PROFIT OCCASIONED BY ANY BREACH OF WARRANTY OR REPRESENTATION OR RESULTING FROM THE USE OR PERFORMANCE OF THE EQUIPMENT. YOUR OBLIGATION TO PAY IN FULL ANY AMOUNT DUE UNDER THE LEASE WILL NOT BE AFFECTED BY ANY DISPUTE, CLAIM, COUNTERCLAIM, DEFENSE OR OTHER RIGHT WHICH YOU MAY HAVE OR ASSERT AGAINST THE SUPPLIER OR THE EQUIPMENT MANUFACTURER.

7. DELIVERY AND ACCEPTANCE. YOU ARE RESPONSIBLE, AT YOUR OWN COST, TO ARRANGE FOR THE DELIVERY AND INSTALLATION OF THE EQUIPMENT (UNLESS THOSE COSTS ARE INCLUDED IN THE COSTS OF THE EQUIPMENT TO US). WHEN THE EQUIPMENT HAS BEEN DELIVERED AND INSTALLED, YOU WILL IMMEDIATELY SIGN AND DELIVER TO US A SEPARATE ACCEPTANCE CERTIFICATE IN THE FORM SET FORTH AS ATTACHMENT 3 HERETO. WE MAY, AT OUR DISCRETION, CONFIRM BY TELEPHONE THAT YOU HAVE ACCEPTED THE EQUIPMENT, AND THAT TELEPHONE VERIFICATION OF YOUR ACCEPTANCE OF THE EQUIPMENT WILL HAVE THE SAME EFFECT AS A SIGNED ACCEPTANCE CERTIFICATE.

(Terms and Conditions continued on the next page of this Lease.)

LESSEE SIGNATURE	YOU agree to all of the Terms and Conditions contained in both sides of this Lease, and in any attachments to this Lease (all of which are included by reference) and become part of this Lease. YOU acknowledge that YOU have read and agreed to all the Terms and Conditions.	LESSOR SIGNATURE	Name of Lessor TCF National Bank
	City of Blackduck Legal Name of Lessee		By _____ Signature
	By Signature		Print Name and Title _____
	Print Name and Title Christina A. Regas, City Administrator		008-0777379-300 Lease Number

CERTIFICATE OF CLERK OR SECRETARY	I, the undersigned, do hereby certify that the officer of Lessee who executed the foregoing Lease on behalf of Lessee and whose genuine signature appears thereon, (1) is the duly qualified and acting officer of Lessee as stated beneath his or her signature and (2) is duly authorized to execute and deliver the foregoing Agreement on behalf of Lessee.
	Signature: Title: Deputy Clerk
THE ABOVE CERTIFICATION MUST BE SIGNED BY THE CLERK OR SECRETARY OF LESSEE, AND THE CLERK OR SECRETARY MUST BE A DIFFERENT INDIVIDUAL THAN THE OFFICER SIGNING IN THE "LESSEE SIGNATURE" BOX.	

8. TITLE, PERSONAL PROPERTY, LOCATION, INSPECTION, NO MODIFICATIONS OR ALTERATIONS. YOU have title to the Equipment; provided that title to the Equipment will immediately and without any action by YOU vest in US, and YOU will immediately surrender possession of the Equipment to US, (a) upon any termination of this Lease other than termination pursuant to Section 17 (including but not limited to any termination pursuant to Section 5) or (b) if YOU are in default of this Lease. It is the intent of the parties hereto that any transfer of title to US pursuant to this Section will occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. YOU will, nevertheless, execute and deliver any such instruments as WE may request to evidence such transfer. As security for YOUR obligations hereunder, to the extent permitted by law, YOU grant to US a first and prior security interest in the Equipment, all cash and negotiable instruments comprising the escrow fund held under any related escrow agreement, and all proceeds of the foregoing. YOU have the right to use the Equipment during the term of this Lease, except as otherwise expressly set forth in this Lease. Although the Equipment may become attached to real estate, it remains personal property. YOU agree not to alter or modify the Equipment or permit a lien to be placed upon the Equipment or to remove the Equipment without OUR prior written consent. YOU agree to provide US with waivers of interest or liens from anyone claiming any interest in the real estate on which any items of Equipment is located. WE also have the right, at reasonable times, to inspect the Equipment.

9. MAINTENANCE. YOU are required, at YOUR own cost and expense, to keep the Equipment in good repair, condition and working order, except for ordinary wear and tear, and to supply all parts and servicing required. All replacement parts used or installed and repairs made to the Equipment will become OUR property. YOU acknowledge that WE are not responsible for providing any required maintenance and/or service for the Equipment. YOU will make all claims for service and/or maintenance solely to the supplier and/or manufacturer and such claims will not affect YOUR obligation to make Lease Payments.

10. ASSIGNMENT. YOU agree not to transfer, sell, sublease, assign, pledge or encumber either the Equipment or any rights under this Lease without OUR prior written consent. YOU agree that WE may sell, assign or transfer this Lease and, if WE do, the new owner will have the same rights and benefits, but not the obligations, that WE now have. The rights of the new owner will not be subject to any claims, counterclaims, defenses or set-offs that YOU may have against US. No assignment will be effective until YOU have received written notice from the assignor of the name and address of the assignee. YOU or YOUR agent will maintain a written record of each assignment in form necessary to comply with Section 149(a) of the Internal Revenue Code of 1986, as amended.

11. LOSS OR DAMAGE. YOU are responsible for the risk of loss or destruction of, or damage to, the Equipment. No such loss or damage relieves YOU from any obligation under this Lease. If any of the Equipment is damaged by fire or other casualty or if title to, or the temporary use of, any of the Equipment is taken under the exercise of the power of eminent domain, the net proceeds ("Net Proceeds") of any insurance claim or condemnation award will be applied to the prompt replacement, repair, restoration, modification or improvement of that Equipment, unless YOU have exercised YOUR option to purchase the Equipment pursuant to Section 17. Any balance of the Net Proceeds remaining after such work has been completed will be paid to YOU.

12. INDEMNITY. WE are not responsible for any losses or injuries caused by the manufacture, acquisition, delivery, installation, ownership, use, lease, possession, maintenance, operation or rejection of the Equipment or defects in the Equipment. To the extent permitted by law, YOU agree to reimburse US for and to defend US against any claim for losses or injuries (including attorneys' fees and other expenses for the defense of such claim), regardless of nature, relating to the Equipment, including, without limitation, its manufacture, acquisition, delivery, installation, ownership, use, lease, possession, maintenance or operation. This indemnity will continue even after the termination of this Lease.

13. TAXES. YOU agree to pay any applicable license and registration fees, sale and use taxes, personal property taxes and all other taxes and charges, relating to the ownership, leasing, rental, sale, purchase, possession or use of the Equipment (except those based on OUR net income). YOU agree that if WE pay any taxes or charges, YOU will reimburse US for all such payments and will pay US interest and a late charge (as calculated in Section 3) on such payments with the next Lease Payment, plus a fee for OUR collecting and administering any taxes, assessments or fees and remitting them to the appropriate authorities.

14. INSURANCE. During the term of this Lease, YOU will keep the Equipment insured against all risks of loss or damage in an amount not less than the replacement cost of the Equipment. YOU will also obtain and maintain for the term of this Lease, liability insurance insuring against liability for bodily injury and property damage with a minimum limit of \$1,000,000.00 combined single limit or such greater amount as may be prescribed by any applicable state law. WE will be the sole named loss payee on the property insurance and named as an additional insured on the liability insurance, and such insurance shall provide US at least thirty days written notice of cancellation. YOU will pay all premiums for such insurance and must deliver proof of insurance coverage satisfactory to US. If YOU do not provide such insurance, YOU agree that WE have the right, but not the obligation, to obtain such insurance and add an insurance fee to the amount due from you.

15. DEFAULT. Subject to Section 5, YOU are in default of this Lease if any of the following occurs: (a) YOU fail to pay any Lease Payment or other sum when due; (b) YOU breach any warranty or other obligation under this Lease, or any other agreement with US, (c) YOU become insolvent or unable to pay YOUR debts when due, YOU make an assignment for the benefit of creditors or YOU undergo a substantial deterioration in YOUR financial condition, or (d) YOU file or have filed against YOU a petition for liquidation, reorganization, adjustment of debt or similar relief under the Federal Bankruptcy Code or any other present or future federal or state bankruptcy or insolvency law, or a trustee, receiver or liquidator is appointed for YOU or a substantial part of YOUR assets.

16. REMEDIES. WE have the following remedies if YOU are in default of this Lease: WE may declare the entire balance of the unpaid Lease Payments for the then current Initial Term or Renewal Term immediately due and payable; sue for and receive all Lease Payments and any other payments then accrued or accelerated under this Lease; take whatever action at law or in equity may appear necessary or desirable to enforce OUR rights as owner of the Equipment; charge YOU interest on all monies due US at the rate of eighteen percent (18%) per year from the date of default until paid, but in no event more than the maximum rate permitted by law; charge YOU a return-check or non-sufficient funds charge ("NSF Charge") of \$25.00 for a check that is returned for any reason; and require that YOU return the Equipment to US and, if YOU fail to return the Equipment, enter upon the premises peaceably with or without legal process where the Equipment is located and repossess the Equipment. Such return or repossession of the Equipment will not constitute a termination of this Lease unless WE expressly notify YOU in writing. If the Equipment is returned or repossessed by US and unless WE have terminated this Lease, WE will sell or re-rent the Equipment to any persons with any terms WE determine, at one or more public or private sales, with or without notice to YOU, and apply the net proceeds after deducting the costs and expenses of such sale or re-rent, to YOUR obligations with YOU remaining liable for any deficiency and with any excess over the amounts described in this Section plus the then applicable Purchase Price to be paid to YOU. YOU are also required to pay (i) all expenses incurred by US in connection with the enforcement of any remedies, including all costs of repossessing, storing, shipping, repairing and selling the Equipment, and (ii) reasonable attorneys' fees.

