



# AGENDA

## Blackduck City Council Meeting

6:00 PM - Tuesday, September 8, 2020  
 City Hall, 8 Summit Drive, Blackduck MN

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1.	CALL TO ORDER	
a.	Roll Call	
b.	Pledge of Allegiance	
2.	APPROVAL OF AGENDA	
3.	RESIGNATION OF MAYOR MOORE & APPOINTMENT OF VICE-MAYOR GULLETTE	
a.	Resolution 2020-24 - Resolution Accepting Resignation and Declaring a Vacancy	5 - 6
	<a href="#">2020-24 Resolution Accepting Resignation and declaring a vacancy Moore resignation City of Blackduck</a>	
b.	Resolution 2020-25 - Resolution appointing Vice-Mayor Maxwell Gulette to serve the term of the resigning Mayor through December 31, 2020; or when 2020 General Election results have been finalized	7
	<a href="#">2020-25 Resolution appointing Maxwell Gulette as Mayor</a>	
c.	Oath of Office - Swearing in of Mayor Maxwell Gulette	
4.	CONSENT AGENDA	
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a.	August 10, 2020 Blackduck City Council Meeting Minutes	8 - 14
	<a href="#">Council - Aug 10 2020 - Minutes - Pdf</a>	
b.	August 14, 2020 Finance Committee Meeting Minutes	15 - 16
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c.	August 17, 2020 Public Safety Committee Meeting Minutes	17 - 18
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e.	August 20, 2020 Blackduck Fire Department Annual Meeting of Townships Minutes	21 - 23
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f.	August 21, 2020 Finance Committee Meeting Minutes	24 - 25
	<a href="#">08212020</a>	
g.	August 28, 2020 Finance Committee Meeting Minutes	26
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i.	September 1, 2020 Personnel Meeting Minutes - <a href="#">Minutes 09012020</a>	31 - 32
j.	August 2020 Fund Balance Report & CARES Funding Transfers to City departments <a href="#">August 2020 Fund Balance Report</a>	33
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l.	August 2020 Sewer Income Statement <a href="#">August 2020 Sewer Income Statement</a>	37
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o.	August 2020 Golf Course Income Statement <a href="#">August 2020 Golf Course Income Statement</a>	40 - 41
p.	August 2020 Liquor Store Income Statement <a href="#">August 2020 Liquor Store income statements</a>	42 - 43
q.	July 2020 Lawful Gambling Report from the Blackduck Firemen Relief <a href="#">LG216 07-2020</a>	44
r.	Final Approval - 2021 City of Blackduck Insurance Pool Renewal <a href="#">Insurance Pool Renewal Contracto for 2021</a>	45 - 47
s.	Final Approval - September Part time new hires <a href="#">September 2020 new hires approval</a>	48
t.	Final Approval - Deerwood Bank Interest Rate update City of Blackduck Official Depository <a href="#">DW letter to City Council</a>	49
u.	Final Approval - 2021 Labor Agreement between the City of Blackduck and International Union of Operating En gineers, Local 49-AFL-CIO <a href="#">Final - City of Blackduck Agreement Jan 1st 2021 - Dec 31st 2021</a>	50 - 68
v.	Final Approval - CARES Funding Report for City of Blackduck - March 2020 - August 2020 <a href="#">BlackduckCity September2020 COVID Expenses-2</a>	69 - 71
5.	<b>BLACKDUCK FORUM</b> <i>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.</i>	
6.	<b>REPORTS OF COMMITTEES AND CITY STAFF</b>	
a.	Public Safety Committee Report	

- 6.1. Public Works Report - Mike Schwanke, Public Works Supervisor
  - a. Approval Needed - City Street Map Review & Corrections - Beltrami County GIS Director
- 6.2. Liquor Store Report - Shawnda Lahr, Liquor Store Manager
- 6.3. Law Enforcement Report - Jace Grangruth, Police Chief
- 6.4. Fire Department Report - Brian Larson, Fire Chief
- 6.5. Golf Course Report - Jim Andersen, Golf Course Superintendent & Pam Exner, Club House Manager
- 6.6. Library Report - Kelly Hanks, Head Librarian
  - a. September 15, 2020 @ 6pm - Blackduck Library Board Meeting
  - b. September 17, 2020 @ 6pm - Kitchigami Regional Library Board Meeting - Pine River
- 7. ADMINISTRATOR'S REPORT
  - a. Approval Needed - Resolution 2020-26 - Resolution accepting signature card authorization to new City Mayor 72  
[2020-26 Resolution accepting signature card authorization to new city mayor](#)
  - b. Approval Needed - Resolution 2020-27 - Resolution declaring a vacancy for the seat of Councilor due to appointment of Vice-Mayor Gullette to fill the seat of Mayor through December 31, 2020; or when 2020 General Election results have been finalized. 73  
[2020-27 Resolution declaring a vacancy of councilor seat Gullette](#)
  - c. Approval Needed - Resolution 2020-01 Revised - Resolution of annual appointments and designations for 2020 74 - 77  
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  - d. Consideration & Approval Needed - CARES Funding Recommendations - Blackduck Ambulance - \$5,000 - to cover payroll for public health & personal protective equipment 78  
 Small Business Assistance Grants - \$20,000 - program supported by HRDC - Ryan Zemek, Administrator  
[CARES funding request for BAAI](#)
  - e. September 14, 2020 @ 6pm - Blackduck City Council Public Hearing - Building Remodeling & Rebuilding CIP - City Hall 79 - 96  
[Blackduck CIP Plan full document](#)
  - f. 2020 General Election Early Voting - September 18, 2020 - November 2, 2020
  - g. September 21, 2020 @ 6pm - Blackduck City Council Work Session - City Hall
  - h. September 28, 2020 @ 6pm - Blackduck City Council Special Council Meeting - Certify Proposed 2021 Levy
- 8. MAYOR AND/OR COUNCIL MEMBER REPORTS
- 9. COMMUNITY EVENTS/GOOD THINGS HAPPENING
  - a. September 9, 2020 @ 11am - Blackduck Development Corporation - City Hall
  - b. September 16, 2020 @ Noon - Blackduck Area Chamber of Commerce - The

Pond

- c. September 16, 2020 @ 2pm - Blackduck Planning Commission Meeting - City Hall

10. ADJOURNMENT



# CITY OF BLACKDUCK RESOLUTION NO: 2020-24

## RESOLUTION ACCEPTING RESIGNATION AND DECLARING A VACANCY

**WHEREAS**, the Blackduck City Council has received the written resignation (*attached*) of Mayor Paige Moore, effective on effective September 7, 2020;

**NOW THEREFORE BE IT RESOLVED**, by the City Council of Blackduck, Minnesota, as follows

1. The council accepts Mayor Moore's resignation as described above.
2. The council declares that a vacancy exists on council effective September 8, 2020;

**THEREFORE BE IT FURTHER RESOLVED**, by Minnesota Statute §412.02, subd. 2a requires the City Council of Blackduck, Minnesota appoint an individual to fill the vacancy until a special election is held at its next general election in 2020.

Adopted by the City Council of the City of Blackduck on September 8, 2020.

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Maxwell Gullette, Vice-Mayor

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Christina Regas – City Administrator

Paige Moore  
54235 HWY 46  
Blackduck, MN 56630  
08/24/20

City of Blackduck  
8 Summit Ave NE  
Blackduck, MN 56630

Dear Council and City of Blackduck:

It is with regret that I tender my resignation from the Office of Mayor , effective September 7<sup>th</sup>, 2020.

I am grateful for having had the opportunity to serve on the board of this fine organization for the past Years, and I offer my best wishes for its continued success.

Sincerely,

Paige Moore  
Mayor of Blackduck



# CITY OF BLACKDUCK RESOLUTION NO: 2020-25

## **RESOLUTION APPOINTING VICE-MAYOR MAXWELL GULLETTE TO SERVE THE TERM OF THE RESIGNING MAYOR THROUGH DECEMBER 31, 2020; OR WHEN 2020 GENERAL ELECTION RESULTS HAVE BEEN FINALIZED**

**WHEREAS**, Paige Moore, the Mayor of Blackduck has resigned and her term expires December 31, 2020; and,

**WHEREAS**, the City of Blackduck seeks to appoint an individual to fill the existing term of the resigning Mayor through December 31, 2020; or when 2020 General Election results have been finalized;

**NOW THEREFORE BE IT RESOLVED**, that Vice Mayor Maxwell Gullette is appointed Mayor to serve the existing term of the resigning Mayor.

Ayes:

Nays:

*Abstained: Maxwell Gullette*

Recused:

Adopted by the City Council of the City of Blackduck on September 8, 2020.

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Maxwell Gullette, Vice-Mayor

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Christina Regas – City Administrator



# MINUTES

## Council Meeting

6:00 PM - Monday, August 10, 2020  
City Hall, 8 Summit Drive, Blackduck MN

The Council of the City of Blackduck was called to order on Monday, August 10, 2020, at 6:00 PM, in the City Hall, 8 Summit Drive, Blackduck MN, with the following members present:

**COUNCILORS PRESENT:** Mayor Paige Moore, Councilor Jason Kolb, Councilor Maxwell Gullette, and Councilor Sheldon Ostlund

**COUNCILORS EXCUSED:**

**STAFF PRESENT:** City Administrator Christina Regas, Golf Course Manager Jim Andersen, Public Works Supervisor Mike Schwanke, and Liquor Store Manager Shawnda Lahr

**OTHERS PRESENT:** Jennifer Parker, Blackduck American

### 1. CALL TO ORDER

- a. Roll Call  
Mayor Moore called the regular council meeting to order at 6:00pm
- b. Pledge of Allegiance  
Mayor Moore led the pledge of allegiance.

### 2. APPROVAL OF AGENDA

a.

Jason Kolb moved to approve the agenda as presented Sheldon Ostlund seconded the motion.

Carried 4 to 0

Jason Kolb	For
Sheldon Ostlund	For
Paige Moore	For
Maxwell Gullette	For

### 3. CONSENT AGENDA

*All items listed under the Consent Agenda, unless removed from the Consent Agenda shall be approved by one Council motion.*

- a. July 6, 2020 Blackduck City Council Meeting Minutes
- b. July 16, 2020 Kitchigami Regional Library Board Meeting Packet including June 18, 2020 Meeting Minutes
- c. July 22, 2020 Blackduck Planning Commission Meeting Minutes
- d. July 23, 2020 Blackduck Golf Board Meeting Minutes

- e. July 27, 2020 Blackduck City Council Work Session Minutes
- f. August 3, 2020 Blackduck Finance Committee Meeting Minutes
- g. July 2020 Fund Balance Report
- h. July 2020 Bill Batch Report
- i. July 2020 Sewer Income Statement
- j. July 2020 Water Income Statement
- k. July 2020 Pine Tree Park Income Statement
- l. July 2020 Golf Course Income Statement
- m. July 2020 Liquor Store Income Statement
- n. June 2020 Lawful Gambling Report from the Blackduck Firemen Relief
- o. Final Approval - 2020 First Half Local Government Aid - LGA
- p. Final Approval - Coronavirus Relief Aid - COVID Relief
- q. Final Approval - Coronavirus Relief Aid - COVID Relief
- r.

Maxwell Gullette moved to approve the consent agenda as presented Jason Kolb seconded the motion.

Carried 4 to 0

Paige Moore	For
Jason Kolb	For
Maxwell Gullette	For
Sheldon Ostlund	For

**4. BLACKDUCK FORUM**

*Visitors may share their concerns with Council on any issue, which is not already on the agenda. Each person will have 3 minutes to speak. The Mayor reserves the right to limit an individual's presentation if it becomes redundant. The Mayor may also limit the number of individual presentations on any issue to accommodate the scheduled agenda items. All comments will be taken under advisement by the Council. No action will be taken at the time.*

- a. no one present to speak for the Blackduck forum.

**5. REPORTS OF COMMITTEES AND CITY STAFF**

**5.1. PUBLIC WORKS REPORT - MIKE SCHWANKE, PUBLIC WORKS SUPERVISOR**

**5.1.1. Final Approval Needed - Purchase Agreement Ziegler CAT - 2015 CAT 420FH2 Tractor - Lease purchase**

Regas provided to the City Council the closing documents for the purchase of a 2015 Cat 420FH2 Tractor for a 5 year lease purchase. Regas stated the annual payment will be \$14,552.44 and the lease will sunset in 2025.

Maxwell Gullette moved to approve the lease purchase of the 2015 Ziegler Cat 420FH2 Tractor for the street department Jason Kolb seconded the motion.

Carried 4 to 0

Paige Moore For  
Jason Kolb For  
Maxwell Gullette For  
Sheldon Ostlund For

5.1.2. Approval Needed - Purchase Plow Truck - Boyer Trucks

Schwanke provided for Council review a plow truck from Boyer Trucks a 2003 Sterling L7501 that was a trade in from the City of Edina. Schwanke reviewed the price and status of the plow truck and how good condition the vehicle is in. Schwanke stated the plow truck needs to be purchased out-right and that there is no lease option. Schwanke provided photos of the plow truck for Council to review and highly recommended the City purchase the truck to replace the current plow truck. Councilor Gullette asked how long the dealership has had the truck. Schwanke stated less than a month. Gullette asked how big the box is. Schwanke stated it is a 10' box which is the same as the truck the City owns. Schwanke continued stating by purchasing the 2003 it will provide the City up to 5 years to work to secure a larger truck in the future. Regas asked if there are any local mechanics that can service the plow truck. Schwanke stated Frontier Repair is equipped to service the truck. Councilor Kolb asked if there is a maintenance schedule for the plow truck. Schwanke stated that there was no log but ensured the council that the City of Edina has a full-time maintenance staff that is hired to only work on their equipment. Kolb asked if the box will remain green or will it be painted. Schwanke stated he was not worried about the color but could paint it blue if the City wanted.

Regas provided to the council the recommended payment option for the plow truck. Regas recommended the City purchase the plow truck with \$20,000 from the General Fund Reserve fund; \$10,000 from the Sewer Maintenance Sinking Fund; \$5,000 from the Sewer Replacement fund; and the remaining \$4,613 from the Public Works reserve Fund. Regas encouraged the payment option to keep a steady reserve amount in those funds. Schwanke further stated that if the City approves the purchase that he may take delivery as early as August 12, 2020.

Paige Moore moved to approve the purchase of the 2003 Sterling L7501 Plow Truck from Boyer Trucks Lauderdale with the recommended funds by Administrator Regas (*\$20,000 general fund reserve; \$10,000 sewer maintenance sinking fund; \$5,000 sewer replacement fund; and \$4613 from the public works reserve fund*)

Jason Kolb seconded the motion.

Carried 4 to 0

Paige Moore For  
Jason Kolb For  
Maxwell Gullette For  
Sheldon Ostlund For

5.1.3. Report -

Schwanke reported meeting with Beltrami County AIS and stated the County is interested in providing a hot-water wash for boats to clean up after lake usage. Schwanke stated the Wayside Rest is the proposed area and recommends the City Council work with the County to provide this option to the public. Schwanke stated the County would bring a proposal to the council

Council  
August 10, 2020

at the next work session to discuss further. Councilor Gulette encouraged the council to agree to meet with the county at the next work session. Nothing further at this time.

## **5.2. LIQUOR STORE REPORT - SHAWNDA LAHR, LIQUOR STORE MANAGER**

### **5.2.1. Report -**

Lahr was available for questions. Councilor Gulette asked if the Library book sale was advertised on the message board. Lahr stated it was on and that the sign was attracting customers but with the mask mandate traffic has been slower than normal. Lahr further stated it is pushing some people away. Nothing further.

## **5.3. LAW ENFORCEMENT REPORT - JACE GRANGRUTH, POLICE CHIEF**

### **5.3.1. Request Public Safety Committee Meeting to Discuss- Request for a NO thru traffic alley between 1st. Street NW & 2nd Street NW**

Regas requested a meeting of the public safety committee to discuss the request of the property owners around 1st Street NW and 2nd Street NW between Northern and Morris. Councilor Kolb requested the committee discuss how many police reports have been taken in this area for violating the speed limit in the alley; and how many people have been hit, maimed, or killed in this area. Kolb further request from the police department on if any extra patrolling has been done in the area to see if there has been any issue. Councilor Gulette stated the request asked to have all public traffic stop in the alley and that he has an issue with shutting down an alley to the public.

## **5.4. FIRE DEPARTMENT REPORT - BRIAN LARSON, FIRE CHIEF**

### **5.4.1. August 20, 2020 @ 6pm - Annual Blackduck Fire Protection Meeting of Towns**

Regas reported the annual budget meeting of towns will be held on August 20, 2020 @ 6pm and invited a City Councilor attend the meeting. Mayor Moore strongly encouraged a council member attend on behalf of the city. Councilor Gulette stated he would be in attendance. Nothing further.

### **5.4.2. 2019 AFG FEMA Grant Award Letter & Summary of award**

Regas reported the Blackduck Fire Department was awarded a AFG Grant from FEMA for the purchase of 19 SCBA's for the volunteer fire fighters. Regas stated the total program award was \$128,346.67 and the towns are responsible for a 5% match. Regas stated Chief Larson will budget 2020 funds to the 5% match. Nothing further.

## **5.5. GOLF COURSE REPORT - JIM ANDERSEN, GOLF COURSE SUPERINTENDENT & PAM EXNER, CLUB HOUSE MANAGER**

### **5.5.1. Report -**

Andersen was present to report the golf course is having a great summer with rounds up over 2019. Andersen stated in June 2019 1231 rounds were played and in June 2020 there were 1647 rounds played. Andersen further stated in July 2019 1651 and this year's July 1774. Andersen stated the rounds could be higher but the course has been turning people away due to the number of golf carts available to rent. Andersen stated the mask mandate requires golfers not in a family must mask while golfing. Andersen stated the walk-on traffic has increased and more people are making tee-times but it is difficult to accommodate all the golfers. Andersen continued stated all 14 golf carts are up and running but they all need valve jobs which run \$300-\$500 each. Andersen stated the carts are using a high volume of oil and will need to be serviced soon. Councilor Kolb asked if the golf fund could afford to

service the worst of the carts now that the net revenues are in the positive or budget to complete in the winter. Andersen further suggested installing new motors to the carts for \$700/each to extend the life of the carts. Regas stated that in the past the course has had other aging equipment that needed repairs and so the cart updates ended being pushed off for future service. Lahr asked if the course has records of which carts are using the most oil. Andersen stated there is a log but all the carts are using about the same amount of oil.

Cart Shed status -

Councilor Gulette asked how the finishing work is coming along. Regas stated the drain-tile has been installed and the retaining wall will be built soon by volunteers.

**5.6. LIBRARY REPORT - KELLY HANKS, HEAD LIBRARIAN**

- 5.6.1. August 18, 2020 - Blackduck Library Board Meeting  
Book Sale coming up August 15, 2020 @ the Wayside Rest -

**6. BLACKDUCK BLANDIN GROUP**

- a. Grand Opening Announcement  
Regas reported the Grand Opening ceremony will be August 18, 2020 @ 6pm and the public is welcome.

**7. ADMINISTRATOR'S REPORT**

- a. Donation Request - Blackduck 2020 After Prom

Maxwell Gulette moved to deny the donation request for the Blackduck After Prom Paige Moore seconded the motion.

Carried 4 to 0

Paige Moore	For
Jason Kolb	For
Maxwell Gulette	For
Sheldon Ostlund	For

- b. Approval needed - Resolution 2020-03 Revised - Resolution approving the terms of an internal loan in connection with construction of the Blackduck Golf Course Cart Shed

Paige Moore moved to approve the revision of Resolution 2020-03 Sheldon Ostlund seconded the motion.

Carried 4 to 0

Paige Moore	For
Jason Kolb	For
Maxwell Gulette	For
Sheldon Ostlund	For

- c. Approval Needed - Resolution 2020-22 Revised - Resolution adopting a schedule of fees and charges for 2020

Paige Moore moved to approve the revision of Resolution 2020-22 Jason Kolb seconded the motion.

Carried 4 to 0

Paige Moore	For
Jason Kolb	For
Maxwell Gullette	For
Sheldon Ostlund	For

d. City of Blackduck Debt Issuance & Management Pre-Sale of GO Capital Improvement Plan Bonds for Financing Public Works/Public Safety Building

Regas presented the timeline and Resolution to call for a public hearing on the intention to issue general obligation capital improvement plan bonds and the proposal to adopt a capital improvement plan thereof stating the public hearing would be September 14, 2020.

Further discussion from Councilor Gullette requested the City Attorney, Financial Expert, and Widseth Finance Expert be present to the public hearing.

Maxwell Gullette moved to approve Resolution 2020-23 Sheldon Ostlund seconded the motion.

Carried 4 to 0

Paige Moore	For
Jason Kolb	For
Maxwell Gullette	For
Sheldon Ostlund	For

e. July 28, 2020 - August 11, 2020 @ 5:00pm - Blackduck City Office Filing Dates

Regas stated the filing deadline is August 11, 2020 @ 5pm

f. August 11, 2020 - Minnesota State Primary

g. August 25, 2020 @ 10am Blackduck Personnel Committee Meeting with Local 49 Union 2021 Contract

Regas noted the date has been changed to August 26, 2020 @ 5pm

h. August 31, 2020 Blackduck City Council Work Session @ 6pm

i. September 7, 2020 - Labor Day City Offices Closed

j. September 8, 2020 Blackduck @ 6pm City Council Regular Council Meeting

k. September 14, 2020 @ 6pm - Public Hearing for CIP

l. Questions from the Council -

1. Councilor Gullette asked if the scheduling for the City meetings and the School board meetings has been addressed. Parker stated the school board moved their meeting dates.

2. Councilor Gullette asked why the City Attorney has conflicts with the City Regular meetings. Regas stated Joe Ingel's conflicts revolve around when the City meetings are 1 one later in the month otherwise the time of the regular meetings provides him the ability to attend via Zoom before the Baxter meeting at 7:30pm monthly.3. Regas further stated the need to have attendees of the regular meetings to speak up and to speak clearly during meetings.

**8. MAYOR AND/OR COUNCIL MEMBER REPORTS**

a. Nothing discussed.

**9. COMMUNITY EVENTS/GOOD THINGS HAPPENING**

- a. Blackduck Development Corporation Meeting - August 12, 2020 @ 11am City Hall
- b. Backwoods UnBash Events - August 15, 2020 all day throughout town
- c. Blackduck Area Chamber of Commerce Meeting - August 19, 2020 @ Noon @ Restaurant 71
- d. Blackduck Planning Commission Meeting - August 19, 2020 @ 2pm City Hall

**10. ADJOURNMENT**

- a.

Maxwell Gullette moved to adjourn the meeting at 7:04pm Paige Moore seconded the motion.

Carried 4 to 0

Paige Moore	For
Jason Kolb	For
Maxwell Gullette	For
Sheldon Ostlund	For

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City Administrator, Christina Regas

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Mayor, Paige Moore



# BLACKDUCK FINANCE COMMITTEE MEETING

FRIDAY, AUGUST 14, 2020 @ 11AM

BLACKDUCK CITY HALL 8 SUMMIT AVE. E.

**CALL TO ORDER:** The Finance Committee for the City of Blackduck met in a scheduled work session in council chambers at City Hall at 11:00AM on August 14, 2020.

**Roll Call**

**Councilors present:** Councilor Gulette

**Councilors Absent:** none

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

**Others Present:** none

The meeting was called to order at 11:00am the Pledge of Allegiance was not recited.

Topics covered in the work session were as follows:

General Fund Budget Process – Regas reported additional updates to the committee regarding the highlights for the general fund budgeting process. They are as follows:

REVENUE – nothing discussed at this time.

EXPENDITURES: Regas provided expenditure budgets for the Police and Fire Departments for review. Committee members reviewed both departments and noted the following changes:

Police – Chief Grangruth stated his department should be under budget in 2020 and plans to use his surplus for 2021 to accommodate payroll changes.

Fire – Chief Larson stated his department should be within budget in 2020 and only requests the 2021 budget increase \$5,000 to begin to capitalize for ARMER radios. Larson further stated 2020 the 5% FEMA required local match for the AFG Grant will be covered in the existing 2020 budget. Larson will hold his Annual Budget with the Townships on August 20, 2020 to discuss the request.

Payroll - Regas reported she has worked the payroll studies for all general fund departments and is planning for standard increases to wages. Regas provided those budgets for review of the committee. Regas reported Healthcare premiums were not increasing in 2021.

Public Works Departments – Regas and Schwanke stated they will meet prior to the next Finance Committee meeting to work on Streets, Street Lighting, Library, Wayside Park, and Government Building Budgets.

Administration - Regas reported the budget for City Administration would be ready for review at the next Committee meeting.

Other Budget Items – Regas reported the City is waiting on the Net Tax Capacity total for the City of Blackduck from Beltrami County to assist in the planning process.



BLACKDUCK FINANCE COMMITTEE MEETING

FRIDAY, AUGUST 14, 2020 @ 11AM

BLACKDUCK CITY HALL 8 SUMMIT AVE. E.

**ADJOURN** – Finance Committee adjourned their work session at 12:00pm.

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Christina Regas, City Administrator

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Paige Moore, Mayor



# BLACKDUCK PUBLIC SAFETY COMMITTEE

MONDAY, AUGUST 17, 2020 @ 5PM

MEETING MINUTES

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**CALL TO ORDER:** The Public Safety Committee of the City of Blackduck met in a scheduled meeting at the City Hall at 5:00pm, August 18, 2020.

## **Roll Call**

**Councilors present:** Councilor Ostlund and Mayor Moore (*via conference call*)

**Staff Present:** City Administrator, Christina Regas, Fire Chief Larson, Police Chief Grangruth

**Others Present:** Resident Troy Gabrelcik

The meeting was called to order at 5:00pm the Pledge of Allegiance was not recited.

Topics covered in the work session were as follows:

## **NO THRU TRAFFIC ALLEY DESIGNATION FOR 1<sup>ST</sup> STREET NW & 2<sup>ND</sup> STREET NW**

### **RESIDENTS DISCUSSION**

Troy Gabrelcik addressed the committee regarding a petition from his neighbors to designate the alley between 1<sup>st</sup> Street NW and 2<sup>nd</sup> Street NW from Northern Ave. and Morris Ave. Gabrelcik stated that their alley has recently seen an increase in traffic and is being used as a ‘short-cut’ for some vehicles. Gabrelcik stated the vehicles are driving too fast and he and the neighbors don’t understand why the alley is being used so much more than the paved roads instead. Gabrelcik has concerns for the safety of the children in the neighborhood. Chief Grangruth asked where the ‘short-cut’ is from. Gabrelcik stated in his observations the vehicles are coming to and from Pine View Apartments. Councilor Ostlund stated he lives close to Gabrelcik and he has observed an increase in his alley for vehicles too. Gabrelcik further stated the vehicles are not the same. Chief Larson asked if the vehicles are continuing on to Summit Ave. Gabrelcik stated yes and further stated the trees hide the oncoming traffic. Chief Grangruth stated how he would like to find out why vehicles need to drive through the alley. Regas asked if the Police department has received any reports. Grangruth stated his department has not received any reports and his officer lives in the neighborhood. Larson asked if the residents wish to vacate the alley. Gabrelcik stated no but only wishes it be signed as a ‘no-through’ alley from Morris to Northern.

### **COMMITTEE DISCUSSION**

Regas stated she consulted the City Attorney and he recommended adopting a section of the City Ordinance that makes set the use of alleys in the City of Blackduck for through traffic prohibited and then set an administrative fine. Gabrelcik stated the alley behind the Zion Church between Main Street N. and 2<sup>nd</sup> Street NW has been designated as a no-thru alley for many years. Larson asked if that would designate all alleys as no-thru. Regas confirmed. Grangruth stated it would be easier to enforce instead of spending the money on the signs. Ostlund stated that if the ordinance is changed then there will still be using the alleys unless they are signed. Grangruth further stated it would be awhile to correct the behavior once the ordinance is changed. Regas stated that in the meantime the police department would need to increase their patrol in the problem areas. Gabrelcik stated it would be nice to have the signs in the problem area. Larson stated he sees the increase use of the alley between Northern and Margaret on his postal route and believes the need to reduce the alley through traffic is needed. Grangruth stated he can’t speak for the Public works department but the increase of signs may pose to be a problem. (*The*



# BLACKDUCK PUBLIC SAFETY COMMITTEE

MONDAY, AUGUST 17, 2020 @ 5PM

MEETING MINUTES

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*committee discussed the placement and cost of erecting signs in the problem areas and throughout the city)*

## **RECOMMENDATION TO COUNCIL**

Regas summarized the recommendation of the committee to the City Council would be to revise the Ordinance to include the use of alleys for through traffic be prohibited and the residents in neighborhoods that have high through traffic use be allowed after petitioning the city to have No Thru Traffic Signs erected at their cost. The committee and Gabrelcik were in favor of the recommendation and thanked the committee for the cooperation. Grangruth stated his department would increase his patrolling in the area and recommended the City adopt a policy/procedure for future requests. Regas stated she would work with the City Attorney to revise the Ordinance.

**ADJOURN** – The Committee adjourned their meeting at 5:35pm.

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Christina Regas, City Administrator

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Paige Moore, Mayor



# BLACKDUCK PLANNING MEETING

WEDNESDAY August 19, 2020 @ 2pm

REGULAR MEETING MINUTES –

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**CALL TO ORDER:** Commission Klug called the meeting to order @ 2:06pm.

**ROLL CALL:**

**Commissioners present:** Kurt Benson, Bob Klug Sr., Ron Rockis, Curt Cease, and Ernie Tindell

**Commissioners Absent:** none

**Staff Present:** City Administrator Christina Regas

**Others Present:** none

**Approval of Minutes** – Moved by Commissioner Tindell and seconded by Commissioner Benson to approve the minutes from July 22, 2020. Motion carried unanimously.

**Old Business**

**Permits Issued since last meeting** – Moved by Rockis and seconded by Cease to approve land use permits issued in July and August by Administrator Regas. Motion carried.

1. Land Use Permit 2020-08 – Melissa O’Dell 641 Main Street N. Lot #6
2. Land Use Permit 2020-09 – Mark Lundin 216 Main Street N.

Rockis asked if a land owner is having roof repairs of siding replaced does the owner need a permit. Regas stated yes and noted that although there is no structural changes to the building having the work on the record is required. Benson asked what the status of the trailer park is. Regas stated there has been no discussion with the City of the status of Towns Edge Estates. Rockis asked if the trailer park units are listed in GIS for fire calls. Regas stated the main address for the park is listed and the fire department has the units listed. Nothing further.

**New Business –**

**Concern for blight & increase to fines** – Regas stated the City issued on July 24, 2020 4 violation letters to residents that had large numbers of vehicles or unlicensed vehicles in their yards. Regas stated the following updates on those properties:

1. Mike Pollard – 596 Main Street – Pollard has requested permission to place a storage container on his property to store the large number of vehicles. Regas provided in email format to the commissioners a picture of that container and received feedback from 3 of the 5 board members stating they would not approve the container.
2. Rudy Patch – 16 Liberty Dr. – Patch has removed 3 of the vehicles and is now selling the property. Patch will place remaining vehicles near the back of the property to be screened from the street.
3. Lief Rantala – 188 Liberty Dr. – Rantala has not removed, screened, or updated the licensing on the truck in question and has not contacted the City to date.
4. Vernlund – 565 Main Street. – Vernlund’s rental has not been discussed with the City and Regas needs to recheck location for compliance.

Regas stated that if the properties that received letters are not in compliance by August 24, 2020 first offense fines of \$50 would be issued. Regas further stated the Council recently approved adding a 2<sup>nd</sup> Offense to the Public Nuisance Ordinance of \$100 if compliance is still not achieved after the first offense is issued. Benson asked if the property owners were noted by the letter the number of vehicles that are allowed. Regas stated the Ordinance was quoted in the letters sent. Rockis asked if the property owners can solve the violations by storing the vehicles inside a structure/garage. Regas stated yes.



# BLACKDUCK PLANNING MEETING

WEDNESDAY August 19, 2020 @ 2pm

REGULAR MEETING MINUTES –

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## **Other New Business –**

Storage Container at Zaleski's commercial property. Klug asked how long the container was going to be on the property. Regas stated Zaleski's were given verbal permission to place the container on their property temporary until the greenhouse that caved in during winter months was rebuilt. Regas further stated the Zaleski's were given 6 months. Nothing further.

**ADJOURN THE PLANNING MEETING** – Moved by Commissioner Benson and seconded by Commissioner Tindell to adjourn the planning meeting at 2:20pm. Motion carried unanimously.