17. PURCHASE OPTION. Provided YOU are not in default, YOU will have the option to purchase all, but not less than all, of the Equipment (a) on the date the last Lease Payment is due (assuming this Lease is renewed at the end of the Initial Term and each Renewal Term), if this Lease is still in effect on that day, upon payment in full of Lease Payments and all other amounts then due and the payment of One Dollar to US; (b) on the last day of the Initial Term or any Renewal Term then in effect, upon at least 30 days' prior written notice to US and payment in full to US of the Lease Payments and all other amounts then due plus the then applicable Purchase Price set forth on the Lease Payment Schedule; or (c) if substantial damage to or destruction or condemnation of substantially all of the Equipment has occurred, on the day specified in YOUR written notice to US of YOUR exercise of the purchase option upon at least 30 days' prior notice to US and payment in full to US of the Lease Payments and all other amounts then due plus the then applicable Purchase Price set forth on the Lease Payment Schedule.

18. REPRESENTATIONS AND WARRANTIES. YOU warrant and represent as follows: (a) YOU are a public body corporate and politic duly organized and existing under the constitution and laws of YOUR State with full power and authority to enter into this Lease and to perform all of YOUR obligations hereunder; (b) YOU have duly authorized the execution and delivery of this Lease by proper action by YOUR governing body, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of this Lease; (c) YOU have complied with such public bidding requirements as are applicable to this Lease and the acquisition by YOU of the Equipment; (d) all authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by YOU of this Lease or in connection with the carrying out of YOUR obligations hereunder have been obtained; (e) this Lease constitutes the legal, valid and binding obligation of YOU enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally; (f) YOU have, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the Lease Payments scheduled to come due during the current budget year and to meet YOUR other obligations under this Lease during the current budget year, and those funds have not been expended for other purposes; (g) there is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by this Lease or our interest in the Equipment; (h) the Equipment is essential to YOUR functions or to the services YOU provide to YOUR citizens, YOU have an immediate need for the Equipment and expect to make immediate use of the Equipment, YOUR need for the Equipment is not temporary and YOU do not expect the need for any item of the Equipment to diminish in the foreseeable future, including the Maximum Lease Term, and the Equipment will be used by YOU only for the purpose of performing one or more of YOUR governmental or proprietary functions consistent with the permissible scope of YOUR authority and will not be used in the trade or business of any other entity or person; and (i) YOU have never failed to appropriate or otherwise make available funds sufficient to pay rental or other payments coming due under any lease purchase, installment sale or other similar agreement.

19. UCC FILINGS AND FINANCIAL STATEMENTS. YOU authorize US to file a financing statement with respect to the Equipment. If WE feel it is necessary, YOU agree to submit financial statements (audited if available) on an annual basis.

20. UCC - ARTICLE 2A PROVISIONS. YOU agree that this Lease is a Finance Lease as that term is defined in Article 2A of the Uniform Commercial Code ("UCC"). YOU acknowledge that WE have given YOU the name of the Supplier of the Equipment. WE hereby notify YOU that YOU may have rights under the contract with the Supplier and YOU may contact the Supplier for a description of any rights or warranties that YOU may have under this supply contract. YOU also waive any and all rights and remedies granted YOU under Sections 2A-508 through 2A-522 of the UCC.

21. TAX EXEMPTION. YOU will comply with all applicable provisions of the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder to maintain the exclusion of the interest portion of the Lease Payments from gross income for purposes of federal income taxation. YOU will file all necessary informational returns with the IRS, on a timely basis, and provide US with copies of such filed returns relating to this Lease. If YOU fail to file the necessary informational returns on a timely basis, YOU authorize US, in OUR sole discretion, to engage a tax professional to complete the required returns on YOUR behalf and expense, which YOU will promptly execute and file. If it is determined that any of the interest may not be excluded from gross income, YOU agree to pay to US an additional amount determined by US for the loss of such excludability.

22. BANK QUALIFICATION. If this Lease has been designated a "qualified tax-exempt obligation" on the front page of this Lease, YOU and all YOUR subordinate entities will not issue in excess of \$10,000,000 of qualified tax-exempt obligations (including this Lease, but excluding private activity bonds other than qualified 501(c)(3) bonds) during the calendar year in which WE fund this Lease without first obtaining an opinion of nationally recognized counsel in the area of tax-exempt municipal obligations acceptable to US that the designation of this Lease as a "qualified tax-exempt obligation" will not be adversely affected.

23. CHOICE OF LAW; JURY TRIAL WAIVER. This Lease will be governed and construed in accordance with federal law and, to the extent not preempted by federal law, the laws of the state where YOU are located. To the extent permitted by law, YOU agree to waive YOUR rights to a trial by jury.

24. ENTIRE AGREEMENT; SEVERABILITY; WAIVERS. This Lease contains the entire agreement and understanding. No agreements or understandings are binding on the parties unless set forth in writing and signed by the parties. Any provision of this Lease which for any reason may be held unenforceable in any jurisdiction will, as to such jurisdiction, be ineffective without invalidating the remaining provisions of this Lease.

25. COUNTERPARTS; NOTICES; ELECTRONIC TRANSACTION. This Lease may be simultaneously executed in counterparts, each of which will be an original and all of which will constitute but one and the same instrument. Notices hereunder shall be deemed given when delivered personally, sent via overnight courier, facsimile or e-mail (with confirmation of transmission), or certified U.S. Mail, addressed as set forth above. Copies, electronic files and other reproductions of original documents shall be deemed to be authentic counterparts for all purposes. There shall be only one original counterpart of this Lease and it shall bear OUR original ink or electronic signature and be marked "Original." To the extent that this Lease constitutes chattel paper (as that term is defined by the UCC), a security or ownership interest intended to be created through the transfer and possession of this Lease can be done only by the transfer of such original bearing OUR ink or electronic original signature. YOU consent to the use of electronic signatures on this Lease and any related documents.

26. ROLE OF LESSOR. WE have not acted and will not act as a fiduciary for YOU or as YOUR agent or municipal advisor. WE have not and will not provide financial, legal, tax, accounting or other advice to YOU or to any financial advisor or placement agent engaged by YOU with respect to this Lease. YOU, YOUR financial advisor, placement agent or municipal advisor, if any, shall each seek and obtain YOUR own financial, legal, tax, accounting and other advice with respect to this Lease from YOUR own advisors (including as it relates to structure, timing, terms and similar matters).

ATTACHMENT 1 TO
GOVERNMENTAL LEASE-PURCHASE AGREEMENT NO. 008-0777379-300 DATED AS OF November 12, 2019

LEASE PAYMENT SCHEDULE

LESSOR: TCF National Bank

LESSEE: City of Blackduck

COMMENCEMENT DATE*: _____

INTEREST RATE: 4.49%

PAYMENT FREQUENCY: Semiannual

The first Lease Payment shall be due in advance on the Commencement Date, and subsequent Lease Payments shall be due semi-annually on the same day of each six month period thereafter until paid in full.

Payment	Rental Payment	Interest Portion	Principal Portion	Purchase Price
				64,867.49
January 2020	7,153.75	0.00	7,153.75	57,713.74
July 2020	7,153.75	1,295.67	5,858.08	51,855.66
January 2021	7,153.75	1,164.16	5,989.59	45,866.07
July 2021	7,153.75	1,029.69	6,124.06	39,742.01
January 2022	7,153.75	892.21	6,261.54	33,480.47
July 2022	7,153.75	751.64	6,402.11	27,078.36
January 2023	7,153.75	607.91	6,545.84	20,532.52
July 2023	7,153.75	460.96	6,692.79	13,839.73
January 2024	7,153.75	310.70	6,843.05	6,996.68
July 2024	7,153.75	157.07	6,996.68	0.00
	71,537.50	6,670.01	64,867.49	

Lessee: City of Blackduck

By: 

Christina Regas, City
Administrator

*YOU hereby authorize US to fill in the Commencement Date based on the earlier of the date that WE disburse funds to the Vendor of the Equipment following receipt of YOUR executed Acceptance Certificate, or the date on which WE deposit funds for the purchase of the Equipment with an escrow agent.

ATTACHMENT 2 TO
GOVERNMENTAL LEASE-PURCHASE AGREEMENT NO. 008-0777379-300 DATED AS OF November 12, 2019

EQUIPMENT DESCRIPTION

The Equipment consists of the equipment described below, together with any and all replacement parts, additions, repairs, modifications, attachments and accessories thereto, any and all substitutions, replacements or exchanges therefor, and any and all insurance and/or proceeds thereof:

Description/Serial No./Model No.	Location	Total Cost
Indigo Sign Works - Equipment as listed on Proposal #62510 dated 10/03/2019 together with all attachments and accessories thereto	8 Summit Avenue East, Blackduck, MN 56630	\$64,867.49

Lessee: City of Blackduck

By: 

Christina Regas, City Administrator

ATTACHMENT 3 TO
GOVERNMENTAL LEASE-PURCHASE AGREEMENT NO. 008-0777379-300 DATED AS OF November 12, 2019

ACCEPTANCE CERTIFICATE

TCF National Bank
1111 West San Marman Dr, Suite A2 West
Waterloo, IA 50701-8926

Re: Governmental Lease-Purchase Agreement No. 008-0777379-300 between TCF National Bank, as Lessor (the "Lessor"), and City of Blackduck, as Lessee (the "Lessee").