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Christina Regas, City Administrator

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Bob Klug Sr., Chairperson

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**TOWNSHIP BUDGET MEETING    BLACKDUCK CITY HALL    THURSDAY AUGUST 20, 2020 6:00PM****MEETING MINUTES**

The Blackduck Fire Department Chief Brian Larson held the Annual Meeting of Parties in City Hall on August 20, 2020 @ 6:00pm

The Annual Meeting was called to order at 6:00pm.

**Roll Call** was taken by City Administrator Christina Regas those present included: Councilor Maxwell Gullette of City of Blackduck; City of Blackduck Administrator Christina Regas; Rob Ingersoll of Hagali Township; Bill Rabe of Hines Township; Scott Burns of Birch Township; and Fire Chief Brian Larson a quorum was established of 64%.

**City/Townships Absent:** Hornet, Summit, Taylor, O'Brien, Tenstrike, Funkley, Langor, and Moose Park Township

**1. OLD BUSINESS –**

**a. 2020 ACTUAL EXPENDITURES** – Fire Chief Larson requested questions on the 2020 actual expenditures line items. There following questions were the ytd expenditures:

- i. City Insurance – Regas noted that only half of the City insurance has been paid to date due to COVID-19 the remaining will be paid in Q3 of 2020. Regas further stated normally the City pays the full policy amounts in June of each year.
- ii. Uniforms – Larson stated turnout gear will still need to be purchased in 2020.
- iii. Heating Fuel – Regas stated the City did pre-buy for heating fuel in August.
- iv. YTD 2019 Capital Replacement Cash balance - Regas reported to the towns the current year-to-date cash balance of the 'truck fund' of \$257,233.69. Gullette asked how long a truck typically lasts and is there a rotation plan. Larson stated there is a plan now and when that happens the current chassis will go down the road. Larson stated the Pierce will last for a long time and as long as it meets the annual pump tests it will last for many years. Larson stated the next truck that comes to Blackduck will be in the Fire Hall for a very long time. Larson stated the costs associated with a new truck and custom chassis baseline is \$350,000 and the day will come when the department will have to upgrade.
- v. SCBA Replacement – Larson reported the Blackduck Department was awarded a FEMA grant to replace the SCBA units. Larson stated the 5% contribution from the City would be \$6,417.33 and the department should use current 2020 budgeted funds to pay that match.
- vi. ARMER Radio Replacement – Larson stated the Fire Chiefs are meeting this evening to announce if a grant from the Neilson Foundation to purchase used ARMER radios has been awarded. Larson stated the radios are not Intricically Safe (I.S. certified) but they will satisfy the need in the short term for the departments so Beltrami County can move from VHF to ARMER for all emergency services. Larson stated that the ability to acquire ARMER is very close but the department will need to upgrade the used radios. Larson has requested a \$5,000 capital replacement to begin setting funding aside for all new ARMER radios. Regas stated that in previous meetings with the Towns is was discussed the department should begin to

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**TOWNSHIP BUDGET MEETING    BLACKDUCK CITY HALL    THURSDAY AUGUST 20, 2020 6:00PM****MEETING MINUTES**

capitalize for the radios. Larson stated the county is ready to move over completely and will only wait until 2027 but to completely update the department with new I.S. equipment would cost \$80,000. Larson further stated if the department can acquire the used radios the department will have some costs associated with the installation. Larson stated the largest reason why the County wants the switch is that it costs the tax payers more to continue allowing two systems. Larson further reported that the departments have applied 3 times for grants for ARMER radios and they are out of options.

- vii. Repairs/Maintenance Machinery/Equipment – Blackduck asked why the fund line for maintenance was so high and not used to date. Regas stated the balance may be higher toward the second half of the year due to the lack of repairs done to date. Regas stated typically the department if large repairs or updates are needed Larson and Frenzel will hold off until the end of the Q3 to schedule them until the department sees a surplus and no large breakdowns on trucks or other equipment prior to the end of the fiscal year.
- viii. End of year surplus – Birch asked if there is a surplus at the end of the fiscal year where does it go. Regas stated in the past any surplus will be transferred into the truck fund. Regas further stated the City will notify the towns at the February meeting of any potential surplus. Birch asked if it could go to the purchase of radios. Larson stated it is placed in the truck/equipment fund to assist with other purchases. Birch suggested to use the surplus for the purchase of radios or to set aside a new fund just for capitalizing the radios. Regas recommended at the February meeting of towns to motion to move any surplus for this reason.
- b. **2021 BUDGET** – Chief Larson asked for questions regarding the 2021 proposed budget.
  - i. End of 2020 Budget year clarification – Birch Township asked why the department is asking for more money when the 2020 balance report still has \$29,505 available to use. Regas stated the City's budget is only through August 14, 2020 and is on a calendar year through December 31, 2020 and expenses for August – December will still use the remaining budget. Birch Township asked when the department is going to have enough funds and not need to increase the budget. Larson stated that the FEMA award and match will save the towns over \$133,000 that won't need to be requested and that helps all the tax payers. Birch Township stated that award is a huge win for the department.
  - ii. 2021 Proposed Budget - Moved by Hines and seconded by Hagali to accept the proposed budget for 2021 and recommend the City of Blackduck approve it in the proposed levy. Blackduck stated the increase is a necessary request but requests the towns and city keep a watchful eye on how high the budget goes. Hearing no further discussion a vote on the motion was called. Motion carried.
- c. **2021 Proposed Payment** – Regas asked if there were further questions regarding the formula. Nothing discussed.

TOWNSHIP BUDGET MEETING BLACKDUCK CITY HALL THURSDAY AUGUST 20, 2020 6:00PM

**d. Estimated Market Value by town** – There were no questions regarding the EMV.

**e. YTD 2020 FIRE DEPT. INCIDENT REPORT** – Larson took questions on the incident report from 2020. Larson stated it was requested in the February meeting the towns requested to have the townships noted on the incident report and he has not included this in his reports. Larson stated he will update the report for the end of year. Regas stated when the report is updated she will update the towns. Hagali stated they would like to see report updated. Nothing further

**2. NEW BUSINESS –**

- a. Next Contract** – Hines asked if there was 4 years left on the current contract. Regas stated yes.
- b. ARMER Radio Grant update** – Birch requested an update after Larson finds out the status of the grant for the used ARMER radios.
- c. New Truck** – Birch stated that once a new truck / custom chassis is acquired then other equipment can be updated. Larson stated a new truck will have a process to acquire when the time comes as many larger cities send used machines down the road which provides smaller cities the opportunity to acquire a truck that will work well for the department. Larson stated the department is very fortunate to have the capitalized funds from the towns. Nothing further.

**3. OTHER BUSINESS –**

Nothing discussed.

Motion by City of Blackduck and seconded by Hines Township to adjourn the meeting at 7:26pm. Motion passed.

*Meeting minutes submitted by Christina Regas City of Blackduck Administrator.*



# BLACKDUCK FINANCE COMMITTEE MEETING

FRIDAY, AUGUST 21, 2020 @ 1PM

BLACKDUCK CITY HALL 8 SUMMIT AVE. E.

**CALL TO ORDER:** The Finance Committee for the City of Blackduck met in a scheduled work session in council chambers at City Hall at 1:00PM on August 21, 2020.

**Roll Call**

**Councilors present:** Councilor Gulette

**Councilors Absent:** none

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

**Others Present:** none

The meeting was called to order at 1:00pm the Pledge of Allegiance was not recited.

Topics covered in the work session were as follows:

General Fund Budget Process – Regas reported additional updates to the committee regarding the highlights for the general fund budgeting process. They are as follows:

REVENUE – Regas reported the annual meeting of the townships approved the Fire Department budget and recommended the City of Blackduck approve the requested increase. Regas further reported the revenue for the fire protection contracts is \$83,761 reflecting the recommendation. Regas provided to the committee a worksheet comparing 2020 actual budget to 2021 proposed budget to reflect proposed increases from each department and how the levy would be affected.

EXPENDITURES: Regas provided expenditure budgets for the Public Works & Administration Departments for review. Committee members reviewed all general fund departments and noted the following:

Public Works Departments – Schwanke stated overall his departments are not increasing a large percentage but and in return the department has successfully acquired several new pieces of equipment of which will provide more efficiency. Schwanke has requested the street materials budget remain at \$40,000 in 2021 but is willing to adjust if the overall City needs to lower the proposed levy.

Administration - Regas reported the budget for City Administration only reflects payroll increases and will work within the existing established 2020 budgeted numbers in 2021. Regas further stated with the announced departure of the Deputy Clerk the department may produce lower payroll numbers before certification in September is required.

Total Budget and Affect to the Levy – The committee members worked on the existing budgets until the proposed levy did not produce a high increase to the tax payers in 2021. Concessions on the street materials fund line and electricity to the wayside rest park fund lines were lowered. The Committee further suggested fund lines in the Police budget be lowered. Regas stated those suggestions would be discussed with Chief Grangruth and she would report back at the next meeting. Regas provided a worksheet producing the proposed increase to a homeowner calculating



BLACKDUCK FINANCE COMMITTEE MEETING

FRIDAY, AUGUST 21, 2020 @ 1PM

BLACKDUCK CITY HALL 8 SUMMIT AVE. E.

the proposed Net Tax Capacity for the City of Blackduck and the committee agreed the increase to the tax payers must be minimal. Regas stated the City should receive the true Net Tax Capacity from Beltrami County soon.

**ADJOURN** – Finance Committee adjourned their work session at 2:30pm.

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Christina Regas, City Administrator

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Paige Moore, Mayor



# BLACKDUCK FINANCE COMMITTEE MEETING

FRIDAY, AUGUST 28, 2020 @ 1PM

BLACKDUCK CITY HALL 8 SUMMIT AVE. E.

**CALL TO ORDER:** The Finance Committee for the City of Blackduck met in a scheduled work session in council chambers at City Hall at 1:00PM on August 28, 2020.

**Roll Call**

**Councilors present:** Councilor Gulette

**Councilors Absent:** none

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

**Others Present:** none

The meeting was called to order at 1:00pm the Pledge of Allegiance was not recited.

Topics covered in the work session were as follows:

General Fund Budget Process – Regas reported additional updates to the committee regarding the highlights for the general fund budgeting process. They are as follows:

REVENUE – nothing new discussed

EXPENDITURES: Regas provided updates on the Police budget and Wayside Rest Park budgets for discussion. Regas reported all requested reductions in operating budgets from the August 21, 2020 meeting were agreed upon. Regas further provided a revised Police wage budget for the committee to discuss for approval. The Committee agreed to the revisions.

Total Budget and Affect to the Levy – Regas reported the Net Tax Capacity from Beltrami County had not been released and stated if it did prior to the Council Work Session on August 31, 2020 she would report to the Council the budget as it sits from this committee meeting.

CARES Funding – Regas reported the status of the CARES funding for the City of Blackduck and recommended other ways to spend the money locally. After much discussion the committee recommended the council be briefed on the status of the funding and potential other ways to use the funding at the next work session. Nothing further.

**ADJOURN** – Finance Committee adjourned their work session at 2:00pm.

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Christina Regas, City Administrator

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Paige Moore, Mayor



# MINUTES

## Council - Work Session Meeting

6:00 PM - Monday, August 31, 2020  
City Hall, 8 Summit Drive, Blackduck MN

The Council - Work Session of the City of Blackduck was called to order on Monday, August 31, 2020, at 6:00 PM, in the City Hall, 8 Summit Drive, Blackduck MN, with the following members present:

**COUNCILORS PRESENT:** Councilor Jason Kolb, Councilor Maxwell Gulette, Mayor Paige Moore, and Councilor Sheldon Ostlund

**COUNCILORS EXCUSED:**

**STAFF PRESENT:** City Administrator Christina Regas, Police Chief Jace Grangruth, Public Works Supervisor Mike Schwanke, and Assistant Liquor Store Manager Melissa Gulette

**OTHERS PRESENT:** Beltrami County AIS Director, Bruce Anspach

### 1 CALL TO ORDER

- a) Roll Call  
Roll call was taken by City Administrator Regas. All Council members present.
- b) Pledge of Allegiance  
Mayor Moore dispensed with the Pledge of Allegiance.

### 2 APPROVAL OF AGENDA

- a)

Maxwell Gulette moved to approve the agenda as presented Sheldon Ostlund seconded the motion.

Carried 4 to 0

Maxwell Gulette	For
Jason Kolb	For
Paige Moore	For
Sheldon Ostlund	For

### 3 OLD BUSINESS

- a) City Building Remodeling & Rebuilding -  
Regas reported to the City Council with a draft of the document that would be distributed and discussed at the September 14, 2020 Public Hearing. Regas reported Todd Haugen from Ehlers, Gail Levenson or Widseth would be present. Regas stated the City Attorney had a conflict on that date and could not be present. Councilor Gulette requested another attorney from RRM be present in his absence. Regas stated she would ask the firm. Nothing further.
- b) Golf Course Cart Shed

Regas reported no updates on the shed. Regas stated the retaining wall still has work to be completed. Councilor Gulette asked if TG Sales & Service has started work. Regas stated not until the wall is completed. Councilor Ostlund asked there had been much of the soil washed away. Regas stated not since the drain tile has been installed. Nothing further.

c) Public Works Trucks

Schwanke reported the City will not know when delivery will be until late October 2020.

d) Council Vacancy

Regas reported the City still has open vacancies and has concern if there are no write-in's for the open seats as the City cannot operate with only 2 City Councilors. Regas further stated the intention to have a series of articles in the American discussing the need to have residents serve and focus the article on the civic service side of being a City Councilor. Nothing further.

e) Equity Awareness Training

Regas requested input from the board regarding a new location to hold the equity training since the school is not allowing rental of the multi-purpose room. Regas suggested the Golf Clubhouse, Councilor Gulette suggested the Fire Hall, Mayor Moore suggested the Wayside rest park. Regas agreed the fire hall would be a suitable location and stated she would reach out to the speaker and Sarah Barrot. Councilor Kolb asked about the time of the event. Regas stated after business hours would be best for most business leaders. Nothing further.

f) Collaborative Services from League of MN Cities

Regas reported Pamela Whitmore would be in attendance on September 21st work session and recommended returning after the general election for a larger deep dive on new councilors.

g) Blackduck Beach Project

Regas stated the grand opening was well attended and donations are still coming in and planning for Phase 2 will begin soon. Nothing further.

h) 2021 Budget Planning Process

Regas presented to the City Council the details of the 2021 proposed general budget and the potential levy increase. Regas reviewed revenue and expenditure highlights and how they affect the 2021 budget. Regas further reported how the proposed 2021 property tax increase compares to 2020 and how it relates to an individuals property taxes with the net tax capacity increasing to \$336,639 lowering the mill rate to 92%. Regas summarized her presentation by stating the 2021 budget is in direct reaction to how COVID has affected the City departments and enterprise funds and that although the levy has a much lower increase for 2021, future years will continue to increase in smaller increments rather than large increases year after year. Nothing further at this time.

i) Pine Tree Park Renovations

Schwanke reported the exterior updates are underway on the shower and restroom building at Pine Tree Park and will finish soon. Schwanke further stated interior renovations would be completed in 2021. Nothing further.