Ladies and Gentlemen:

In accordance with the above-referenced Governmental Lease-Purchase Agreement No. 008-0777379-300 (the "Lease"), the undersigned Lessee hereby certifies and represents to, and agrees with Lessor as follows:

1. All of the Equipment (as such term is defined in the Lease) listed in the Lease has been delivered, installed and accepted on the date hereof.
2. Lessee has conducted such inspection and/or testing of the Equipment listed in the Lease as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.
3. Lessee is currently maintaining the insurance coverage required by Section 14 of the Lease.
4. No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, a default as set forth in Section 15 of the Lease exists at the date hereof.
5. We acknowledge that Lessor is neither the vendor nor manufacturer or distributor of the Equipment and has no control, knowledge or familiarity with the condition, capacity, functioning or other characteristics of the Equipment.
6. The serial number for each item of Equipment that is set forth in the Lease is correct.
7. Lessee hereby acknowledges and agrees to the Lease Payment Schedule attached to the Lease as Attachment 1.

Date: November 12, 2019

Lessee: City of Blackduck

By: 

Christina Regas, City
Administrator

INSURANCE COVERAGE REQUIREMENTS

RE: INSURANCE COVERAGE REQUIREMENTS

1. In accordance with the Governmental Lease-Purchase Agreement, Lessee certifies that it has instructed the insurance agent named below (please fill in name, address, and telephone number):

Insurance Company Liability: <i>League of MN Insurance Trust</i>	Agent Name: <i>Eric Christanson Underwrites</i>	Business Phone # Fax Phone # <i>651-281-1200</i> <i>651-281-1298</i>
Insurance Company Property: <i>League of MN Insurance Trust</i>	Agent Name: <i>Eric Christanson Underwrites</i>	Business Phone # Fax Phone # <i>651-281-1200</i> <i>651-281-1298</i>

to issue: (check to indicate coverage)

a. All Risk Physical Damage Insurance on the following leased Property evidenced by a Certificate of Insurance and Long Form Loss Payable Clause naming TCF National Bank and/or its assigns as Loss Payee.

Leased Property: Indigo Sign Works - Equipment as listed on Proposal #62510 dated 10/03/2019 together with all attachments and accessories thereto

Coverage Required: \$64,867.49

b. Public Liability Insurance evidenced by a Certificate of Insurance naming TCF National Bank and/or its assigns as an Additional Insured.

Minimum Coverage Required:

\$1,000,000.00 per person
\$1,000,000.00 aggregate bodily injury liability
\$1,000,000.00 property damage liability

Proof of insurance coverage will be provided to TCF National Bank, 1111 West San Maman Dr, Suite A2 West, Waterloo, IA 50701-8926, prior to the time that the property is delivered to Lessee.

Please fax a copy of the Certificate of Insurance or binder to Marisa Meyers at (866) 465-3149.

Lessee: City of Blackduck

By:  Christina Regas, City Administrator



THE BOYLE LAW OFFICE

ATTORNEY AND COUNSELOR AT LAW
235 4TH AVENUE
INTERNATIONAL FALLS, MINNESOTA 56649

Certified Civil Trial Specialist
Joseph M. Boyle

TELEPHONE: (218) 283-9481
FACSIMILE: (218) 283-8170
jblaw@frontiernet.net

OPINION OF COUNSEL

Lessee: City of Blackduck
8 Summit Avenue East
Blackduck, MN 56630

Lessor: TCF National Bank
111 West San Marman Drive Suite A2 West
Waterloo IA, 50701-8926

Re: Governmental Lease-Purchase Agreement No. 008-0777379-300, dated as of November 12, 2019, by and between City of Blackduck and TCF National Bank.

Ladies and Gentlemen:

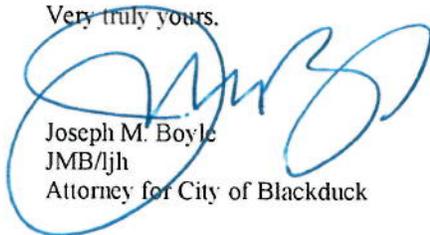
I have acted as counsel to Lessee with respect to the Governmental Lease-Purchase Agreement described above and the related escrow agreement, if any (together, the "Lease") and various related matters, and in this capacity have reviewed a duplicate original or certified copy of the Lease and all exhibits and attachments thereto. Based upon the examination of these and such other documents as I deem relevant, it is my opinion that:

1. Lessee is a public corporation and political subdivision of the State of Minnesota (the "State") within the meaning of Section 103 of the Internal Revenue Code of 1986, as amended, is duly organized, existing and operating under the Constitution and laws of the State, and has a substantial amount of the following sovereign powers: (a) the power to tax, (b) the power of eminent domain, and (c) police power. The full, true and correct legal name of Lessee is City of Blackduck.
2. Lessee is authorized and has power under State law to enter into the Lease and lease the equipment with an option to purchase, and to carry out its obligations thereunder and the transactions contemplated thereby.
3. The Lease and the other documents described above have been duly authorized, approved, executed and delivered by and on behalf of Lessee, and the Lease is a valid and binding contract of Lessee enforceable in accordance with its terms, except to the extent limited by State and Federal laws affecting remedies and by bankruptcy, reorganization or other laws of general application relating to or affecting the enforcement of creditors' rights. No further approval, consent or withholding of objection is required from any federal, state, or local governmental authority with respect to the entering into or performance by the Lessee of the Lease and the transaction contemplated thereby.

4. Lessee has no authority (statutory or otherwise) to terminate the Lease prior to the end of its term for any reason other than pursuant to the terms of Section 5 of the Lease.
5. The authorization, approval and execution of the Lease and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding laws and all other applicable State and Federal laws.
6. The execution of the Lease and the appropriation of moneys to pay the payments coming due under the Lease do not result in the violation of any constitutional, statutory or other limitation relating to the manner, form or amount of indebtedness which may be incurred by Lessee.
7. There is no litigation, action, suit, or proceeding pending or before any court, administrative agency, arbitrator or governmental body that challenges the organization or existence of Lessee; the authority of the Lessee or its officers; the proper authorization, approval and execution of the Lease and the documents described above; the appropriation of monies to make Lease Payments under the Lease for the current fiscal year, or the ability of Lessee otherwise to perform its obligations under the Lease and the transactions contemplated thereby.
8. The equipment leased pursuant to the Lease constitutes personal property and when subject to use by Lessee will not be or become fixtures under applicable law.
9. The leasing of the equipment pursuant to the Lease is exempt from all sales, use and documentary stamp taxes against either Lessor or Lessee during the term of the Lease, and such equipment will be exempt from all the state and local personal property or other ad valorem taxes.

This opinion of counsel may be relied upon by TCF National Bank and its successors and assigns.

Very truly yours,



Joseph M. Boyle
JMB/ljh
Attorney for City of Blackduck

RESOLUTION
GOVERNMENTAL LEASE-PURCHASE AGREEMENT NO. 008-0777379-300
DATED AS OF November 12, 2019

A resolution authorizing the negotiation, execution, and delivery of Governmental Lease-Purchase Agreement No. **008-0777379-300** dated **November 12, 2019** (the "Lease"), in principal amount not to exceed **\$64,867.49**, between **City of Blackduck, 8 Summit Avenue East, Blackduck, MN 56630** and **TCF National Bank, 1111 West San Marnan Dr, Suite A2 West, Waterloo, IA 50701-8926**; and prescribing other details in connection therewith.

WHEREAS, City of Blackduck, (the "Lessee") is a political subdivision duly organized and existing pursuant to the Constitution and laws of the State of Minnesota; and

WHEREAS, Lessee is duly authorized by applicable law to acquire such items of personal property as are needed to carry out its governmental functions and to acquire such personal property by entering into lease-purchase agreements; and

WHEREAS, Lessee hereby finds and determines that the execution of a Lease for the purpose of leasing with the option to purchase the property designated and set forth in Attachment 2 to the Lease is appropriate and necessary to the function and operations of the Lessee; and

WHEREAS, TCF National Bank, (the "Lessor") shall act as Lessor under said Lease; and

WHEREAS, the Lease shall not constitute a general obligation indebtedness of the Lessee within the meaning of the Constitution and laws of the State;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF City of Blackduck:

Section 1. The Lease, in substantially the form as presently before the governing body of the Lessee, is hereby approved, and the *City Administrator* of the Lessee, is hereby authorized to negotiate, enter into, execute, and deliver the Lease and related documents in substantially the form as presently before the governing body of the Lessee, with such changes therein as shall be approved by such officer, and which Lease will be available for public inspection at the offices of Lessee.

Section 2. The Lessee shall, and the officers, agents and employees of the Lessee are hereby authorized and directed to take such further action and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution, and to carry out, comply with and perform the duties of the Lessee with respect to the Lease.

Section 3. The Lessee's obligations under the Lease shall be expressly subject to annual appropriation by Lessee; and such obligations under the Lease shall not constitute a general obligation of Lessee or indebtedness of Lessee within the meaning of the Constitution and laws of the State of Minnesota.

Section 4. All other related contracts and agreements necessary and incidental to the Lease are hereby authorized, ratified and approved.