#### 4 NEW BUSINESS

a) Blackduck Hot Water AIS Station - Bruce Anspach - Beltrami County AIS Lakes Technician

Anspach provided the board a presentation regarding the proposal of a hot water AIS station at Wayside Rest Park. Anspach stated the station would be the first of its kind in Beltrami County and would be an example for future stations. Anspach is requesting the City of Blackduck provide a location for the cleaning station and to maintain it after the boating season is over the County would provide the unit and

any updates needed to the location to house the station and signage if the City would like to have directional signage at the Blackduck East landing. Anspach stated his plan to have 4 stations throughout Beltrami County. Mayor Moore asked how would the City deter the public from using the station for non-boating related use like for a shower or the shop-vac for someone's vehicle. Anspach stated the use for non-related use will happen but it will be minor compared to those that will use it for AIS reasons. City Council members present were in favor of moving forward for a potential 2021 launch of the station.

b) CARES Funding

Regas presented to the Blackduck City Council a review of the departments that have utilized the City CARES funding to date and presented potential options to donate/grant remaining funding to the Blackduck Ambulance and to local Blackduck businesses that were affected by COVID-19. Regas further reported the City must report to the State Auditor monthly how the funding was used. Regas stated if the City Council is willing to grant a portion of the funds to affected businesses the HRDC would act as the administrator of the funding and Blackduck could utilize resources already in place for other surrounding counties and cities. Mayor Moore stated she was 100% behind the two options of the ambulance and business grants. Regas will move forward with the grants. Nothing further.

c) City Planner

Councilor Ostlund stated he wished to discuss the possibility of gaining a City Planner to reduce the work load of the City Administrator to work towards more city planning and issuing violations for blight. Councilor Kolb asked if having a City Planner would help out all City supervisors. Regas stated Ostlund's intention would be to enforce code where Regas does not have enough time to commit. Regas provided the job description of the City Planner of the City of Bemidji and the pay scale of the planners. Regas reported in Bemidji the City Planner is a full-time benefited position; wage scales are \$59,000 - \$73,000 annually; works closely with the Bemidji Joint Planning Board; issues violations for city code; has a small department of 2 people and could use 2 more with the work load. Regas stated the Bemidji Planner recommends to ensure the planner if hired has a good planning background as their staff turns over frequently. Councilor Kolb stated he did not think the City of Blackduck could afford another full-time position and recommends the violations just increase to a limit that would get noticed and adhered to. Councilor Ostlund stated he wanted to discuss the idea so it could be considered. Nothing further.

d) Deputy Clerk / Administrative Assistant Position Timeline

Regas reported the application deadline is September 4, and she has completed 4 interviews to date. Regas stated after completing interviews and ranking she plans to fill the position by end of September. Nothing further.

e) Mayor Moore Resignation

Mayor Moore presented the City Council with her formal resignation since she has moved out of the city limits. Councilor Gullette stated it has been a pleasure serving under her. Regas stated that in the September council packet there will be the regulated resolutions approving the vice-mayor Gullette to Mayor affected September 8, 2020.

f) Liquor Store Part-time Employee requesting Healthcare

Councilor Gullette reviewed an email from a liquor store employee that is requesting becoming full-time to receive City healthcare coverage. Regas stated the request could be discussed at the next Personnel Committee meeting.

g) Blackduck Fire Department Engine #2

Regas reported Engine #2 is going in for repairs to Bemidji. Regas was notified from Chief Larson the engine was not working correctly and needed to go in asap. Regas did not have additional information regarding what was wrong and the cost

associated with them but would report more at the City Council Meeting.

**5 ADJOURNMENT**

a)

Maxwell Gullette moved to adjourn the work session at 7:43pm Jason Kolb seconded the motion.

Carried 4 to 0

Jason Kolb	For
Maxwell Gullette	For
Paige Moore	For
Sheldon Ostlund	For

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Christina Regas, City Administrator

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Paige Moore, Mayor



# BLACKDUCK PERSONNEL COMMITTEE

TUESDAY, SEPTEMBER 1, 2020 @ 7:30aM

## MEETING MINUTES

**CALL TO ORDER:** The City of Blackduck Personnel Committee met by phone on September 1, 2020 @ 7:30am.

### Roll Call

**Committee Members present:** Mayor Moore, and City Administrator, Christina Regas, and Liquor Store Manager, Shawnda Lahr

**Committee Members Absent:** none

**Staff Present:** none

**Others Present:** none

The meeting was called to order at 7:30am 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.

### NEW BUSINESS:

1. Review Proposal from Labor Union Local 49'ers to the City of Blackduck – Regas presented to the committee the proposal offer to the City of Blackduck for discussion. The items are as follows:
  - a. ARTICLE 11 – Sick Leave.

Members of the Local 49ers are requesting consideration for the following changes:

11.4 – Severance

10 – 19 years of service	20% of unused sick leave	<b>Proposed 30%</b>
20 years or more	40% of unused sick leave	<b>Proposed 50%</b>

The committee discussed request and reviewed the financial and human resources pro's & con's to the request. The committee unanimously agreed the request was reasonable based on other sick leave severance in other cities and counties current policies.

- b. ARTICLE 17 - Wages.

Members of the Local 49ers are requesting consideration for the following:

17.4 Chris Brown, Maintenance Worker #2

The City will pay for the Licensure Classes and Lodging for the Water and Wastewater Education Classes originally. If the employee fails to be licensed, it is up to the employee to cover this expense going forward to obtain licensure.



# BLACKDUCK PERSONNEL COMMITTEE

TUESDAY, SEPTEMBER 1, 2020 @ 7:30aM

## MEETING MINUTES

Once the Water Licensure is in possession at the city, the employee will receive a wage increase of \$0.50/hour on the next pay period. Once the Wastewater Licensure is in possession at the city, the employee will receive a wage increase of \$0.50/hour on the next pay period.

The committee agreed that due to COVID-19 it was not feasible for new certifications to be obtained and extending the licensing to Maintenance Worker #1 in the updated contract was reasonable.

c. ARTICLE 20. Duration

Members of the Local 49ers are requesting consideration for the following duration:

A One (1) Year Agreement, January 1, 2022 through December 31, 2022.

The committee agreed another (1) year contract was reasonable.

The committee fully agreed to the Union Proposal and agreed to recommend to the Blackduck City Council to approve the Labor Contract for 2021. Nothing further.

- 2. City of Blackduck Non-Union Full-time Employee Sick Leave Severance – The committee further discussed recommending the City of Blackduck Personal Policy for Non-Union Full-time Employee Sick Leave Severance be updated to the following changes:

**Sick Leave Severance:**

CURRENT

10 – 24 years of service = 15% of unused sick leave

25 years or more = 40% of unused sick leave

RECOMMENDED

**Proposed 10-19 yrs. of service= 30%**

**Proposed 20 yrs. or more of service = 40%**

**ADJOURN** – Committee adjourned their meeting at 8:00am.

\_\_\_\_\_  
Christina Regas, City Administrator

\_\_\_\_\_  
Paige Moore, Mayor

September 8, 2020

FUND	Deerwood Checking BEGINNING BALANCE	Bill Report through 09/8/2020	Deerwood Checking ENDING BALANCE	Deerwood First Preferred Savings BEGINNING BALANCE	Deerwood First Preferred Savings Bill Report through 09/8/2020	Deerwood First Preferred Savings ENDING BALANCE	Total Balance of all Accounts
GENERAL	\$217,278.32	\$17,084.86	\$200,193.46	\$61,313.78	\$0.00	\$61,313.78	
POLICE RESTRICTED CASH	\$11,129.09	\$0.00	\$11,129.09	\$0.00	\$0.00	\$0.00	
CEMETERY	\$1,421.37	\$1.20	\$1,420.17	\$2,173.90	\$0.00	\$2,173.90	
PERPETUAL CARE	\$8,400.86	\$0.00	\$8,400.86	\$53,418.01	\$0.00	\$53,418.01	
SEWER MAINTENANCE	\$0.00	\$0.00	\$0.00	\$59,343.08	\$0.00	\$59,343.08	
SEWER REPLACE.	\$0.00	\$0.00	\$0.00	\$28,706.01	\$0.00	\$28,706.01	
SCDP REVOLVING LOAN FUND	\$0.00	\$0.00	\$0.00	\$13,836.37	\$0.00	\$4,127.08	
FIRE DEPT RESERVE (TruckFund)	\$0.00	\$0.00	\$0.00	\$257,257.25	\$0.00	\$257,257.25	
PINE TREE PARK	\$78,882.64	\$4,333.22	\$74,549.42	\$0.00	\$0.00	\$0.00	
WATER SINKING FUND	\$0.00	\$0.00	\$0.00	\$150,066.91	\$0.00	\$150,066.91	
PUBLIC WORKS RESERVE FUND	\$0.00	\$0.00	\$0.00	\$12,816.72	\$0.00	\$12,816.72	
Fire Dept Special Equip Fund	\$203,415.96	\$0.00	\$203,415.96	\$26,241.74	\$0.00	\$26,241.74	
2018 Revolving Loan Fund (NEW)	\$0.00	\$0.00	\$0.00	\$98,627.50	\$0.00	\$98,627.50	
2006 GO BOND (307)	\$42,414.73	\$0.00	\$42,414.73	\$33,368.75	\$0.00	\$33,368.75	
2009A Refunding Bond (309)	\$42,819.97	\$0.00	\$42,819.97	\$13,942.37	\$0.00	\$13,942.37	
2011 Industrial Lane IntraLoan (311)	\$13,062.40	\$0.00	\$13,062.40	\$0.00	\$0.00	\$0.00	
2014A Disposal System Loan (314)	\$21,340.63	\$0.00	\$21,340.63	\$0.00	\$0.00	\$0.00	
2017A Disposal System Project/Sum/Main	\$33,281.20	\$0.00	\$33,281.20	\$0.00	\$0.00	\$0.00	
2017A Disposal Sys Loan (317)	\$16,790.24	\$0.00	\$16,790.24	\$0.00	\$0.00	\$0.00	
2017 PFA Debt Sys Bond Debt Service (320)	\$39,719.86	\$0.00	\$39,719.86	\$0.00	\$0.00	\$0.00	
2018 Frontage/Pine Ave Internal Loan (325)	\$2,574.10	\$0.00	\$2,574.10	\$0.00	\$0.00	\$0.00	
TAX INCREMENT FINANCING (376)	\$93,730.57	\$2,151.00	\$91,579.57	\$0.00	\$0.00	\$0.00	
WATER FUND	\$208,926.24	\$2,790.68	\$206,135.56	\$0.00	\$0.00	\$0.00	
SEWER FUND	\$99,100.94	\$4,840.55	\$94,260.39	\$0.00	\$0.00	\$0.00	
LIQUOR FUND	\$336,001.85	\$101,047.79	\$234,954.06	\$0.00	\$0.00	\$0.00	
LIQUOR RENT FUND	\$26,676.90	\$0.00	\$26,676.90	\$0.00	\$0.00	\$0.00	
GOLF COURSE	(\$108,570.87)	\$6,001.52	(\$114,572.39)	\$0.00	\$0.00	\$0.00	
<b>Total:</b>	<b>\$1,388,397.00</b>	<b>\$138,250.82</b>	<b>\$1,250,146.18</b>	<b>\$811,112.39</b>	<b>\$0.00</b>	<b>\$811,112.39</b>	<b>\$2,061,258.57</b>

**Transfer Recommended: CARES Funding to allocate through 9/3/2020**

Fund Transfer from:	Fund transfer to:	Reason:	Amount of Transfer:
DW General Fund	DW General Fund - Administration	CARES Funding	\$7,202.00
DW General Fund	DW General Fund - Police Dept.	CARES Funding	\$2,330.00
DW General Fund	DW General Fund - Streets Dept.	CARES Funding	\$1,781.00
DW General Fund	DW General Fund - Fire Depart.	CARES Funding	\$228.00
DW General Fund	DW General Fund - Wayside Rest	CARES Funding	\$94.00
Total General Fund:			\$11,635.00

**Transfer Recommended: CARES Funding to allocate through 9/3/2020**

Fund Transfer from:	Fund transfer to:	Reason:	Amount of Transfer:
DW General Fund	DW Pine Tree Park Fund	CARES Funding	\$184.00
DW General Fund	DW Cemetery Fund	CARES Funding	\$59.00
DW General Fund	DW Water Fund	CARES Funding	\$2,653.00
DW General Fund	DW Wastewater Fund	CARES Funding	\$2,534.00
DW General Fund	DW Liquor Fund	CARES Funding	\$9,815.00
DW General Fund	DW Golf Fund	CARES Funding	\$3,445.00
Total Enterprise Funds:			\$18,690.00

**Total CARES Funding Transferred: \$30,325.00**

CITY OF BLACKDUCK

Monthly Bills

August 2020

Check Name	Amount		
<b>Fund 101 GENERAL FUND</b>		Ross Lewis Sign Co.	\$850.00
Marco Technologies LLC	\$203.32	WASTE MANAGEMENT OF WI-MN	\$216.80
ALEX AIR APPARATUS	\$3,599.00	<b>Fund 209 PINE TREE PARK FUND</b>	\$4,333.22
AMERIPRIDE LINEN & APPAREL	\$138.26	<b>Fund 376 TAX INCREMENT FINANCING</b>	
ARROW PRINTING	\$42.06	EHLERS AND ASSOCIATES	\$2,077.50
BELTRAMI ELECTRIC COOP	\$1,957.85	PIONEER	\$73.50
Bemidji Iron & Recycling Inc	\$66.80	<b>Fund 376 TAX INCREMENT FINANCI</b>	\$2,151.00
BLACKDUCK AMBULANCE ASSOC.	\$227.96	<b>Fund 601 WATER FUND</b>	
BLACKDUCK AUTO PARTS, INC	\$655.16	BELTRAMI ELECTRIC COOP	\$977.40
BLACKDUCK CO-OP	\$255.00	Gopher State One Call	\$4.73
BLACKDUCK FAMILY FOODS	\$10.29	HACH COMPANY	\$60.24
BLACKDUCK FIRE & SAFETY EQUIPM	\$160.00	Hawkins, Inc	\$1,053.40
BOGARTS REPAIR AND RECOVERY	\$90.41	LMCIT INSURANCE TRUST	\$7.91
CARD SERVICE CENTER	\$65.12	MN DEPT OF HEALTH	\$687.00
EVOLVE CREATIVE LLC	\$35.00	<b>Fund 601 WATER FUND</b>	\$2,790.68
FRONTIER REPAIR	\$677.05	<b>Fund 602 SEWER FUND</b>	
LEAGUE OF MINNESOTA CITIES	\$1,043.00	ARROW PRINTING	\$42.06
LMCIT INSURANCE TRUST	\$77.70	BELTRAMI ELECTRIC COOP	\$2,015.84
LOSSING EXCAVATING	\$2,070.00	Gopher State One Call	\$4.72
MCFOA	\$25.00	LMCIT INSURANCE TRUST	\$9.93
MN MAYORS ASSOCIATION	\$30.00	MN PUMP WORKS	\$2,635.97
NORTHWOODS LUMBER CO	\$82.48	PAUL BUNYAN COMMUNICATIONS	-\$31.17
PAUL BUNYAN COMMUNICATIONS	\$1,512.12	RMB ENVIRONMENTAL LABORATORIES	\$94.00
QUILL CORPORATION	\$170.22	SCHWANKE, MIKE	\$69.20
RATWIK, ROSZAK & MALONEY, P.A.	\$1,095.00	<b>Fund 602 SEWER FUND</b>	\$4,840.55
ROGER'S TWO WAY RADIO	\$87.00	<b>Fund 609 MUNICIPAL LIQUOR FUND</b>	
RUDYS REPAIR	\$1,798.81	AMERIPRIDE LINEN & APPAREL	\$678.93
STREICHERS	\$200.00	ARROW PRINTING	\$42.05
TIMBERLINE SPORTS, INC	\$444.44	BELTRAMI ELECTRIC COOP	\$2,347.02
VERIZON WIRELESS	\$265.81	BEMIDJI COCA-COLA	\$771.36
<b>Fund 101 GENERAL FUND</b>	\$17,084.86	BERNATELLOS	\$733.20
<b>Fund 201 CEMETERY FUND</b>		BERNICK	\$1,447.86
LMCIT INSURANCE TRUST	\$1.20	Bernick Companies	\$8,870.67
<b>Fund 201 CEMETERY FUND</b>	\$1.20	BLACKDUCK FAMILY FOODS	\$2,016.64
<b>Fund 209 PINE TREE PARK FUND</b>		BLACKDUCK FIRE & SAFETY EQUIPM	\$252.00
BELTRAMI ELECTRIC COOP	\$371.51	Breakthru Beverage	\$3,075.19
BJERKE SOD	\$428.78	CARD SERVICE CENTER	\$237.02
BLACKDUCK AUTO PARTS, INC	\$62.87	CROIX VALLEY FOODS	\$179.94
BOGARTS REPAIR AND RECOVERY	\$126.98	D & D BEVERAGE	\$459.80
LOSSING EXCAVATING	\$1,570.00	DICK DISTRIBUTING	\$20,434.15
NENDICK HEATING COOLING PLUMBI	\$450.00	GOODSPEED & COMPANY	\$1,944.90
NORTHWOODS LUMBER CO	\$256.28	GUARDIAN PEST CONTROL	\$85.51