Section 5. Lessee reasonably anticipates to issue not more than \$10,000,000 of tax-exempt obligations (other than "private activity bonds" which are not "qualified 501(c)(3) bonds") during the current calendar year and hereby designates the Lease as a "qualified tax-exempt obligation" for purposes of Section 265(b) of the Internal Revenue Code of 1986, as amended.

Section 6. This resolution shall take effect immediately upon its adoption and approval.

CERTIFIED AS TRUE AND CORRECT this 27 day of December, 2019.

Christina A. Regas, City Administrator
Signature of Clerk, Secretary or Assistant Secretary

CHRISTINA A. REGAS
Printed Name of Clerk, Secretary or Assistant Secretary

Gabrielle Landowski
Sebnem Landowski

Certificate of Exemption

Purchaser: Complete this certificate and **give it to the seller.**

Seller: If this certificate is not fully completed, you must charge sales tax. Keep this certificate as part of your records.

This is a blanket certificate, unless one of the boxes below is checked, and remains in force as long as the purchaser continues making purchases, or until otherwise cancelled by the purchaser.

Check if this certificate is for a single purchase and enter the related invoice/purchase order # _____.

If you are a contractor and have a purchasing agent agreement with an exempt organization, check the box to make multiple purchases for a specific job. Enter the exempt entity name and specific project:

Exempt entity name _____ Project description _____

Type or print

Name of purchaser
City of Blackdock

Business address
8 Summit Ave. E. City Blackdock State MN Zip code 56630

Purchaser's tax ID number
41-6004988 State of issue _____

If no tax ID number, FEIN Driver's license number/State issued ID number
enter one of the following: _____ state of issue _____ number _____

Name of seller from whom you are purchasing, leasing or renting
TCF National Bank

Seller's address City State Zip code
1111 W. San Marnan Dr. Ste A2 West Waterloo IA 50701

Type of business.

Type of business

- 01 Accommodation and food services
- 02 Agricultural, forestry, fishing, hunting
- 03 Construction
- 04 Finance and insurance
- 05 Information, publishing and communications
- 06 Manufacturing
- 07 Mining
- 08 Real estate
- 09 Rental and leasing
- 10 Retail trade
- 11 Transportation and warehousing
- 12 Utilities
- 13 Wholesale trade
- 14 Business services
- 15 Professional services
- 16 Education and health-care services
- 17 Nonprofit organization
- 18 Government
- 19 Not a business (explain) _____
- 20 Other (explain) _____

Reason for exemption.

Reason for exemption

- A Federal government (department) _____
- B Specific government exemption (from list on back)
Municipality
- C Tribal government (name) _____
- D Foreign diplomat # _____
- E Charitable organization # _____
- F Educational organization # _____
- G Religious organization # _____
- H Resale
- I Capital Equipment
- J Agricultural production
- K Industrial production/manufacturing
- L Direct pay authorization
- M Multiple points of use (services, digital goods, or computer software delivered electronically)
- N Direct mail
- O Other (enter number from back page) _____
- P Percentage exemption
 - Advertising (enter percentage) _____%
 - Utilities (enter percentage) _____%
 - Electricity (enter percentage) _____%

Sign here

I declare that the information on this certificate is correct and complete to the best of my knowledge and belief. (PENALTY: If you try to evade paying sales tax by using an exemption certificate for items or services that will be used for purposes other than those being claimed, you may be fined \$100 under Minnesota law for each transaction for which the certificate is used.)

Signature of authorized purchaser _____ Print name here CHRISTINA REETS Title City Administrator Date 11/12/19



MINNESOTA ADDENDUM
TO GOVERNMENTAL LEASE-PURCHASE AGREEMENT NO. 008-0777379-300 DATED AS OF November 12, 2019

LESSOR: TCF National Bank
LESSEE: City of Blackduck

This Addendum is hereby incorporated in and is hereby made a part of the above-referenced Governmental Lease-Purchase Agreement No. 008-0777379-300 (together with all Exhibits and Attachments and this Addendum, the "Lease"). Words "YOU" and "YOUR" refer to the "Lessee" and the words "WE," "US" and "OUR" refer to the "Lessor," its successors and assigns. Lessor and Lessee hereby agree that capitalized terms used herein and not otherwise defined herein shall have the terms assigned to such terms in the Lease and that the following changes and additions shall be made to the Lease:

1. Section 8 of the Lease is hereby deleted and the following Section 8 is hereby inserted in lieu thereof:

8. TITLE, PERSONAL PROPERTY, LOCATION, INSPECTION, NO MODIFICATIONS OR ALTERATIONS. During the term of this Lease, title to the Equipment shall be retained by US, except for those modifications that YOU add to the Equipment that can be removed without damaging the Equipment. YOU will not have any right, title or interest in the Equipment except as expressly set forth in this Lease. If YOU are in default of this Lease, or this Lease is terminated for any reason other than pursuant to Section 17 (including but not limited to any termination pursuant to Section 5), YOU will, at your cost and expense, peaceably deliver the Equipment to US at the location or locations specified by US. Upon YOUR exercise of the purchase option pursuant to Section 17 or payment in full of all Lease Payments under this Lease, title to the Equipment will immediately and without further action by US vest in YOU, AS IS, WHERE IS, without warranty, express or implied, free and clear of any claim by or through US. It is the intent of both parties that any transfer of title to YOU pursuant to this Section will occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. WE will, nevertheless, execute and deliver any such instruments as YOU may request to evidence such transfer. YOU will, nevertheless, execute and deliver any such instruments as WE may request to evidence such transfer. YOU have the right to use the Equipment during the term of this Lease, except as otherwise expressly set forth in this Lease. Although the Equipment may become attached to real estate, it remains personal property. YOU agree not to alter or modify the Equipment or permit a lien to be placed upon the Equipment or to remove the Equipment without OUR prior written consent. If WE feel it is necessary, YOU agree to provide US with waivers of interest or liens from anyone claiming any interest in the real estate on which any items of Equipment is located. WE also have the right, at reasonable times, to inspect the Equipment.

As security for YOUR obligations hereunder, to the extent permitted by law, YOU grant to US a first and prior security interest in the cash and negotiable instruments from time to time comprising each escrow fund established under any related escrow agreement and all proceeds (cash and non-cash) thereof, and YOU agree respect thereto that WE shall have all the rights and remedies of a secured party.

Except as specifically set forth in this Addendum, all terms and conditions contained in the Lease will remain in full force and effect and are hereby ratified and confirmed.

Lessor: TCF National Bank
Lessee: City of Blackduck

By: 

Sales Support Specialist
Christina Regas, City
Administrator



LESSEE FACT SHEET
TO GOVERNMENTAL LEASE-PURCHASE AGREEMENT NO. 008-0777379-300 DATED AS OF November 12, 2019

Please fill in ALL of the following questions and return this form with the lease documents:

1. Equipment location address: 224 Frontage Road

2. Send bills to the following address: PO Box 380
Blackduck, MN 56630
ATTENTION: Christina Regas

3. Name of person who issues payment and Phone number: Christina Regas
(218) 835-4803

4. Contract information of person responsible for preparing and filing Form 8038-G or 8038-GC:
Name: Ashley Eastridge Phone: 218-751-6300 E-mail: ashleye@millermcdonald.com
Address: Miller Mc Donald Inc. 513 Beltrami Ave. Bemidji, MN 56601

5. Fiscal year end: 2019

**Information Return for Small Tax-Exempt
 Governmental Bond Issues, Leases, and Installment Sales**
 ▶ Under Internal Revenue Code section 149(e)

OMB No. 1545-0720

Caution: If the issue price of the issue is \$100,000 or more, use Form 8038-G.

Part I Reporting Authority Check box if Amended Return

1 Issuer's name City of Blackduck	2 Issuer's employer identification number (EIN) 4 1 6 0 0 4 9 8 8
3 Number and street (or P.O. box if mail is not delivered to street address) 8 Summit Avenue East	Room/suite
4 City, town, or post office, state, and ZIP code Blackduck, MN 56630	5 Report number (For IRS Use Only)
6 Name and title of officer or other employee of issuer or designated contact person whom the IRS may call for more information Christina Reagas, City Administrator	7 Telephone number of officer or legal representative 218-835-4810

Part II Description of Obligations Check one: a single issue or a consolidated return

8a Issue price of obligation(s) (see instructions)	8a	71,537	50
b Issue date (single issue) or calendar date (consolidated). Enter date in mm/dd/yyyy format (for example, 01/01/2009) (see instructions) ▶			
9 Amount of the reported obligation(s) on line 8a that is:			
a For leases for vehicles	9a		
b For leases for office equipment	9b		
c For leases for real property	9c		
d For leases for other (see instructions)	9d	71,537	50
e For bank loans for vehicles	9e		
f For bank loans for office equipment	9f		
g For bank loans for real property	9g		
h For bank loans for other (see instructions)	9h		
i Used to refund prior issue(s)	9i		
j Representing a loan from the proceeds of another tax-exempt obligation (for example, bond bank)	9j		
k Other	9k		
10 If the issuer has designated any issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check this box ▶	<input checked="" type="checkbox"/>		
11 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check this box (see instructions) ▶	<input type="checkbox"/>		
12 Vendor's or bank's name: TCF National Bank			
13 Vendor's or bank's employer identification number:	4	1	0 5 8 5 3 1 0

Signature and Consent
 Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person(s) that I have authorized above.

Signature of issuer's authorized representative: _____ Date: _____ Type or print name and title: _____

Paid Preparer Use Only	Print/Type preparer's name Ashley Eastridge	Preparer's signature <i>Ashley Eastridge</i>	Date 12/19/19	Check <input type="checkbox"/> if self-employed	PTIN P01625058
	Firm's name ▶ Miller McDonald, Inc.	Firm's EIN ▶ 41-1281737			
	Firm's address ▶ 513 Beltrami Ave. Bemidji, MN 56601	Phone no 218-751-6300			

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

What's New

The IRS has created a page on IRS.gov for information about the Form 8038 series and its instructions, at www.irs.gov/form8038. Information about any future developments affecting the Form 8038 series (such as legislation enacted after we release it) will be posted on that page.

Purpose of Form

Form 8038-GC is used by the issuers of tax-exempt governmental obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

Who Must File

Issuers of tax-exempt governmental obligations with issue prices of less than \$100,000 must file Form 8038-GC.

Issuers of a tax-exempt governmental obligation with an issue price of \$100,000 or more must file Form 8038-G, Information Return for Tax-Exempt Governmental Obligations.

Filing a separate return for a single issue.

Issuers have the option to file a separate Form 8038-GC for any tax-exempt governmental obligation with an issue price of less than \$100,000.

An issuer of a tax-exempt bond used to finance construction expenditures must file a separate Form 8038-GC for each issue to give notice to the IRS that an election was made to

pay a penalty in lieu of arbitrage rebate (see the line 11 instructions).

Filing a consolidated return for multiple issues. For all tax-exempt governmental obligations with issue prices of less than \$100,000 that are not reported on a separate Form 8038-GC, an issuer must file a consolidated information return including all such issues issued within the calendar year.

Thus, an issuer may file a separate Form 8038-GC for each of a number of small issues and report the remainder of small issues issued during the calendar year on one consolidated Form 8038-GC. However, if the issue is a construction issue, a separate Form 8038-GC must be filed to give the IRS notice of the election to pay a penalty in lieu of arbitrage rebate.



8 Summit Ave. NE, PO Box 380, Blackduck, MN 56630-0380

December 10, 2019

Attention Blackduck Water and Sewer Customer,

At the December 9, 2019 regular council meeting, the Blackduck City Council has approved a water/sewer rate adjustment and will become effective January 1, 2020.

The new rates are as follows:

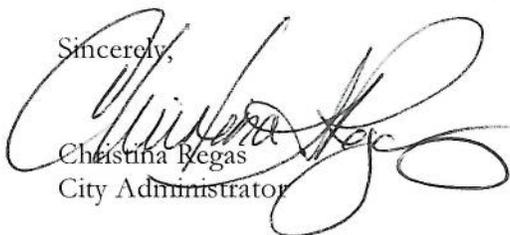
Water/Sewer:

1. The monthly water base fee for a Residential/ Low Volume User (5/8"-3/4" Meter) shall be \$18.00.
2. The monthly water base fee for a Multi-Family Dwelling Unit shall be \$13.00 per unit.
3. The monthly water base fee for a Large Volume User shall be \$28.00.
4. The monthly sewer base fee for a Residential/Low Volume User (5/8"-3/4" Meter) shall be \$18.00.
5. The monthly sewer base fee for a Multi-Family Dwelling Unit shall be \$13.00 per unit.
6. The monthly sewer base fee for a Large Volume User shall be \$28.00.
7. The fee for water shall be \$0.0066 per gallon.
8. The fee for sewer shall be \$0.0066 per gallon.
9. The fee for bulk water shall be a \$50.00 minimum for each connection to the public water system, which will include 1,000 gallons, thereafter \$20.00 per thousand gallons.
10. The fee for an account setup shall be \$25.00.
11. The fee for reading a meter shall be \$25.00.
12. All water meters shall be reimbursed at cost.
13. The fee for gaskets shall be reimbursed at cost.
14. The fee for labor to replace a water meter shall be \$25.00.
15. The fee for Disconnection shall be \$25.00.
16. The Tap fee for Water connection shall be \$250.00
17. Late fee/Penalty Charge shall be \$5.00.

These new fees will not reflect on customers utility bills until February (*for January usage*) and be due on March 1, 2020.

If you would like to contact the City further to discuss the rate adjustment please call 218-835-4803.

Sincerely,



Christina Regas
City Administrator

www.blackduckmn.com

Phone: (218) 835-4803 Fax: (218) 835-4801 Email: city@paulbunyan.net

"The City Of Blackduck Is An Equal Opportunity Provider"



CITY OF BLACKDUCK RESOLUTION NO: 2020-01

A RESOLUTION OF ANNUAL APPOINTMENTS AND DESIGNATIONS FOR 2020

WHEREAS, annually, at their first meeting in January, the Blackduck City Council handles annual designations and appointments; and

WHEREAS, included is the designation of the Official Newspaper, Official Depositories and Official Posting, and

WHEREAS, included is the designation of a Vice Mayor; and

WHEREAS, included are the appointments of City Councilors and staff to various boards and commissions.

NOW, THEREFORE, BE IT RESOLVED, that the Blackduck City Council does hereby make the annual designations (Exhibit A attached hereto) and appointments (Exhibit B attached hereto), effective immediately upon adoption.

Revised by the Blackduck City Council this 6th day of January 2020.

APPROVED:

Rudy Patch, Mayor

Christina Regas, City Administrator



CITY OF BLACKDUCK RESOLUTION NO: 2020-01

EXHIBIT A

DESIGNATIONS

OFFICIAL NEWSPAPER:	Blackduck American
OFFICIAL POSTING LOCATION:	Blackduck City Hall 8 Summit Avenue NE, Blackduck
OFFICIAL DEPOSITORY:	Deerwood Bank
CITY ATTORNEY:	Boyle Law Office, International Falls
CITY ATTORNEY:	Drahos, Kieson and Christopher, Bemidji



CITY OF BLACKDUCK RESOLUTION NO: 2020-01

EXHIBIT B

APPOINTMENTS AND REPRESENTATION ON VARIOUS COMMITTEES

Vice Mayor	Paige Moore
City Assessor:	County Assessor, Joe Skerik
City Engineer:	Curt Meyer, Widseth Smith Nolting
Park & Trail Board:	OPEN , Jason Kolb, Mike Schwanke, and Christina Regas
Personnel Committee	Rudy Patch, Paige Moore, and Christina Regas
Public Works Committee:	Rudy Patch, Jason Kolb, Christina Regas and Mike Schwanke
Liquor Committee:	Jason Kolb, Rudy Patch, Shawnda Lahr, and Christina Regas
Finance Committee:	Christina Regas, Maxwell Gullette, and Rudy Patch
Public Safety Committee:	Paige Moore, Jace Grangruth, Christina Regas, Brian Larson, Jason Kolb
Zoning Administrator:	Christina Regas
Planning Commission:	Kurt Cease, Kurt Benson, Bob Klug Sr., Ernie Tindell, Christina Regas, and Ron Rockis
Library Board:	Mary Salmonson, Miriam Osborn, Katie Click, Lorraine Warden, Paula Erickson, Nance Kunkel, Amy Granlund, and Max Gullette
Kitchigami Regional Library Representative	Kendra Murray
HRA:	Paige Moore, Rudy Patch, OPEN, OPEN , and Christina Regas
Revolving Loan Fund Committee:	Dwight Kalvig, Grant Frenzel, Rudy Patch, Christina Regas, OPEN , and a designee appointed by the Committee.
Ambulance Board Representative:	Christina Regas



CITY OF BLACKDUCK RESOLUTION NO: 2020-01

Joint Powers Emergency Services
Board:

Rudy Patch

Safety Committee:

Mike Schwanke, Gabrielle Landowski, Andrew Jespersen, and
Shawnda Lahr

Historical Preservation Committee:

Gene Kjellberg, Glennis Moon, Avonel Kjellberg, Shirley
Gilmore, Mary Joy, Marilyn Page, Lavone Peterson, Ann
Floura, Carol Hannigan, Marie Juelson

Blackduck Municipal Golf Board:

Kevin Erpelding, Lauren Schaser, Christina Regas, Rudy
Patch, Pam Exner, and Jim Andersen

**PROPERTY OWNER PETITION FOR DETACHMENT
OF PROPERTY FROM A CITY**

IN THE MATTER OF THE PETITION FOR DETACHMENT OF
CERTAIN LAND FROM THE CITY OF BLACKDUCK, MINNESOTA
PURSUANT TO MINNESOTA STATUTES § 414.06

TO: Office of Administrative Hearings
Municipal Boundary Adjustment Unit
P. O. Box 64620
St. Paul, MN 55164-0620

Pursuant to the 2012 amendment to Minn. Stat. § 414.06, the petitioner(s) shall also provide a copy of this petition to:

- 1) the city from which the land may be detached;*
- 2) all property owners who have not signed this petition;*
- 3) the clerk of the town to which the property may be attached if granted;*
- 4) the clerk of any other abutting town or city; and*
- 5) the county recorder in the county in which the land is located.*

PETITIONERS STATE: The number of petitioners required by Minnesota Statutes § 414.06, Subd. 1, to commence this proceeding is: all of the property owners if the area is less than 40 acres; or 75% or more of the property owners in number if the area is more than 40 acres.

It is hereby requested by:

One and all of the property owners, the area is less than 40 acres; or
75% or more of the property owners, the area is more than 40 acres;

To detach certain properties described herein from the City of Blackduck and make a part of the Township of Summit.