Check Name	Amount		
HEGGIES PIZZA LLC	\$238.50	RIVARDS TURF AND FORAGE	\$363.47
HENRYS	\$3,083.18	TESSMAN SEED COMPANY	\$172.23
JOHNSON BROTHERS LIQUOR CO.	\$15,354.81	TIMBERLINE SPORTS, INC	\$473.88
LMCIT INSURANCE TRUST	\$24.76	TLC PRODUCTS, INC.	\$88.80
MELISSAS CLEANING	\$648.00	WASTE MANAGEMENT OF WI-MN	\$67.55
MIKINNON CO., INC	\$14,059.95	<b>Fund 613 GOLF COURSE</b>	<b>\$6,001.52</b>
NAYLOR REFRIGERATION & HTG.	\$759.66		
NEI BOTTLING INC	\$1,108.70		
NORTHWOODS ICE, INC	\$993.40		
NORTHWOODS LUMBER CO	\$46.14		
OLD DUTCH	\$300.38		
PAUL BUNYAN COMMUNICATIONS	\$754.36		
Phillips Wine and Spirits	\$5,796.18		
PORT-A-JOHN RENTALS	\$240.00		
QUILL CORPORATION	\$34.37		
REBECCA HAYES TENT RENTAL	\$300.00		
SANFORD OCCUPATIONAL MEDICINE	\$96.00		
Southern Glazer's of MN	\$6,370.08		
TOTAL TAP SERVICES	\$78.00		
US FOODS	\$6,816.51		
WASTE MANAGEMENT OF WI-MN	\$278.57		
WAYNE WARD	\$90.00		
<b>Fund 609 MUNICIPAL LIQUOR FUN</b>	<b>\$101,047.79</b>		
<b>Fund 613 GOLF COURSE</b>			
AMERIPRIDE LINEN & APPAREL	\$198.81		
BELTRAMI ELECTRIC COOP	\$347.47		
BLACKDUCK AUTO PARTS, INC	\$250.71		
BLACKDUCK CO-OP	\$167.13		
BLACKDUCK FAMILY FOODS	\$39.44		
BOGARTS REPAIR AND RECOVERY	\$194.44		
Corner Garage	\$938.43		
DICK DISTRIBUTING	\$188.00		
HENRYS	\$88.64		
HORNUNGS	\$278.66		
JUELSON PLUMBING & HEATING	\$150.00		
LAKE RESTORATION, INC	\$85.90		
LMCIT INSURANCE TRUST	\$2.50		
MIKINNON CO., INC	\$117.30		
MTI Distributing	\$465.14		
NEI BOTTLING INC	\$347.25		
NORTHWOODS ICE, INC	\$40.80		
NORTHWOODS LUMBER CO	\$345.80		
PAUL BUNYAN COMMUNICATIONS	\$194.98		
QUILL CORPORATION	\$4.19		
Randy Pauly	\$390.00		

Check Name

Amount

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\$138,250.82

**Sewer Fund**  
**Year to Date Income Statement thru 08/30/2020**

<b>Sewer Operating Revenue:</b>		<b>Budget</b>
Reimbursements	\$1,867.29	\$0.00
Insurance Proceeds	\$6,675.00	\$750.00
Interest Earnings	\$1,075.61	\$0.00
Sewer Sales	\$122,328.11	\$179,485.00
Farm Lease Agreement Revenue	\$3,049.00	\$6,098.00
<b>COVID CARES FUNDING</b>	<b>\$2,534.00</b>	<b>\$0.00</b>
Swr Penalty	\$983.84	\$1,500.00
Charges for Service	\$2,200.00	\$1,000.00
<b>Total Sewer Revenues</b>	<b>\$140,712.85</b>	<b>\$188,833.00</b>

<b>Sewer Operating Expenditures:</b>		<b>Budget</b>	<b>Remaining</b>
Full-Time Employees Regular	\$45,420.16	\$66,492.00	\$21,071.84
Part-Time Employees	\$557.19	\$672.00	\$114.81
PERA	\$3,443.35	\$4,925.00	\$1,481.65
FICA	\$3,469.92	\$5,023.00	\$1,553.08
Employer Paid Health	\$9,287.20	\$13,971.00	\$4,683.80
Office Supplies (GENERAL)	\$13.48	\$200.00	\$186.52
Electricity	\$12,657.41	\$16,500.00	\$3,842.59
Training and Instruction	\$0.00	\$500.00	\$500.00
Operating Supplies (GENERAL)	\$288.72	\$500.00	\$211.28
Motor Fuels	\$1,149.79	\$1,750.00	\$600.21
Lubricants and Additives	\$0.00	\$500.00	\$500.00
Repairs/Maint Supply	\$402.01	\$1,000.00	\$597.99
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	(\$0.41)	\$600.00	\$600.41
Auditing and Acc't	\$3,500.00	\$3,500.00	\$0.00
Engineering fees	\$7,921.26	\$4,000.00	(\$3,921.26)
Chemicals and Chem Products	\$0.00	\$0.00	\$0.00
Testing/Analysis	\$472.00	\$1,000.00	\$528.00
Other Professional Services	\$3,333.00	\$1,500.00	(\$1,833.00)
Telephone	\$209.75	\$500.00	\$290.25
Postage	\$368.00	\$500.00	\$132.00
Travel Expense	\$69.20	\$750.00	\$680.80
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	\$984.72	\$2,000.00	\$1,015.28
Property Insurance	\$1,568.00	\$1,500.00	(\$68.00)
Other Insurance	\$0.00	\$0.00	\$0.00
Automotive Insurance	\$0.00	\$0.00	\$0.00
Workers Compensation	\$1,226.98	\$2,500.00	\$1,273.02
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	\$4,905.58	\$10,000.00	\$5,094.42
Repairs/Maintenance Machinery	\$0.00	\$0.00	\$0.00
Dues and Subscriptions	\$3,481.69	\$3,500.00	\$18.31
Interfund transfer	\$1,283.00	\$0.00	(\$1,283.00)
Medical Fees	\$16.00	\$0.00	(\$16.00)
Other Equipment (irrigator)	\$13,625.00	\$6,700.00	(\$6,925.00)
<b>Total Sewer Expenditures</b>	<b>\$119,653.00</b>	<b>\$150,583.00</b>	<b>\$30,930.00</b>

		<b>Budget</b>	<b>Remaining</b>
2019 Micro Loan Principal	\$3,000.00	\$10,000.00	\$7,000.00
2019 Micro Loan Interest	\$0.00	\$1,877.50	\$1,877.50
Debt Srv Principal 2014 Go Bond	\$3,000.00	\$3,000.00	\$0.00
Depreciation/Capital Outlay	\$25,000.00	\$25,000.00	\$0.00
<b>Total</b>	<b>\$31,000.00</b>	<b>\$39,877.50</b>	<b>\$8,877.50</b>

**Net Total**                      **(\$9,940.15)**                      **\$190,460.50**                      **\$39,807.50**

## Water Fund

Year to Date Income Statement thru 08/30/2020

Water Operating Revenue:	Budget:	
Water Meter Sales	\$0.00	\$0.00
Health Dept Charges	\$937.01	\$2,994.00
Penalties and Interest	\$0.00	\$2,000.00
Water Sales	\$134,816.51	\$216,473.00
Water Connect/Reconnect Fee	\$694.48	\$1,000.00
Water Penalty	\$1,039.51	\$1,750.00
<b>COVID CARES FUNDING</b>	<b>\$2,653.00</b>	<b>\$0.00</b>
Interest Earnings	\$2,246.62	\$0.00
Reimbursements	\$530.12	\$0.00
<b>Total Water Revenues</b>	<b>\$142,917.25</b>	<b>\$224,217.00</b>

Water Operating Expenditures:	Year to Date	Budget	Remaining
Full-Time Employees Regular	\$40,967.31	\$61,965.00	\$20,997.69
Full-Time Employees OT	\$2,243.67	\$1,500.00	(\$743.67)
Part-Time Employees	\$3,845.70	\$1,344.00	(\$2,501.70)
PERA	\$3,314.87	\$4,748.00	\$1,433.13
FICA	\$3,553.58	\$4,843.00	\$1,289.42
Employer Paid Health	\$8,901.08	\$13,400.00	\$4,498.92
Office Supplies (GENERAL)	\$21.00	\$300.00	\$279.00
Printed Forms	\$0.00	\$0.00	\$0.00
Electricity	\$9,305.88	\$11,000.00	\$1,694.12
Computer Supplies	\$0.00	\$0.00	\$0.00
Training and Instruction	\$0.00	\$750.00	\$750.00
Operating Supplies (GENERAL)	\$3,043.60	\$1,600.00	(\$1,443.60)
Cleaning Supplies	\$0.00	\$0.00	\$0.00
Motor Fuels	\$951.74	\$1,000.00	\$48.26
Lubricants and Additives	\$0.00	\$0.00	\$0.00
Chemicals	\$0.00	\$0.00	\$0.00
Chlorine	\$3,733.09	\$7,000.00	\$3,266.91
Fluoride	\$0.00	\$1,000.00	\$1,000.00
Repairs/Maint Supply	\$58.47	\$0.00	(\$58.47)
Equipment Parts	\$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	(\$0.28)	\$500.00	\$500.28
Merchandise for Resale	\$0.00	\$750.00	\$750.00
Auditing and Acc't	\$3,500.00	\$3,500.00	\$0.00
Legal Fees	\$0.00	\$0.00	\$0.00
Testing/Analysis	\$0.00	\$0.00	\$0.00
Engineering Fees	\$10,341.26	\$4,000.00	(\$6,341.26)
Professional Services	\$2,025.00	\$1,000.00	(\$1,025.00)
Other Professional Services	\$1,010.00	\$1,000.00	(\$10.00)
Telephone	\$0.00	\$500.00	\$500.00
Postage	\$478.09	\$750.00	\$271.91
Travel Expense	\$0.00	\$750.00	\$750.00
Freight and Express	\$0.00	\$0.00	\$0.00
Legal Notices/Publications	\$0.00	\$0.00	\$0.00
General Liability Insurance	\$177.86	\$325.00	\$147.14
Property Insurance	\$935.00	\$1,600.00	\$665.00
Workers Compensation	\$988.19	\$2,000.00	\$1,011.81
Unemployment Paid	\$0.00	\$0.00	\$0.00
State Connection Fee	\$2,061.00	\$2,994.00	\$933.00
Repairs/Maint Building	\$0.00	\$0.00	\$0.00
Repairs/Maintenance Structure	\$5,306.43	\$12,000.00	\$6,693.57
Repairs/Maintenance Machinery	\$60.24	\$2,500.00	\$2,439.76
Dues and Subscriptions	\$2,370.85	\$3,000.00	\$629.15
Uncolletable Checks/Bad Debt	\$393.71	\$200.00	(\$193.71)
Medical Fees	\$16.00	\$0.00	(\$16.00)
Miscellaneous	\$213.48	\$0.00	(\$213.48)
Bank Service Charges	\$1,072.13	\$500.00	(\$572.13)
<b>Total Water Expenditures</b>	<b>\$110,888.95</b>	<b>\$148,319.00</b>	<b>\$37,430.05</b>

Other Water Expenditures:	Budget		Remaining
Transfer Fr Other Fund	\$0.00	\$0.00	\$0.00
PFA Debt Service Principal	\$0.00	\$3,000.00	\$0.00
PFA Debt Service Interest	\$0.00	\$104.50	\$0.00
Debt Service Bond Principal	\$45,000.00	\$45,000.00	\$0.00
Debt Service Bond Interest	\$17,794.75	\$17,793.75	-\$1.00
Depreciation/Capital Outlay	\$10,000.00	\$10,000.00	\$0.00
<b>Total</b>	<b>\$72,794.75</b>	<b>\$75,898.25</b>	<b>-\$1.00</b>

<b>Net Tot</b>	<b>(\$40,766.45)</b>	<b>\$224,217.25</b>	<b>\$37,429.05</b>
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**Pine Tree Park**  
**Year to Date Income Statement thru 8/30/2020**

<b>PTP Revenues</b>	<b>2020</b>	<b>Beach</b>	<b>2019</b>
Reservation Fees	\$955.00		\$909.00
Grants	\$11,000.00		\$11,000.00
Camping Fees	\$10,748.00		\$14,134.50
Other Revenue	\$65.13		\$103.50
Contributions and Donations	\$31,878.00	\$31,878.00	\$0.00
<b>COVID CARES FUNDING</b>	<b>\$184.00</b>		
Interest Earnings	\$772.97		\$509.01
<b>Total PTP Revenues</b>	<b>\$55,603.10</b>	<b>\$31,878.00</b>	<b>\$26,656.01</b>

<b>PTP Expenditures</b>	<b>2020 YTD</b>	<b>Beach</b>	<b>2019 YTD</b>	<b>2020 Budget</b>	<b>Remaining</b>
Full-Time Employees Regular	\$2,775.66		\$2,566.84	\$4,182.00	\$1,406.34
Part-Time Employees Regular	\$1,231.14		\$1,285.39	\$1,680.00	\$448.86
PERA	\$300.71		\$278.53	\$295.00	(\$5.71)
FICA	\$298.62		\$286.68	\$430.00	\$131.38
Employer Paid Health	\$538.42		\$500.33	\$806.00	\$267.58
Office Supplies	\$177.99		\$8.75	\$0.00	(\$177.99)
Electricity	\$1,711.42		\$2,350.20	\$2,700.00	\$988.58
Operating Supplies (GENERAL)	\$261.73		\$498.23	\$800.00	\$538.27
Cleaning Supplies	\$0.00		\$7.07	\$0.00	\$0.00
Motor Fuels	\$228.82		\$549.81	\$1,000.00	\$771.18
Repairs/Maint Supply	\$256.84		\$563.17	\$750.00	\$493.16
Equipment Parts	\$36.48		\$158.59	\$200.00	\$163.52
Other Professional Services	\$450.00		\$500.00	\$500.00	\$50.00
Postage	\$91.30	\$91.30	\$0.00	\$0.00	(\$91.30)
Advertising	\$0.00		\$397.50	\$500.00	\$500.00
Other Printing/Binding	\$0.00		\$0.00	\$0.00	\$0.00
General Liability Insurance	\$355.72		\$628.16	\$600.00	\$244.28
Property Insurance	\$1,536.50		\$1,902.00	\$2,000.00	\$463.50
Workers Compensation Insurance	\$0.00		\$0.00	\$0.00	\$0.00
Garbage	\$1,160.25		\$1,101.33	\$1,750.00	\$589.75
Repairs/Maint Building	\$54.99		\$46.14	\$17,000.00	\$16,945.01
Repairs/Maintenance Structure	\$47.20		\$0.00	\$0.00	(\$47.20)
Improvements Other	\$20,035.34	\$23,039.96	\$0.00	\$500.00	(\$19,535.34)
Repairs/Maintenance Machinery	\$888.21		\$260.11	\$1,500.00	\$611.79
Portable Restrooms	\$0.00		\$0.00	\$0.00	\$0.00
Depreciation	\$0.00		\$0.00	\$5,000.00	\$5,000.00
Miscellaneous - Refunds	\$95.00		\$0.00	\$0.00	(\$95.00)
Dues and Subscriptions	\$90.00		\$375.00	\$375.00	\$285.00
<b>Total PTP Expenditures</b>	<b>\$32,622.34</b>	<b>\$23,131.26</b>	<b>\$14,263.83</b>	<b>\$42,568.00</b>	<b>\$9,945.66</b>
<b>Net Profit</b>	<b>\$22,980.76</b>	<b>\$8,746.74</b>	<b>\$12,392.18</b>		
<b>Total</b>	<b>\$22,980.76</b>	<b>\$8,746.74</b>	<b>\$12,392.18</b>		

**Blackduck Municipal Golf Course**  
**Year-To-Date Income Statement 08/30/2020**

	Sales	Cost of Goods	Gross Profit	Gross Margin	Budget	Remaining
Beer	\$3,340.99	\$1,855.90	\$1,485.09	44.45%	\$3,000.00	\$1,144.10
Soft Drinks	\$2,958.28	\$2,046.87	\$911.41	30.81%	\$3,000.00	\$953.13
Food	\$1,169.11	\$1,048.79	\$120.32	10.29%	\$1,500.00	\$451.21
Golf Merchandise	\$875.72	\$507.17	\$368.55	42.09%	\$1,000.00	\$492.83
Clothing	\$202.00	\$476.62	(\$274.62)	-135.95%	\$500.00	\$23.38
<b>Total</b>	<b>\$8,546.10</b>	<b>\$5,935.35</b>	<b>\$2,610.75</b>	<b>30.55%</b>	<b>\$9,000.00</b>	<b>\$3,064.65</b>

**Charges for Services**

Green Fees			\$35,955.40			
Membership Fees			\$15,432.50			
Trail Fees			\$546.40			
Cart Storage			\$4,953.33			
Rentals (Clubs, Carts)			\$290.85			
Power Carts			\$21,717.49			
Clubhouse Rental			\$100.00			
Golf Tournament Revenue			\$0.00			
<b>Total Charges for Services</b>			<b>\$78,995.97</b>			

**Total Income \$87,542.07**

**Less Operating Expense**

		Budget	Remaining
Wages	\$40,920.03	\$55,000.00	\$14,079.97
PERA	\$1,999.93	\$2,225.00	\$225.07
FICA	\$3,130.49	\$4,250.00	\$1,119.51
Office Supplies	\$0.00	\$0.00	\$0.00
Heating Fuel	\$0.00	\$0.00	\$0.00
Electricity	\$2,634.65	\$6,000.00	\$3,365.35
Training & Instructions	\$0.00	\$0.00	\$0.00
Operating Supplies	\$1,529.50	\$2,200.00	\$670.50
Cleaning Supplies	\$0.00	\$0.00	\$0.00
Motor Fuels	\$2,465.71	\$3,500.00	\$1,034.29
Lubricants/Additives	\$0.00	\$0.00	\$0.00
Chemicals	\$2,920.31	\$5,000.00	\$2,079.69
Repair/Maint/Supplies	\$0.00	\$0.00	\$0.00
Equipment parts	\$0.00	\$0.00	\$0.00
Building Repair supply	\$0.00	\$0.00	\$0.00
Small Tools/Equipment	\$0.00	\$0.00	\$0.00
Tires	\$0.00	\$0.00	\$0.00
Auditing/Accounting	\$0.00	\$0.00	\$0.00
Medical Fees	\$496.00	\$500.00	\$4.00
Dram	\$0.00	\$750.00	\$750.00
Telephone	\$403.76	\$600.00	\$196.24
Cable Television	\$468.17	\$375.00	(\$93.17)
Other Equipment	\$0.00	\$0.00	\$0.00
Other Professional services	\$0.00	\$0.00	\$0.00
Postage	\$5.70	\$50.00	\$44.30
Advertising	\$0.00	\$0.00	\$0.00
Liability Insurance	\$1,289.49	\$2,000.00	\$710.51
Property Insurance	\$1,198.50	\$3,600.00	\$2,401.50
Work Comp	\$258.76	\$550.00	\$291.24
Unemployment	\$4,720.00	\$4,500.00	(\$220.00)
Insurance	\$0.00	\$0.00	\$0.00
Garbage Disposal	\$360.84	\$700.00	\$339.16
Repair/Maint Building	\$464.64	\$1,200.00	\$735.36
Repair/Main Structure	\$0.00	\$0.00	\$0.00
Repairs/Maint Machinery	\$5,808.48	\$5,000.00	(\$808.48)
Maintenance Course	\$3,600.53	\$3,000.00	(\$600.53)
Motor Vehicles	\$75.00	\$1,500.00	\$1,425.00
Cart Shed Expenses	\$2,370.25	2955.05	(\$2,370.25)
Leasehold Improvement	\$0.00	\$0.00	\$0.00
Dues and Subscriptions	\$3,210.00	\$1,500.00	(\$1,710.00)
Bank Service Charges	\$1,220.16	\$1,300.00	\$79.84
Debt Service Bond Principal	\$10,000.00	\$10,000.00	\$0.00
Interest	\$811.50	\$811.50	\$0.00
Equipment Bond Interest 2016	\$1,863.50	\$1,862.50	(\$1.00)
Equipment Bond Principal 2016	\$13,000.00	\$13,000.00	\$0.00
<b>Total Expense</b>	<b>\$107,225.90</b>	<b>\$130,974.00</b>	<b>\$23,748.10</b>

**OPERATING INCOME OR LOSS (\$25,619.18)**

**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	\$55.02
<b>Total Other Expenses</b>	<b>\$55.02</b>

<b>Other Income</b>	
General Property taxes	\$10,180.84
Transfer Fr Liq Str	\$10,000.00
<b>COVID CARES FUNDING</b>	<b>\$3,445.00</b>
Reimbursements	\$2,329.71
Donations and Contributions	\$2,000.00
Cash Over	\$35.02
Tee Box Revenue	\$2,250.00
<b>Total Other Income</b>	<b>\$30,240.57</b>

**NET INCOME OR LOSS YEAR TO DATE                      \$4,566.37**

<b>Sales Comparison YTD</b>	<b>2019 thru November</b>	<b>2020</b>
Green Fees	\$35,789.41	\$35,955.40

<b>YTD Comparisons:</b>	<b>2019</b>	<b>2020</b>
Operating Revenue	\$99,995.69	\$117,782.64
Operating Expense	\$118,330.05	\$113,216.27
	<b>(\$18,334.36)</b>	<b>\$4,566.37</b>

**Blackduck Municipal Liquor Store Income Statement**  
**Year to Date Ending 08/31/2020**

557742.85

	Sales	Cost of Goods	Gross Profit	
Liquor Sales Off-Sale	\$201,941.60	\$148,506.10	\$53,435.50	26.46%
Beer Sales Off-Sale	\$378,125.37	\$282,226.71	\$95,898.66	25.36%
Wine Sales Off-Sale	\$31,235.03	\$18,762.98	\$12,472.05	39.93%
Other Sales On/Off-Sale	\$12,247.72	\$8,149.59	\$4,098.13	33.46%
Liquor Sales On-Sale	\$49,212.74	\$13,135.80	\$36,076.94	73.31%
Beer Sales On-Sale	\$63,228.71	\$14,424.21	\$48,804.50	77.19%
Wine Sales On-Sale	\$537.88	\$253.93	\$283.95	52.79%
Cigarette Sales	\$1,122.25	\$1,265.68	(\$143.43)	-12.78%
Clothing	\$2,824.83	\$1,354.98	\$1,469.85	52.03%
Soft Drinks On Sale	\$9,165.18	\$6,998.52	\$2,166.66	23.64%
Food Sales	\$97,124.07	\$56,657.04	\$40,467.03	41.67%
<b>Total</b>	<b>\$846,765.38</b>	<b>\$551,735.54</b>	<b>\$295,029.84</b>	<b>34.84%</b>

GPM

Less Operating Expense	2020 YTD	Budget	Remaining
Wages FT	\$43,759.06	\$67,252.58	\$23,493.52
Wages PT	\$76,461.98	\$123,804.00	\$47,342.02
PERA	\$8,677.57	\$13,959.00	\$5,281.43
FICA	\$9,909.41	\$14,516.00	\$4,606.59
Health Insurance	\$11,291.38	\$14,022.00	\$2,730.62
Office Supplies	\$854.03	\$900.00	\$45.97
Electricity	\$20,361.81	\$23,000.00	\$2,638.19
Computer Supplies	\$0.00	\$0.00	\$0.00
Training and Instruction	\$13.65	\$500.00	\$486.35
Operating & Bar Supplies	\$16,078.53	\$12,000.00	(\$4,078.53)
Cleaning Supplies	\$0.00	\$0.00	\$0.00
Bar Supply	\$105.06	\$0.00	(\$105.06)
Building Repair Supplies	\$0.00	\$0.00	\$0.00
Mix Expense	\$5,099.62	\$9,900.00	\$3,900.38
Auditing / Acct'g Services	\$6,050.25	\$6,500.00	\$449.75
Legal Fees	\$0.00	\$0.00	\$0.00
Other Professional Services/Cleaning	\$2,340.00	\$0.00	(\$2,340.00)
Telephone	\$1,553.41	\$1,400.00	(\$153.41)
Postage	\$110.00	\$400.00	\$290.00
Cable Television	\$1,092.85	\$1,350.00	\$257.15
Internet Access	\$754.55	\$1,400.00	\$645.45
Travel Expense	\$0.00	\$500.00	\$500.00
Freight	\$3,849.65	\$5,000.00	\$1,150.35
Advertising	\$0.00	\$0.00	\$0.00
Promotions/Entertainment	\$4,645.56	\$10,000.00	\$5,354.44
Legal Notices	\$0.00	\$0.00	\$0.00
Liability Insurance	\$1,289.49	\$2,300.00	\$1,010.51
Property Insurance	\$3,606.50	\$7,200.00	\$3,593.50
Drain Shop/Liquor Liability	\$4,614.00	\$4,500.00	(\$114.00)
Other Insurance	\$0.00	\$0.00	\$0.00
Work Comp	\$2,355.63	\$5,000.00	\$2,644.37
Water Utility	\$1,260.62	\$2,700.00	\$1,439.38
Garbage Disposal	\$3,855.67	\$6,000.00	\$2,144.33
Catering Expense	\$61.52	\$0.00	(\$61.52)
Repairs & Maintenance	\$0.00	\$0.00	\$0.00
Repairs/Maintenance Building	\$34,485.07	\$40,000.00	\$5,514.93
Uncollectable Checks	\$0.00	\$200.00	\$200.00
Dues and Subscriptions	\$3,001.86	\$3,500.00	\$498.14
Bank Service Charges	\$14,974.95	\$15,500.00	\$525.05
Furniture & Fixtures	\$5,545.31	\$5,000.00	(\$545.31)
Office Equip & Furnishings	\$0.00	\$0.00	\$0.00
Improvements Other	\$0.00	\$0.00	\$0.00
Building & Structures	\$11,289.36	\$15,000.00	\$3,710.64
Medical Fees	\$336.00	\$350.00	\$14.00
Assessment	\$1,135.72	\$2,554.00	\$1,418.28
Other Equipment	\$0.00	\$2,000.00	\$2,000.00
<b>Total Operating Expense</b>	<b>\$300,820.07</b>	<b>\$417,307.58</b>	<b>\$116,487.51</b>

**Inventory Expense** **\$6,007.31**

**NET INCOME OR LOSS** **(\$11,797.54)**

**Other Expenses**

Donations	\$0.00
Capital Outlay	\$0.00
Unemployment Paid	\$790.84
Cash Short	\$141.30
Misc. Expense	\$0.00
<b>Total Other Expenses</b>	<b>\$932.14</b>

**Other Income**

Reimbursements (NSF)	\$1,758.35
Rent Income	\$4,488.00
Vending Income	\$1,486.65
Interest	\$2,999.38
Catering Revenue	\$2,784.76
<b>COVID CARES FUNDING</b>	<b>\$9,815.00</b>
Cash Over	\$405.97
<b>Total Other Income</b>	<b>\$23,738.11</b>

**Gross Profit Before Transfers** **\$11,008.43**

**Transfer to General Fund & Other Funds** **\$32,500.00**

Net Profit After Inventory Exp & Transfers

(\$21,491.57)

Inventory at 1/1/2020 after inventory total	\$107,545.49
Inventory at 08/31/2020	\$118,928.60
Difference	\$11,383.11

Sales Comparison Year to Date Ending 08/31/2020

	2018	2019	2020	% of Increase from 2019-2020
Off -Sale Liquor	\$155,680.49	\$169,328.14	\$201,941.60	19.26%
Off-Sale Beer	\$320,734.97	\$329,745.97	\$378,125.37	14.67%
Off -Sale Wine	\$26,028.09	\$28,908.89	\$31,235.03	8.05%
<b>Total Off-Sale</b>	<b>\$502,443.55</b>	<b>\$527,983.00</b>	<b>\$611,302.00</b>	<b>15.78%</b>
On-Sale Liquor	\$74,383.28	\$84,755.79	\$49,212.74	-41.94%
On-Sale Beer	\$94,069.30	\$105,829.87	\$63,228.71	-40.25%
On-Sale Wine	\$901.00	\$1,047.12	\$537.88	-48.63%
<b>Total On-Sale</b>	<b>\$169,353.58</b>	<b>\$191,632.78</b>	<b>\$112,979.33</b>	<b>-41.04%</b>
<b>Total On and Off Sale</b>	<b>\$671,797.13</b>	<b>\$719,615.78</b>	<b>\$724,281.33</b>	<b>0.65%</b>
Total Food Sales	\$64,673.85	\$76,243.32	\$97,124.07	27.39%
Gross Liquor Store Sales Comparison COVID-19	\$780,328.19	\$837,760.83	\$860,688.49	2.74%

# MINNESOTA Lawful Gambling

## LG216 Worksheet for Calculating Lawful Gambling Monthly Rent

Organization Name

**Blackduck Fire Relief**

Licence Number

**01944**

Site Name

**POND**

Site Number

**001**

(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

### 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 **20.00%**

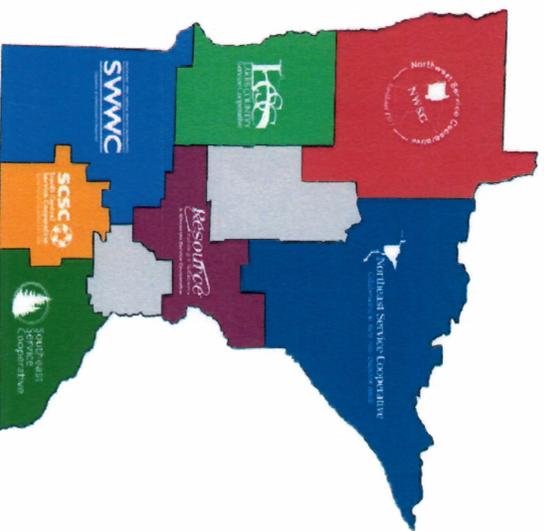
3 List the % to be paid for electronic pull-tabs and electronic linked bingo conducted the lessor or lessor's employees

3

A	B1	B2	C1	C2	D	E1	E2	F	G	H
	<b>Booth Operation</b>		<b>Bar Operation</b>		<b>Rent Limit</b>	<b>Bar Operation Electronic Games</b>		<b>Total Rent</b>	<b>Bar Operation</b>	<b>Bar Operation</b>
Month and Year	Multiply the total of this month's net receipts from paper pull-tabs, electronic pull-tabs, electronic linked bingo, 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 Cols 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.
7/2020			6140.00	1228.00	1228.00			1228.00	(128.00)	1100.00

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

## 2021 Insurance Pool Renewal



- Northeast Service Cooperative
- Southeast Service Cooperative
- Northwest Service Cooperative
- Resource Training and Solutions
- Lakes County Service Cooperative
- South Central Service Cooperative
- Southwest West Central Service Cooperative

**Attached is your 2021 health insurance renewal. As always, your Service Cooperative team and Blue Cross Client Executive welcome your questions.**

Dan Weir, Consultant | danjw@ebisinc.net | 800-864-3797

Chris Wavra | cwavra@nwservice.org | 218-681-0900 ext. 118

Rob Blankenfeld | rblankenfeld@nwservice.org | 218-681-0990 ext. 124

Northwest Service Cooperative | 114 West First Street, Thief River Falls, MN 56701

**Freedom | Choice | Satisfaction | Wellbeing**



**Northwest Service Cooperative**  
**Health Plan Renewal Projection for:**

**City of Blackduck**  
**1/1/2021**

<u>Plan</u>	<u>Description</u>	<u>Coverage</u>	<u>Contracts *</u>	<u>Current rates</u>	<u>1/1/2021</u>
1	\$3,200, 100%, \$3,200 OOP, HSA, Non-Emb Ded, 4Q c/o, Aware, Select Rx, GenRx Closed, Infertility & Bariatric included	Single Family	7 0	\$617.50 \$1,547.00	\$617.50 \$1,547.00

**TOTAL ALL PLANS**

Monthly Premium	\$4,323	\$4,323
Annual Premium	\$51,870	\$51,870
% Annual Adjustment	0.0%	
\$ Annual Adjustment	\$0	\$0

\* Based on the group's most recent enrollment data and relative benefit values.  
 Rates are guaranteed for one year beginning

*Freedom | Choice | Satisfaction | Wellbeing*

*Northwest Service Cooperative*

*2021 Insurance Pool*

*1/1/2021*



Northwest Service Cooperative  
Health Plan Renewal Confirmation for:  
**City of Blackduck**

Rates Effective: 1/1/2021

Please send a signed copy of this renewal confirmation to your Service Cooperative Representative and Blue Cross Client Executive  
Please attach Alternative Plan rate sheets for any new plan you are implementing.