1. There is one property owner in the area proposed for detachment.
2. Both property owners have signed this petition. (If the land is owned by both the husband and wife, both must sign the petition to represent all owners.)
3. The property is situated within the City of Blackduck, does not abut the municipal boundary, and is located in the County of Beltrami.
The petitioned area does not abut on the city's N S E W (circle one) boundary(ies).

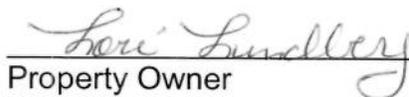
4. The property proposed for detachment is rural in character and not developed for urban residential, commercial, or industrial purposes.
5. The reason detachment is requested is: The property does not touch city boundaries, the city doesn't provide services that were once foreshadowed by previous councils to be provided.
6. Summarize what efforts were taken prior to filing this petition to resolve the issues: Nothing has been done.
7. The number of acres in the property proposed for detachment is 33.08 and is described as follows:

Sect-18 Twp-149 Range-030 33.08 AC NE1/4 OF NE1/4 LESS E495' THEREOF & LESS N500' OF W467' OF E962' THEREOF & NW1/4 OF NE1/4 LESS W990' THEREOF OLD # 44.00172.00
8. The number and character of buildings on said property is: Two buildings, one residence and one out building.
9. The number of residents in the area proposed for detachment is 4
(The number of residents is not necessarily the same as number of owners.)
10. Public improvements on said property are: There hasn't been any public improvements.

Date: 12/10/19



Property Owner



Property Owner

Municipal Boundary Adjustment Unit Contacts

Star Holman star.holman@state.mn.us 651-361-7909

Katie Lin katie.lin@state.mn.us 651-361-7911

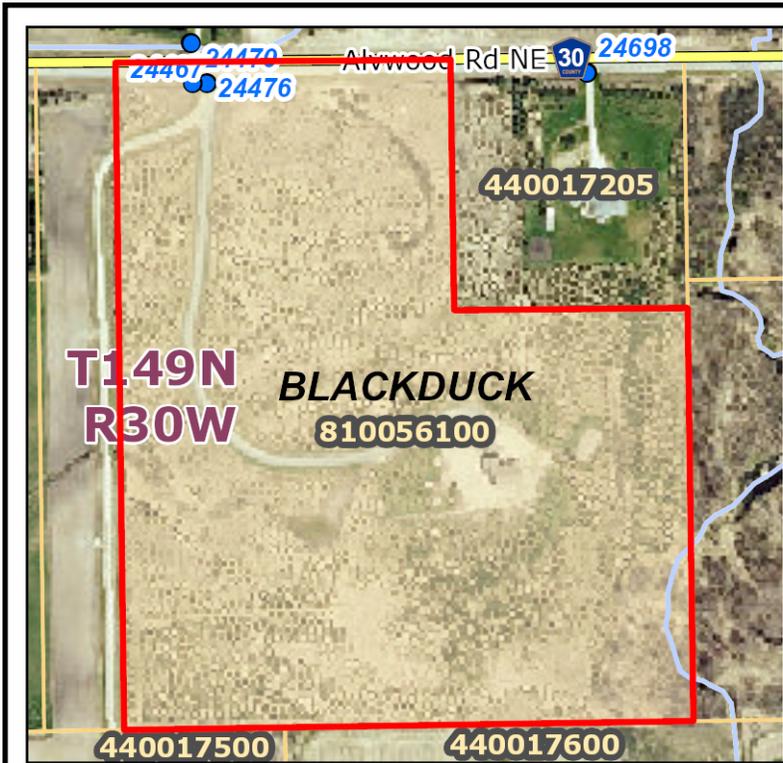
(August 2012)



Beltrami County General Property Information

Beltrami County makes no representation or warranties expressed or implied, with respect to the reuse of data provided herewith, regardless of its format or the means of transmission. There is no guarantee or representation to the user as to the accuracy, currency, suitability, or reliability of this data for any purpose. The user accepts the data 'as is', and assumes all risks associated with its use. Beltrami County assumes no responsibility for the actual or consequential damage incurred as a result of any user's reliance on this data. Created from Beltrami Online Mapping Site. Sources: Beltrami County, City of Bemidji, USGS, USDA, MNDNR.

Report Date: 1/3/2020



Parcel ID: 810056100

Owner: DARYL J LUNDBERG

Property Address: 24476 ALVWOOD RD NE

Owner(secondary): LORI A LUNDBERG

Property Address 2:

Owner Address: PO BOX 416

Property Address 3:

Owner Address 2:

Property City, State, Zip: BLACKDUCK, MN 56630

Owner City, State, Zip: BLACKDUCK, MN 56630-0416

Plat, Lot, Block:

Calculated Acreage: 29.32

Twp/Range/Section: 149/030/18

Class & Description: :RESIDENTIAL

Area (sq.ft.): 1277026.3467

Perimeter (feet): 4931

Tax Description: Sect-18 Twp-149 Range-030 33.08 AC NE1/4 OF NE1/4 LESS E495' THEREOF & LESS N500' OF W467' OF E962' THEREOF & NW1/4 OF NE1/4 LESS W990' THEREOF OLD # 44.00172.00

*LAW OFFICES OF
Drahos Kieson & Christopher, P.A.*

*502 - 24th Street N.W.
Bemidji, Minnesota 56601
Telephone: 218-444-1750*

*E-mail: attorney@paulbunyan.net
Fax: 218-444-1754*

*Ryan K. Kieson
Adam G. Christopher
Jeremy A. Klinger*
(*also licensed in North Dakota)*

Carl C. Drahos (Retired)

December 26, 2019

Christina Regas
City of Blackduck

(Via E-Mail: christina.regas@blackduckmn.com)

RE: Lundberg - Detachment From City

Dear Christina:

I am writing as a follow up to the email you sent to me and conversation we had regarding the proposed detachment. I have reviewed the Petition for Detachment, the applicable Statute, the Beltrami tax records, and the Beltrami mapping records. Based upon that review, it appears that you would not have much to oppose of the detachment of the Lundberg's property from the city. They seem to have met all the requirements for the statute to do so. As you and I discussed, it helps their request that the property does not actually abut any city property. Further, there have been no public improvements on the property.

The only potential rationale that you may have to oppose the detachment would be by indicating that your municipality cannot continue to carry on with the functions of government without an undue hardship. However, I find it unlikely that the Judge would determine that a one home detachment from the city would cause the city to not be able to function without an undue hardship. Even if you opposed it, the attorney's fees for this type of litigation would be astronomical. A Judge may determine that there would be no undue financial hardship. The Judge may also think if you have enough money to oppose it, that you should have enough money to operate your government.

If you have any further questions, please do not hesitate to contact me.

Thank you.

Sincerely,



Ryan K. Kieson

K/las

414.06 DETACHMENT OF PROPERTY FROM A MUNICIPALITY.

Subdivision 1. **Initiating the proceeding.** Property which is situated within a municipality and abutting the municipal boundary, rural in character and not developed for urban residential, commercial, or industrial purposes may be detached from the municipality according to the following procedure. The proceeding may be initiated by submitting to the chief administrative law judge a resolution of the municipality to which the land is attached or by submitting to the chief administrative law judge a petition of all of the property owners of the land to be detached if the area is less than 40 acres or of 75 percent of the property owners if over 40 acres. The petition or resolution shall set forth the boundaries and the area of the land to be detached, the number and character of the buildings, the resident population, and the municipal improvements, if any, in the area, and a statement of the reasons the petitioners or the municipality is seeking the detachment. In addition, the petitioners shall summarize what, if any, efforts were undertaken prior to filing the resolution or petition to resolve the issues forming the basis for the resolution or petition. If a petition is submitted without a resolution from the city, the petitioners shall also provide a copy of the petition to the city from which the land may be detached, and if the petition includes land for which a property owner has not signed the petition, to each property owner subject to the petition who has not signed the petition. A copy must also be mailed or otherwise delivered to the following parties: (1) the clerk of the town to which the property would be attached if the detachment is granted; (2) the clerk of any other abutting town or city; and (3) the county recorder in the county in which the land is located.

Subd. 1a. **Town options.** Upon receipt of the notice provided in subdivision 1, the town board of the town to which the land is proposed to be attached may submit to the chief administrative law judge a resolution stating that the town board supports, opposes, or is neutral to the petition. The failure to submit a resolution before any hearing required under this section must be deemed a position of neutrality. If the town submits a resolution of support for a petition opposed by the municipality from which the land is proposed to be detached, or a resolution in opposition to a petition supported by a resolution of the municipality, the town becomes a party to the hearing required under this section and is subject to the distribution of costs as provided in subdivision 7.

Subd. 2. **Hearing, if needed.** If both a resolution of support from the municipality and a petition by all the property owners are submitted, and no resolution of opposition has been received from a town as provided in subdivision 1a, no hearing is necessary and the chief administrative law judge shall grant the petition. If both the municipality and town submit a resolution opposing the petition, a hearing must not be held and the chief administrative law judge shall deny the petition. In any other case, upon receipt of a petition or resolution, the chief administrative law judge shall designate a time and place for a hearing in accordance with section 414.09, except that instead of the meetings otherwise required under section 414.01, subdivision 16, the chief administrative law judge shall order the parties to participate in a mediation session. The mediator must be on a list of mediators approved by the Office of Administrative Hearings, unless the parties stipulate to a mediator not on the list. The cost of the mediation must be apportioned as provided for in subdivision 7.

Subd. 3. **Order.** Upon completion of the hearing, the chief administrative law judge may order the detachment on finding that the requisite number of property owners have signed the petition if initiated by the property owners, that the property is rural in character and not developed for urban residential, commercial or industrial purposes, that the property is within the boundaries of the municipality and abuts a boundary, that the detachment would not unreasonably affect the symmetry of the detaching municipality, and that the land is not needed for reasonably anticipated future development. In making the findings, the chief administrative law judge shall consider all applicable comprehensive plans, land use regulations, and land use maps of the affected municipality, town, and county that have been adopted at the time the petition was

submitted. The chief administrative law judge may deny the detachment on finding that the remainder of the municipality cannot continue to carry on the functions of government without undue hardship. The chief administrative law judge may decrease the area of property to be detached and may include only a part of the proposed area to be detached. If the tract abuts more than one town, it shall become a part of each town, being divided by projecting through it the boundary line between the towns. The detached area may be relieved of the primary responsibility for existing indebtedness of the municipality and be required to assume the indebtedness of the town of which it becomes a part, in such proportion as the chief administrative law judge shall deem just and equitable having in view the amount of taxes due and delinquent and the indebtedness of each town and the municipality affected, if any, and for what purpose the same was incurred, all in relation to the benefit inuring to the detached area as a result of the indebtedness and the last net tax capacity of the taxable property in each town and municipality.

Subd. 4. Effective date of detachment. The detachment shall be effective upon the issuance of the order, or at such later date, as provided by the order.

Subd. 5. Copy to county auditors. A copy of the detachment order must be delivered immediately by the chief administrative law judge to the appropriate county auditors.

Subd. 6. Timing of tax levy. For the purposes of taxation, if the detachment becomes effective on or before August 1 of a levy year, the towns acquiring the detached area may levy on it beginning with that same levy year. If the detachment becomes effective after August 1 of a levy year, the municipality may continue to levy on the detached area for that levy year, and the towns acquiring the detached area may not levy on it until the following levy year.

Subd. 7. Costs. Notwithstanding the provisions of section 414.067, the chief administrative law judge shall apportion the costs of the mediation and hearing in an equitable manner, but unless the chief administrative law judge makes specific findings as to why a party shall be responsible for a greater share, the petitioning landowners are responsible for at least 50 percent of the total costs.

History: 1959 c 686 s 6; 1961 c 645 s 6; 1963 c 807 s 11; 1965 c 899 s 15; 1969 c 1146 s 15; 1975 c 271 s 6; 1978 c 705 s 24; 1988 c 719 art 5 s 84; 1989 c 329 art 13 s 20; 1991 c 291 art 12 s 25; 2002 c 223 s 18; 2008 c 196 art 2 s 15; 2012 c 135 s 1-5



CITY OF BLACKDUCK RESOLUTION NO: 2020-02

RESOLUTION RESPONDING TO A PETITION INITIATED BY PROPERTY OWNER(S) FOR DETACHMENT OF PROPERTY FROM THE CITY OF BLACKDUCK PURSUANT TO MN §414.06

WHEREAS, The City of Blackduck has received a petition for detachment of certain property on December 10, 2019 for the following described property:

*Sect-18 Twp-149 Range-030 33.08 AC NE ¼ of NE ¼ LESS E 495'
THEREOF & LESS N 500' OF W 467' OF E 962' THEREOF
& NEW ¼ OF NE ¼ LESS W 990' THEREOF OLD
#44.00172.00*

See attached Petition

Petitioner(s) name: Daryl Lundberg & Lori Lundberg

AND WHEREAS, The City of Blackduck has not extended public improvements to said property that was once foreshadowed by previous councils to be provided since annexation, and

WHEREAS, the petitioned property is not situated within the City of Blackduck, does not abut the municipal boundary, is rural in character, and not developed for urban residential, commercial, or industrial purposes, and is located in the County of Beltrami,

THEREFORE, BE IT RESOLVED that The City Council of the City of Blackduck:

- Supports the petition for detachment; or
- Opposes the petition for detachment.

Adopted by the City Council on January 6, 2020.

Rudy Patch, Mayor
Municipal Boundary Adjustment Unit Contacts Star Holman

Christina Regas – City Administrator
star.holman@state.mn.us 651-361-7909



CITY OF BLACKDUCK

RESOLUTION NO: 2020-03

RESOLUTION APPROVING THE TERMS OF AN INTERNAL LOAN IN CONNECTION WITH CONSTRUCTION OF THE BLACKDUCK GOLF COURSE CART SHED

Be it resolved by the City Council of the City of Blackduck, Minnesota("City") as follows:

Section 1. Background.

1.01. The City determined a need to incur certain costs in connection with the improvement of the Blackduck Municipal Golf Course Cart Shed (*Project*),

1.02. The City has determined to finance the construction & administration costs for the Project from the New Unrestricted Revolving Loan Fund (*collectively, the "Fund"*), which fund is administered by the City and has a balance that is legally available for such purposes,

1.03. The City intends to reimburse the Fund for the Project from future public financing, or other available City funds -tax levies and/or net revenues- in accordance with the terms of this resolution (*which terms are referred to collectively as the "Internal Loan"*).

Section 2. Terms of Internal Loan.

2.01. The City shall repay to the Fund the principal amount of funds advanced for Project together with interest on the principal amount advanced, accruing from the date of each initial expenditure or advance, at the rate of interest specified by the Blackduck City Council (*which rate shall be generally comparable to the average rate of earnings on investment of City funds or the average rate on general obligation bonds of the City*). Interest shall accrue at 2.5%.

2.02. Principal and interest ("Payments") shall be paid semi-annually on each August 1 and February 1 ("Payment Dates"), commencing on the first Payment Date after receipt of the first tax levy proceeds after disbursements from the Fund and continuing through the date the principal and accrued interest of the Internal Loan is paid in full.

2.03. The principal sum and all accrued interest payable under this Internal Loan are pre-payable in whole or in part at any time by the City without premium or penalty.

2.04. This Resolution is evidence of an internal borrowing by the City and shall not be deemed to constitute a general obligation of the State of Minnesota or any political subdivision thereof, including, without limitation, the City. Neither the State of Minnesota, nor any political subdivision thereof shall be obligated to pay the principal of or interest on this Internal Loan or other costs, and neither the full faith and credit nor the taxing power of the State of Minnesota or any political subdivision thereof is pledged to the payment of the principal of or interest on this Internal Loan or



CITY OF BLACKDUCK

RESOLUTION NO: 2020-03

other costs incident hereto. The City shall have no obligation to pay any principal amount of the Internal Loan or accrued interest thereon, which may remain unpaid after the final Payment Date.

2.05. The City may amend the terms of this Internal Loan at any time by resolution of the City Council, including a determination to forgive the outstanding principal amount and accrued interest to the extent permissible under law.

Section 3. **Effective Date.** This resolution is effective upon the date of its approval.

Adopted this 6th day of January 2020.

Rudy Patch, Mayor

Christina Regas – City Administrator

Blackduck Golf Course Cart Shed Internal Loan Schedule

Compounding Period: Exact Days

Nominal Annual Rate: 2.500%

Cash Flow Data - Loans and Payments

Event	Date	Amount	Number	Period	End Date
1 Loan	02/01/2020	55,000.00	1		
2 Payment	02/01/2021	5,500.00	10	Annual	02/01/2030
3 Payment	02/01/2031	9,162.28	1		

TValue Amortization Schedule - Normal, 360 Day Year

Date	Payment	Interest	Principal	Balance
Loan 02/01/2020				55,000.00
2020 Totals	0.00	0.00	0.00	
1 02/01/2021	5,500.00	1,397.92	4,102.08	50,897.92
2021 Totals	5,500.00	1,397.92	4,102.08	
2 02/01/2022	5,500.00	1,290.12	4,209.88	46,688.04
2022 Totals	5,500.00	1,290.12	4,209.88	
3 02/01/2023	5,500.00	1,183.41	4,316.59	42,371.45
2023 Totals	5,500.00	1,183.41	4,316.59	
4 02/01/2024	5,500.00	1,074.00	4,426.00	37,945.45
2024 Totals	5,500.00	1,074.00	4,426.00	
5 02/01/2025	5,500.00	964.45	4,535.55	33,409.90
2025 Totals	5,500.00	964.45	4,535.55	
6 02/01/2026	5,500.00	846.85	4,653.15	28,756.75
2026 Totals	5,500.00	846.85	4,653.15	
7 02/01/2027	5,500.00	728.90	4,771.10	23,985.65
2027 Totals	5,500.00	728.90	4,771.10	
8 02/01/2028	5,500.00	607.97	4,892.03	19,093.62
2028 Totals	5,500.00	607.97	4,892.03	
9 02/01/2029	5,500.00	485.30	5,014.70	14,078.92
2029 Totals	5,500.00	485.30	5,014.70	

Blackduck Golf Course Cart Shed Internal Loan Schedule

	Date	Payment	Interest	Principal	Balance
10	02/01/2030	5,500.00	356.86	5,143.14	8,935.78
2030 Totals		5,500.00	356.86	5,143.14	
11	02/01/2031	9,162.28	226.50	8,935.78	0.00
2031 Totals		9,162.28	226.50	8,935.78	
Grand Totals		64,162.28	9,162.28	55,000.00	

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled.
2.537%	\$9,162.28	\$55,000.00	\$64,162.28



CITY OF BLACKDUCK RESOLUTION NO: 2020-04

RESOLUTION APPROVING AN EXCLUDED BINGO LICENSE FOR THE BLACKDUCK AREA CHAMBER OF COMMERCE

WHEREAS, the Blackduck Area Chamber of Commerce has made application with the Minnesota Gambling Control Board to conduct excluded bingo games to be held on March 22, 2020 & June 14, 2020 at the Blackduck Municipal Liquor Store (The Pond), and

WHEREAS, Blackduck Area Chamber of Commerce has submitted said application to the City Council of the City of Blackduck, and the application was reviewed by the City Council at a public meeting conducted January 6th, 2020,

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Blackduck hereby approves the application for an Excluded Bingo License, for the Blackduck Area Chamber of Commerce, to be held on March 22, 2020 & June 14th, 2020, at the Blackduck Municipal Liquor Store (The Pond) at 224 Frontage Road.