RENEWAL CONFIRMATION IS DUE: 10/1/2020

Check "yes" or "no" for current plans renewal status

Plan Description	Single	Family	Yes	No
\$3,200, 100%, \$3,200 OOP, HSA, Non-Emb Ded, 4Q			<input checked="" type="checkbox"/>	<input type="checkbox"/>
1 c/o, Aware, Select Rx, GenRx Closed, Infertility & Bariatric included	\$617.50	\$1,547.00	<input type="checkbox"/>	<input type="checkbox"/>

Alternative Plans (if applicable)

Attach worksheets for alternative plans. Check "no" above for the plan or plans that are being replaced or discontinued.

Broker commissions included?

Broker fee: 0.0% of annual premium  
Broker fee: \$21.00 per employee per month

Renewal confirmation approved by:

Print name:

*Christina Regas*

Chris Wavra, Member Services

Signature:

*Christina Regas*

(218) 681-0900 ext. 118  
cwavra@nwservice.org

Date:

8-24-2020

Freedom | Choice | Satisfaction | Wellbeing

Northwest Service Cooperative

2021 Insurance Pool

1/1/2021

# Requesting Final Council Approval for the Following

Requesting Final Approval of Part-time Employees:

<b>Name:</b>	<b>Position:</b>	<b>Date of Hire:</b>	<b>Wage:</b>
<b>Colby Brunk</b>	Bartender / Clubhouse	08/24/2020	\$10.00
<b>Justin Hudson</b>	Clubhouse	9/2/2020	\$10.00



**DEERWOOD**  
EST. **BANK** 1910

September 1, 2020

Blackduck City Council  
City of Blackduck  
P.O. Box 380  
Blackduck, MN 56630

Dear City Council Members:

On behalf of Deerwood Bank, I would like to express our appreciation for the banking relationship we have developed over the past several years and say "Thank You" for your business.

Effective September 1, 2020, Deerwood Bank is implementing an interest rate floor of 0.35% APR on both the City's Premium Savings Account # 3103470 and the City's Checking Account #94359. This interest rate floor will remain in effect through August 31<sup>st</sup>, 2021.

Complete Account details are as follows:

**1) Premium Savings Account # 3103470**

- Interest rate will continue to be tied to our Premium Savings Account Rate
- Account will remain fully insured
- This account will continue to have no Service Charges as long as a \$500 minimum balance is maintained

**2) Checking Account # 94359**

- Interest rate will continue to be tied to our Public Funds Interest Checking Plus Account
- There is no limit on deposits or checks written each month
- Account is fully insured
- There are no Service Charges as long as a \$700 minimum balance is maintained

Please give me a call or stop in with any questions or concerns. Again, thank you for your business.

Respectfully

Grant D. Frenzel  
Vice President

SEP 03 2020

# Labor Agreement

Between

## City of Blackduck



And



## International Union of Operating Engineers, Local 49 - AFL – CIO

January 1, 2021 through December 31, 2021

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**Commented [CR1]:** Personnel Committee requests the City Policy on Drug & Alcohol Testing be added to the agreement.

## **Article 1. Purpose of Agreement**

This Agreement is entered into between the **City of Blackduck**, hereinafter called the Employer, and the **International Union of Operating Engineers, Local 49**, hereinafter called the Union. The intent and purpose of the Agreement is to:

- 1.1 (a.) Establish procedures for the resolution of disputes concerning the Agreement's interpretation and/or application;
- (b.) Specify the full and complete understanding of the parties; and
- (c.) Place in written form the parties' Agreement upon terms and conditions of employment for the duration of the Agreement.

## **Article 2. Recognition**

The Employer recognizes the Union as the sole and exclusive bargaining agent. All employees of the City of Blackduck, Minnesota, who are public employees within the meaning of Minn. Stat. 179A.03. subd. 14, excluding clerical, essential, confidential, and supervisory employees.

## **Article 3. Definitions**

- 3.1 Union: The International Union of Operating Engineers, Local 49.
- 3.2 Employer: City of Blackduck or its representative.
- 3.3 Union Member: A member of the IUOE Local 49.
- 3.4 Employee: A member of the bargaining unit covered by this Agreement.
- 3.5 Regular Employees: Employee who has completed a six (6) month probationary period.
- 3.6 Full-time Employee Employees who are required to work forty (40) or more hours per week year-round in an ongoing position and are considered benefit eligible.
- 3.7 Part-time Employee Employees who are required to work less than forty (40) hours per week year-round in an ongoing position and are not benefit eligible.
- 3.8 Seniority: Length of continuous service with the Employer.
- 3.9 Union Officer: Duly appointed or elected officer of I.U.O.E. Local 49

#### **Article 4. Union Security**

- 4.1 The Employer shall deduct from the wages of employees who authorize such a deduction in writing an amount necessary to cover monthly Union dues. Such moneys shall be remitted as directed by the Union.
- 4.2 The Union may designate employees from the bargaining unit to act as steward and an alternate and shall inform the Employer in writing of such choice and changes in the position of steward and/or alternate.
- 4.3 The Employer shall make space available on the employee bulletin board for posting Union notice (s) and announcements (s).
- 4.4 The Union agrees to indemnify and hold the Employer harmless against any and all claims, suits, orders, or judgments brought or issued against the Employer as a result of any action taken or not taken by the Employer under the provisions of this Article.
- 4.5 The Employer shall provide all safety items necessary to comply with federal and state statutes and regulations.

#### **Article 5. Employer Rights**

- 5.1 Inherent Managerial Rights: The Union recognizes that the Employer is not required to meet and negotiate on matters of inherent managerial policy, which include, but are not limited to, such areas of discretion or policy as the functions and programs of the Employer, its overall budget, utilization of technology, the organizational structure and selection and direction and number of personnel.
- 5.2 Management Responsibilities: The Union recognizes the right and obligation of the Employer to efficiently manage and conduct the operation of the City within its legal limitations.
- 5.3 Effect of Laws, Rules and Regulations: The Union and the Employer recognize the right, obligation and duty of the Employer and its duly designated officials to promulgate rules, regulations, directives and orders from time to time as deemed necessary by the Employer insofar as such rules, regulations, directives and orders are not inconsistent with the terms of this Agreement, and all provisions of this Agreement are subject to the laws of the State of Minnesota, federal laws, and valid rules, regulations and orders of State and Federal governmental agencies. Any provisions of this Agreement found to be in violation of any such laws, rules, regulations, directives or orders shall be null and void and without force and effect.
- 5.4 Reservation of Managerial Rights: The foregoing enumeration of Employer rights and duties shall not be deemed to exclude other inherent management rights and management functions not expressly delegated in the Agreement and not in violation of the laws of the State of Minnesota are reserved to the Employer.

## **Article 6. Employee Rights – Grievance Procedure**

- 6.1 **Definitions of a Grievance:** A grievance is defined as a dispute or disagreement as to the interpretation or application of the specific terms and conditions of this Agreement.
- 6.2 **Union Representatives:** The Employer will recognize representatives designated by the Union as the grievance representatives of the bargaining unit having the duties and responsibilities established by this Article. The Union shall notify the Employer in writing of the names of such Union Representatives and of their successors when so designated as provided by 4.2 of this Agreement.
- 6.3 **Processing of Grievance:** It is recognized and accepted by the Union and the Employer that the processing of grievances as hereinafter provided is limited by the job duties and responsibilities of the employees and shall therefore be accomplished during normal working hours only when consistent with such employee duties and responsibilities. The aggrieved employee and Union Representative shall be allowed a reasonable amount of time without loss in pay when a grievance is investigated and presented to the Employer during normal working hours, provided that the Employer and the Union Representatives have notified and received the approval of the designated supervisor who has determined that such absence is reasonable and would not be detrimental to work programs of the Employer.
- 6.4 **Procedure:** Grievances, as defined by Section 6.1 shall be resolved in conformance with the following procedure:

**Step 1.** An employee claiming a violation concerning the interpretation or application of this Agreement, shall within fourteen (14) calendar days after such alleged violation has occurred, present such grievance to the employee's supervisor as designated by the Employer. The Employer-designated representative will discuss and give an answer to such Step 1 grievance within ten (10) calendar days of receipt. A grievance not resolved in Step 1 and appealed to Step 2 shall be placed in writing setting forth the nature of the grievance, the facts on which it is based, the provision or provisions of the Agreement allegedly violated, the remedy requested, and shall be appealed to Step 2 within ten (10) calendar days after the Employer-designated representative's final answer in Step 1. Any grievance not appealed in writing to Step 2 by the Union within ten (10) calendar days shall be considered waived.

**Step 2.** If appealed, the written grievance shall be presented by the Union and discussed with the Employer-designated Step 2 representative. The Employer-designated representative shall give the Union the Employer's Step 2 answer in writing within ten (10) calendar days after receipt of such Step 2 grievance. A grievance not resolved in Step 2 may be appealed to Step 3 within ten (10) calendar days following the Employer-designated representative's final Step 2 answer. Any grievance not appealed in writing to Step 3 by the Union within ten (10) calendar days shall be considered waived.

Step 3. If appealed, the written grievance shall be presented by the Union and discussed with the Employer-designated Step 3 representative. The Employer-designated representative shall give the Union the Employer's answer in writing ten (10) calendar days after receipt of such Step 3 grievance. A grievance not resolved in Step 3 may be appealed to Step 4 within ten (10) calendar days following the Employer-designated representative's final answer in Step 3. Any grievance not appealed in writing to Step 4 by the Union within ten (10) calendar days shall be considered waived.

Step 4. A grievance unresolved in Step 3 and appealed to Step 4 shall be submitted to arbitration.

Subd. 1. Request: A request to submit a grievance to arbitration must be in writing signed by the aggrieved party, and such request must be filed with the City Manager within ten (10) days following the decision in Step 3 of the grievance procedure.

Subd. 2. Selection of Arbitrator: Upon the proper submission of a grievance under the terms of this procedure, the parties shall, within ten (10) days after the request to arbitrate, attempt to agree upon the selection of an arbitrator. If no agreement on an arbitrator is reached, either party may request the Bureau of Mediation Services to appoint an arbitrator pursuant to PELRA, providing such request is made within twenty (20) days after request for arbitration. Failure to agree upon an arbitrator or the failure to request an arbitrator from the Bureau of Mediation Services within the time periods provided herein shall constitute a waiver of the grievance.

6.5 Arbitrator's Authority:

- (a) The arbitrator shall have no right to amend, modify, nullify, ignore, add to, or subtract from the terms and conditions of this Agreement. The arbitrator shall consider and decide only the specific issue(s) submitted in writing by the Employer and the Union, and shall have no authority to make a decision on any other issue not so submitted.
- (b) The arbitrator shall be without power to make decisions contrary to, or inconsistent with, or modifying or varying in any way the application of laws, rules, or regulations having the force and effect of law. The arbitrator shall not have the power to add to, to subtract from, or to modify in any way the terms of this Agreement. The arbitrator's decision shall be submitted in writing within thirty (30) days following close of the hearing or the submission of briefs by the parties, whichever be later, unless the parties agree to an extension. The decision shall be binding on both the arbitrator's interpretation of application of the express terms of this Agreement and to the facts of the grievance presented.

6.6 Waiver:

If a grievance is not presented within the time limits set forth above, it shall be considered "waived." If a grievance is not appealed to the next step within the specified time limit or any agreed extension thereof, it shall be considered settled on the basis of the Employer's last answer. If the Employer does not answer a grievance or an appeal thereof within the specified time limits, the grievance shall be deemed to be denied at that step and the Union may elect to immediately appeal the grievance to the next step. The time limit in each step may be extended by mutual written agreement of the Employer and the Union.

6.7 Choice of Remedy:

If, as a result of the written Employer response in Step 3, the grievance remains unresolved, and if the grievance involved the suspension, demotion, or discharge of an employee who has completed the required probationary period, the grievance may be appealed to either Step 4 of Article 6 or a procedure such as: Veteran's Preference. If appealed to any procedure other than Step 4 of Article 6, the grievance is not subject to arbitration procedure as provided in Step 4 of Article 6. The aggrieved employee shall indicate in writing which procedure is to be utilized - Step 4 of Article 6 or another appeal procedure - and shall sign a statement to the effect that the choice of any other hearing precludes the aggrieved Employee from making an appeal through Step 4 of Article 6.

6.8 Mediation:

Prior to the scheduling of the arbitration hearing, either party may petition the Bureau of Mediation Services to mediate the dispute according to the procedures established by the Bureau of Mediation Services.

### **Article 7. Hours of Work**

- 7.1 A workweek is seven consecutive 24-hour periods. For most employees the workweek will run from Monday through the following Sunday. With the approval of the City Administrator, departments may establish a different workweek based on coverage and service delivery needs (e.g. police department and public works department).
- 7.2 Normal daily work week hours are 7am to 4pm, with a one (1) hour lunch break. A fifteen (15) minute morning break and afternoon. If the Employee works a minimum of 4 hours/shift.
- 7.3 Weekend Shifts (Saturday and Sunday); Employees who work the weekend for water plant and lift station duties will be compensated 2 hours per each day. When Employees work on a Holiday, they will receive 2 hours compensation at one and one half time.

The weekend employee will work the following schedule:

- Monday – Thursday (8 hours) 7am to 4pm
- Friday (4 hours) 7am to 11am
- Saturday and Sunday, 8:30am to 10:30am [two (2) hours on both days].

Weekend Compensation will be as follows:

- Saturday, four (4) hours stand by pay at the straight time hourly rate of pay.
- Sunday, six (6) hours stand by pay at the straight time hourly rate of pay.
- All call backs shall be paid a minimum of two (2) hours at a rate of one and one-half (1.5) their regular hourly rate.
- Employee's working the (on-call) weekend shift will be available from the end of the business day on Friday to the beginning of the business day on Monday. Employee's shall be fit for work and able to respond within no more than one (1) hour from the time they have been notified of an issue.

\*Employee's not on-call will not be required to come in for any reason unless they so choose.

Holiday's Compensation are as follows:

- Standard (8hr) holiday pay
- Holiday, six (6) hours stand by pay at the straight time hourly rate of pay.
- Normal rounds checking lift stations/water plant [two (2) hours at a rate of one and one-half (1.5) their regular hourly rate.
- All call backs shall be paid a minimum of two (2) hours at a rate of one and one-half (1.5) their regular hourly rate.

**Article 8. Overtime / Comp-time**

- 8.1 All overtime-eligible employees will be compensated at the rate of time and one-half for all hours worked over 40 in one workweek. Vacation and sick leave do not count toward "hours worked". Compensation will take the form of either time and one-half pay or compensatory time. Compensatory time is paid time off at the rate of one and one-half hours off for each hour of overtime worked.
- 8.2 For most employees the workweek begins at midnight on Monday and runs until the following Sunday night at 11:59 p.m. Department heads may establish a different workweek based on the needs of the department, subject to the approval of the City Administrator.
- 8.3 The employee's department head must approve overtime hours in advance when applicable. Overtime earned will be paid at the rate of time and one-half on the next regularly scheduled payroll date, unless the employee indicates on his/her timesheet that the overtime earned is to be recorded as compensatory time in lieu of payment.

- 8.4 Call back Employees called in outside their regular working hours shall be paid a minimum of two (2) hours at a rate of one and one-half (1.5) their regular hourly rate. Extensions of shift or early call-in of a normal shift will not be considered call backs.
- 8.5 The maximum compensatory time accumulation for any employee is **60 hours**. Once an employee has earned **60 hours** of compensatory time, no further compensatory time may accrue until the balance falls below the **60-hour maximum**. All further overtime will be paid. Employees may request and use compensatory time off in the same manner as other leave requests.
- 8.6 All compensatory time will be marked as such on official timesheets, both when it is earned and when it is used. The Administration Department will maintain compensatory time records. All compensatory time accrued will be paid when the employee leaves city employment at the hourly pay rate the employee is earning at that time.