Adopted by the City Council on January 6th, 2020

Rudy Patch, Mayor

Christina Regas – City Administrator

ORGANIZATION INFORMATION

Organization Name: Blackduck Area Chamber of Commerce Previous Gambling Permit Number: _____

Minnesota Tax ID Number, if any: _____ Federal Employer ID Number (FEIN), if any: _____

Mailing Address: PO Box 373

City: Blackduck State: MN Zip: 56630 County: Beltrami

Name of Chief Executive Officer (CEO): Johnny Lee Walker

CEO Daytime Phone: 218-766-1876 CEO Email: johnny.walker@pbbroadcasting.com
(permit will be emailed to this email address unless otherwise indicated below)

Email permit to (if other than the CEO): christina.regas@blackduckmn.com

NONPROFIT STATUS

Type of Nonprofit Organization (check one):

Fraternal Religious Veterans Other Nonprofit Organization

Attach a copy of at least one of the following showing proof of nonprofit status:

(DO NOT attach a sales tax exempt status or federal employer ID number, as they are not proof of nonprofit status.)

- Current calendar year Certificate of Good Standing**
Don't have a copy? This certificate must be obtained each year from:
MN Secretary of State, Business Services Division
60 Empire Drive, Suite 100
St. Paul, MN 55103
Secretary of State website, phone numbers:
www.sos.state.mn.us
651-296-2803, or toll free 1-877-551-6767
- Internal Revenue Service-IRS income tax exemption 501(c) letter in your organization's name**
Don't have a copy? Obtain a copy of your federal income tax exempt letter by having an organization officer contact the IRS at 877-829-5500.
- Internal Revenue Service-Affiliate of national, statewide, or international parent nonprofit organization (charter)**
If your organization falls under a parent organization, attach copies of both of the following:
1. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling; and
2. the charter or letter from your parent organization recognizing your organization as a subordinate.

EXCLUDED BINGO ACTIVITY

Has your organization held a bingo event in the current calendar year? Yes No

If yes, list the dates when bingo was conducted: _____

The proposed bingo event will be:

- one of four or fewer bingo events held this year. Dates: March 22, 2020 & June 14, 2020
- OR-**
- conducted on up to 12 consecutive days in connection with a:
- county fair Dates: _____
- civic celebration Dates: _____
- Minnesota State Fair Dates: _____

Person in charge of bingo event: Johnny Lee Walker Daytime Phone: 218-766-1876

Name of premises where bingo will be conducted: Blackduck Municipal Liquor Store - The Pond

Premises street address: 224 Frontage Road

City: Blackduck If township, township name: _____ County: Beltrami

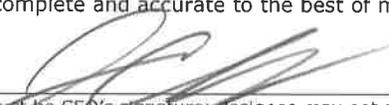
LG240B Application to Conduct Excluded Bingo

LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT (required before submitting application to the Minnesota Gambling Control Board)

<p style="text-align: center;">CITY APPROVAL for a gambling premises located within city limits</p> <p>On behalf of the city, I approve this application for excluded bingo activity at the premises located within the city's jurisdiction.</p> <p>Print City Name: <u>City of Blackduck</u></p> <p>Signature of City Personnel: _____</p> <p>Title: _____ Date: _____</p>	<p style="text-align: center;">COUNTY APPROVAL for a gambling premises located in a township</p> <p>On behalf of the county, I approve this application for excluded bingo activity at the premises located within the county's jurisdiction.</p> <p>Print County Name: _____</p> <p>Signature of County Personnel: _____</p> <p>Title: _____ Date: _____</p>
<div style="border: 1px solid black; padding: 5px; text-align: center; margin: 10px auto; width: 80%;"> <p>The city or county must sign before submitting application to the Gambling Control Board.</p> </div>	<p>TOWNSHIP (if required by the county) On behalf of the township, I acknowledge that the organization is applying for excluded bingo activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minnesota Statutes, Section 349.213.)</p> <p>Print Township Name: _____</p> <p>Signature of Township Officer: _____</p> <p>Title: _____ Date: _____</p>

CHIEF EXECUTIVE OFFICER'S SIGNATURE (required)

The information provided in this application is complete and accurate to the best of my knowledge.

Chief Executive Officer's Signature:  Date: 12/19/20

(Signature must be CEO's signature; designee may not sign)

Print Name: Johnny Lee Walker

MAIL OR FAX APPLICATION & ATTACHMENTS

<p>Mail or fax application and a copy of your proof of nonprofit status to:</p> <p style="padding-left: 20px;">Minnesota Gambling Control Board 1711 West County Road B, Suite 300 South Roseville, MN 55113 Fax: 651-639-4032</p> <p>An excluded bingo permit will be mailed to your organization. Your organization must keep its bingo records for 3-1/2 years.</p> <p>Questions? Call a Licensing Specialist at 651-539-1900.</p>	<p>Bingo hard cards and bingo number selection devices may be borrowed from another organization authorized to conduct bingo. Otherwise, bingo hard cards, bingo paper, and bingo number selection devices must be obtained from a distributor licensed by the Minnesota Gambling Control Board. To find a licensed distributor, go to www.mn.gov/gcb and click on Distributors under the LIST OF LICENSEES tab, or call 651-539-1900.</p> <p style="text-align: center;">This form will be made available in alternative format (i.e. large print, braille) upon request.</p>
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Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process the application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to Board members, Board staff whose work requires access to the information; Minnesota's Department of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.



CITY OF BLACKDUCK

RESOLUTION NO: 2020-05

RESOLUTION ACKNOWLEDGING DONATION FROM BLACKDUCK FIRE RELIEF ASSOCIATION

WHEREAS, The City of Blackduck is generally authorized to accept contributions of real and personal property pursuant to Minnesota Statutes §412.21 and §465.03 for the benefit of its citizens and;

WHEREAS, the City of Blackduck has received a donation of \$27,000.00 from the Blackduck Fire Relief Association; and

WHEREAS, the City of Blackduck host a Fire Department Special Equipment Fund;

NOW THEREFORE BE IT RESOLVED, by the City Council of Blackduck, Minnesota, that the City Council of the City of Blackduck acknowledges and accepts the donation from Blackduck Fire Relief Association for the purpose of depositing in the Fire Department Special Equipment Fund for future capital expenditures; and

BE IT FURTHER RESOLVED THAT, the City Council of the City of Blackduck expresses its thanks and appreciation to Blackduck Fire Relief Association for their continued financial support.

Adopted this 6th day of January, 2020 by the City Council of the City of Blackduck

ATTEST:

Rudy Patch, Mayor

Christina Regas, City Administrator

**ASSESSMENT AGREEMENT
BETWEEN LOCAL UNIT AND BELTRAMI COUNTY**

THIS AGREEMENT is made and entered into by and between the **CITY OF BLACKDUCK** and the County of Beltrami this 3th day of January, 2020.

WHEREAS, the **CITY OF BLACKDUCK** wishes under the provisions of Minnesota Statutes, 273.072, to enter into an agreement with the County of Beltrami to provide for the assessment of the property in said Township by the County Assessing Officer: and

WHEREAS, it is the wish of said county to cooperate with said Township to provide for a fair and equitable assessment of property:

NOW THEREFORE, IN CONSIDERATION THE MUTUAL COVENANTS HEREIN CONTAINED, IT IS AGREED AS FOLLOWS:

1. That the **CITY OF BLACKDUCK** which lies within the County of Beltrami and constitutes a separate assessment district shall have its property assessed by the County Assessing Officer of Beltrami County, State of Minnesota, beginning with the assessment January 2, 2020 providing this agreement is approved by the Commissioner of Revenue of the State of Minnesota.
2. It is further agreed that the office of the local assessor of the **CITY OF BLACKDUCK** shall be transferred to Beltrami County for the duration of this agreement, which shall be until December of 2020.
3. In consideration of said services the **CITY OF BLACKDUCK** hereby agrees to pay the County of Beltrami the sum of **\$4,282**. The payment shall be made to the County Treasurer on or before **September 1, 2020**.

IN WITNESS WHEREOF, the parties have executed this agreement this _____ day of _____, 20_____.

In presence of

For County
Signed: _____

For City, Village of Township
Signed:



Beltrami County Assessor's Office
701 Minnesota Ave NW Suite 130
Bemidji, MN 56601
Ph.: 218.333.4113
Fax: 218.333.8427

January 2, 2020

To Whom It May Concern-

This letter is to inform you there is a Board of Review Meeting scheduled for **Hines, City of Blackduck & Funkley Township is Monday, April 27nd 2020 at 9:00am at the Blackduck City Hall.**

Thank You,

Danielle Johnson

*Beltrami County Assessor's Office
701 Minnesota Ave NW Suite 130
Bemidji, MN 56601
218.333.4113
danielle.johnson@co.beltrami.mn.us*

IAN 0 3 2020