**Commented [CR2]:** Personnel Committee would like this changed to 60 hours

**Commented [CR3]:** Personnel Committee would like this changed to 60 hours

**Commented [CR4]:** Personnel committee would like this changed to 60 hour maximum.

### **Article 9. Holidays**

- 9.1 The City observes the following official holidays for all regular full-time and part-time employees:

New Year's Day	Labor Day
Martin Luther King Jr. Day	Veterans' Day
Presidents' Day	Thanksgiving Day
Memorial Day	Friday after Thanksgiving
Independence Day	Christmas Day

- 9.2 Official holidays commence at the beginning of the first shift of the day on which the holiday is observed and continue for twenty-four (24) hours thereafter.
- 9.3 When a holiday falls on a Sunday, the following Monday will be the "observed" holiday and when a holiday falls on a Saturday, the preceding Friday will be the "observed" holiday for City operations/facilities that are closed on holidays.
- 9.4 During years in which Christmas Eve falls on a weekday a ½ day will be observed as a holiday. If Christmas Eve falls on a weekend no holiday will be "observed".
- 9.5 Full-time employees will receive pay for official holidays at their normal straight time rates, provided they are on paid status on the last scheduled day prior to the holiday and first scheduled day immediately after the holiday. Part-time employees will not receive holiday pay. Any employee on leave of absence without pay from the City is not eligible for holiday pay.
- 9.6 Premium pay of 1.5 times the regular hourly wage for non-exempt employees required to work on a holiday will be for hours worked on the "actual" holiday as opposed to the "observed" holiday. Exempt employees required to work on a holiday may be entitled to

an alternate day off with approval of the City Administrator.

- 9.7 Employees wanting to observe holidays other than those officially observed by the City may request either vacation leave or unpaid leave for such time off.

**Article 10. Vacation Leave**

10.1 Vacation Leave Schedule

Years of Service	Annual Accrual
6 Months	16 hours
1 Year	40 hours
2 -4 Years	80 hours
5-9 Years	120 hours
10 -14 Years	160 hours
15 Years and over	200 hours

- 10.2 Eligibility: Full-time employees will earn vacation leave in accordance with the above schedule. Part-time, temporary, and seasonal employees are not eligible to earn vacation leave.
- 10.3 Accrual Rate: For the purpose of determining an employee's vacation accrual rate, years of service will include all continuous time that the employee has worked at the City (including authorized unpaid leave). Employees who are rehired after terminating City employment will not receive credit for their prior service unless specifically negotiated at the time of hire.
- 10.4 Earnings and Use: After six months of service, vacation leave may be used, subject to approval by the employee's department head. Exceptions may be granted if agreed upon at time of hire or by the City Administrator.
- 10.5 Requests for vacation must be received at least forty-eight (48) hours in advance of the requested time off. This notice may be waived at the discretion of the department head and/or City Administrator. Vacation can be requested in increments as small as one hour up to the total amount of the accrued leave balance. Vacation leave is to be used only by the employee who accumulated it. It cannot be transferred to another employee.
- 10.6 Employees may accrue vacation leave up to a maximum of one-and-a-half (1-1/2) times the employee's annual accrual rate. No vacation will be allowed to accrue in excess of this amount without the approval of the City Council. Any overage must be approved by the City Council to carry over, or be paid out at the end of the year. Exceptions will be approved on a case-by-case basis.
- 10.7 Employees leaving City employment will be compensated at their current regular rate of pay for all hours of vacation accrued and unused as of the date of separation on a prorated basis.

**Article 11. Sick Leave**

11.1 Sick leave is authorized absence from work with pay, granted to qualified full-time employees. Sick leave is a privilege, not a right. Employees are to use this paid leave only when they are unable to work for medical reasons and under the conditions explained below. Sick leave does not accrue during an unpaid leave of absence.

- Full-time eligible employees will accumulate sick leave at a rate of one (1) day per month.
- Part-time, temporary, and seasonal employees will not earn or accrue sick leave.
- Sick leave may be used only for days when the employee would otherwise have been at work. It cannot be used for scheduled days off.

11.2 Earnings and Use: After six months of service, sick leave may be used as it is earned, subject to approval by the employee's department head. Exceptions may be granted if agreed upon at time of hire or by the City Administrator.

11.3 Sick leave may be used as follows:

- When an employee is unable to perform work duties due to illness or disability (including pregnancy).
- For medical, dental, or other care provider appointments.
- When an employee has been exposed to a contagious disease of such a nature that his/her presence at the work place could endanger the health of others.
- To care for the employee's injured or ill children, including stepchildren or foster children, for such reasonable periods as the employee's attendance with the child may be necessary.
- To take children, or other immediate family members to a medical, dental, or other care provider appointment.
- To care for an ill spouse, father, mother, sister or brother.
- Upon the death of an immediate family member, employees will be permitted to use up to three (3) consecutive sick days. The actual amount of approved time off will be determined by the department head or City Administrator, depending on individual circumstances (such as the closeness of the relative, arrangements to be made, distance to the funeral, etc.).

After accrued sick leave has been exhausted, vacation leave may be used upon approval of the City Administrator, to the extent the employee is entitled to such leave.

11.4 To be eligible for sick leave pay, the employee will:

- Communicate with his/her immediate supervisor, as soon as possible after the scheduled start of the work day, for each and every day absent;
- Keep his/her immediate supervisor informed of the status of the illness/injury or the condition of the ill family member;
- Submit a physician's statement upon request.

After an absence, a physician's statement may be required on the employee's first day back to work, indicating the nature of the illness or medical condition and attesting to the employee's ability to return to work and safely perform the essential functions of the job with or without reasonable accommodation.

Any work restrictions must be stated clearly on the return-to-work form. Employees who have been asked to provide such a statement may not be allowed to return to work until they comply with this provision. Sick leave may be denied for any employee required to provide a doctor's statement until such a statement is provided.

The City has the right to obtain a second medical opinion to determine the validity of an employee's worker's compensation or sick leave claim, or to obtain information related to restrictions or an employee's ability to work. The City will arrange and pay for an appropriate medical evaluation when it is required by the City.

Any employee who makes a false claim for sick leave will be subject to discipline up to and including termination.

Employees must normally use sick leave prior to using paid vacation, or compensatory time and prior to an unpaid leave of absence during a medical leave, except where Parenting Leave under Minnesota law and the medical leave overlap.

Sick leave will normally not be approved after an employee gives notice that he or she will be terminating employment. Exceptions must be approved by the City Administrator.

Sick leave can be transferred from one employee to another with approval from the City Administrator in accordance with the Sick Leave Donation Program. The maximum accrual for sick leave is 960 hours (120 days).

Any employee leaving the municipal service in good standing after giving proper notice of such termination of employment shall be compensated at their current regular rate of pay for of sick leave accrued and unused in accordance with the following schedule as of the date of separation on a prorated basis.

	(Severance)
10-19 years of service	30% of unused sick leave
20 years or more	50% of unused sick leave

**Commented [CR5]:** Personnel Committee does not wish to approve this request.

#### SICK LEAVE DONATION PROGRAM

Purpose: To establish a procedure through which eligible employees may voluntarily donate a portion of their accrued sick or vacation hour balance, to be used on an hour-for-hour basis to financially assist any other employee who has exhausted sick leave, vacation and holiday hours due to his/her extended illness or disability or that of a member of his/her immediate family.

Donation of leave will be subject to the following terms and conditions:

1. An employee will be eligible to receive donated leave only after the employee's own accrued sick, vacation, and compensatory time have been exhausted.
2. No employee will be allowed to receive more than a total of 960 hours of donated leave for any single life threatening disease or injury. Donated leave must be used by the employee within one year of the time that it is donated or it will be forfeited, unless approval to continue to carry the leave is granted by the City Administrator.
3. If the condition of the employee receiving donated leave improves so that they are able to return to their usual, pre-condition work schedule, any donated leave time remaining will be forfeited, unless approval to continue to carry the leave is granted by the City Administrator.
4. An employee may donate no more than 40 hours of leave per calendar year to a single fellow employee. (An employee may, however, donate 40 hours of leave to more than one fellow employee in a calendar year.) An employee who is donating leave time must maintain a balance of at least 80 hours of sick leave time. Donated leave time may not be "re-donated" to another employee.
5. An employee donating paid leave must do so from the employee's own accrued vacation, sick or compensatory time balances. Any sick leave time donated must be from the employee's regular sick leave account. It cannot come from the reserve sick leave account.
6. A written request to donate leave must be made to the City Administrator on forms designated for that purpose. The City Administrator will submit all requests to the City Council with a recommendation to approve or deny the request. The names of donors will be kept private, i.e., the donors will remain anonymous. An employee who wishes to receive donated leave time must also submit a written request to do so to the City Administrator on a form designated for that purpose.
7. The City Administrator shall have the right to deny use of donated leave or limit its use if it is determined to be in the best interest of the City to do so.
8. Donated leave time will be subtracted from the donor's regular accumulated leave time in a lump sum and credited to a special donated leave account for the employee receiving the donation. The payroll department will keep track of this leave and credit it to the employee's account as it is needed.
9. Donated leave time will be credited to an employee at that employee's rate of pay, not at the donor's rate.
10. Donated leave time cannot be used for any severance pay or paid out in the form of cash. Any donated time remaining in an employee's account when that employee ceases to be employed by the City will revert back to the City.

- 11. When employees donate leave time they forfeit all rights to that time. Donated time will not be refunded to donors under any circumstances.
- 12. Employees receiving donated leave time as part of their pay check will continue to have their regular payroll deductions taken out of each check, just as if they were using their own sick leave time.
- 13. Employees receiving worker's compensation benefits are not eligible to receive donated leave.

**Article 12. Parenting Leave (Minnesota State Statute 181.941)**

Employees who work twenty (20) hours or more per week and have been employed more than one year are entitled to take an unpaid leave of absence in connection with the birth or adoption of a child. The leave may not exceed six weeks, and must begin within six (6) weeks after the birth or adoption of the child.

Employees are not required to use sick leave during Parenting Leave but may use sick leave at their option for any period of this leave for which they are unable to work due to medical reasons.

The employee is entitled to return to work in the same position and at the same rate of pay the employee was receiving prior to commencement of the leave. Group insurance coverage will remain in effect during the six (6) week Parenting Leave.

If the employee has any FMLA eligibility remaining at the time this leave commences, this leave will also count as FMLA leave. The two leaves will run concurrently until eligibility for either leave expires.

**Article 13. Insurance**

13.1 The City will contribute 100% of the monthly premium amount towards a single group health plan for each eligible employee including a Healthcare Spending Account matching deductible of \$3,200.00/year or less.

**Commented [CR6]:** Personnel Committee approves this language.

13.2 For information about coverage and eligibility requirements, employees should refer to the summary plan description or contact the City Administrator.

13.3 Employees shall receive a \$10,000 Life Insurance Policy.

**Commented [CR7]:** Personnel Committee approves this added language

**Article 14. Probationary Periods**

- 14.1 All newly hired or rehired employees shall serve a six (6) months probationary period, during which time they may be terminated or transferred at the sole discretion of the Employer. This probationary period may be extended for an additional six (6) months, at the sole discretion of the Employer, to determine the suitability of the employee for employment by the Employer.
- 14.2 Upon satisfactory completion of the probationary period or extension thereof, employees shall become regular employees within the meaning of the Agreement and shall be credited with seniority dating from the first day of continuous employment with the Employer.

**Article 15. Seniority**

- 15.1 The principles of seniority shall apply in layoffs, recalls, and transfers, provided however no regular employee shall be laid off while probationary employees are working and provided further the senior employee is qualified to perform the work available.

**Article 16. Discipline**

- 16.1 **General Policy:** Department heads are responsible for maintaining compliance with City standards of employee conduct. The objective of this policy is to establish a standard disciplinary process for employees of the City of Blackduck. City employees will be subject to disciplinary action only where just cause exists, such as for failure to fulfill their duties and responsibilities at the level required, including observance of work rules and standards of conduct and applicable city policies.

Discipline will be administered in a non-discriminatory manner. An employee who believes that discipline applied was either unjust or disproportionate to the offenses committed may pursue a remedy through the grievance procedures established in the City's personnel policies. The department head and/or the City Administrator will investigate any allegation on which disciplinary action might be based before any disciplinary action is taken.

**Commented [CR8]:** Personnel Committee approves this additional language

- 16.2 **No Contract Language Established:** This policy is not to be construed as contractual terms and is intended to serve only as a guide for employment discipline.
- 16.3 **Process:** The City may elect to use progressive discipline with any employee. There may be circumstances that warrant deviation from the suggested order or where progressive discipline is not appropriate. Nothing in these personnel policies implies that any City employee has a property right to the job he/she performs. Documentation of disciplinary action taken will be placed in the employee's personnel file with a copy provided to the employee.

The following are descriptions of the types of disciplinary actions:

**Oral Reprimand:** This measure will be used where informal discussions with the employee's

department head have not resolved the matter. All department heads have the ability to issue oral reprimands without prior approval.

Oral reprimands are normally given for first infractions on minor offenses to clarify expectations and put the employee on notice that the performance or behavior needs to change, and what the change must be. The department head will document the oral reprimand including date(s) and a summary of discussion and corrective action needed.

Written Reprimand: A written reprimand is more serious and may follow an oral reprimand when the problem is not corrected or the behavior has not consistently improved in a reasonable period of time. Serious infractions may require skipping either the oral or written reprimand, or both.

Written reprimands are issued by the department head with prior approval from the City Administrator.

A written reprimand will: (1) state what did happen; (2) state what should have happened; (3) identify the policy, directive or performance expectation that was not followed; (4) provide history, if any, on the issue; (5) state goals, including timetables, and expectations for the future; and (6) indicate consequences of recurrence.

Employees will be given a copy of the reprimand to sign acknowledging its receipt. Employees' signatures do not mean that they agree with the reprimand. Written reprimands will be placed in the employee's personnel file. In the event the employee refuses to sign that they are acknowledging receipt of the reprimand, a statement will be attached stating that the employee refused to sign the written reprimand. In the event the employee refuses to sign that they are acknowledging receipt of the reprimand, a statement to that effect will be attached.

Suspension With or Without Pay: The City Administrator may suspend an employee without pay for disciplinary reasons. Suspension without pay may be followed with immediate dismissal as deemed appropriate by the City Council, except in the case of veterans. Qualified veterans will not be suspended without pay in conjunction with termination.

The employee will be notified in writing of the reason for the suspension either prior to the suspension or shortly thereafter. A copy of the letter of suspension will be placed in the employee's personnel file.

An employee may be suspended or placed on involuntary leave of absence pending an investigation of an allegation involving that employee. The leave may be with or without pay depending on a number of factors including the nature of the allegations. If the allegation is proven false after the investigation, the relevant written documents will be removed from the employee's personnel file and the employee will receive any compensation and benefits due had the suspension not taken place.

Demotion and/or Transfer: An employee may be demoted or transferred if an attempt at resolving an issue have failed and the City Administrator determines a demotion or transfer to be the best solution to the problem. The employee must be qualified for the position to which they are being demoted or transferred. The City Council must approve this action.

Salary: An employee's salary increase may be withheld or the salary may be decreased due to the performance deficiencies.

**Dismissal:** The City Administrator, with the approval of the City Council, may dismiss an employee for substandard work performance, serious misconduct, or behavior not in keeping with City standards.

If the disciplinary action involves the removal of a qualified veteran, the appropriate hearing notice will be provided and all rights will be afforded the veteran in accordance with Minnesota law.

**Article 17. Wages**

17.1 All employees covered by this Agreement that are not over the maximum pay for that position on the Labor Agreement Pay Schedule (page 18) shall receive a wage increase stipulated based on their annual performance appraisal score and effective January 1, 2019, (ie. 90% or better = 3%; 80% or better = 2%; and 79% or under = 1%)

**Commented [CR9]:** Personnel Committee would like to add the following language, "Employees increase will be stipulated based on their annual performance appraisal score. (ie. 90% or better = 3%; 80% or better = 2%; and 79% or under 1%)

17.2 Safety Shoe Allowance – Employees will receive an annual allowance of \$250 for safety shoes reimbursed with a paid receipt.

**Commented [CR10]:** Personnel Committee would like the language changed to read, "Employees will receive an annual allowance of \$250 for safety shoes reimbursed with a paid receipt".

The City of Blackduck will provide the following PPE; ansi vests, ansi insulated jackets, insulated bibs, hats, gloves, shirts (logo), jeans and other related items.

**Commented [CR11]:** Personnel Committee does not approve this added language.

17.3 **Chris Brown, Maintenance Worker #2**

The City will pay for the Licensure Classes and Lodging for the Water and Wastewater Education Classes originally. If the employee fails to be licensed, it is up to the employee to cover this expense going forward to obtain licensure.

Once the Water Licensure is in possession at the city, the employee will receive a wage increase of \$0.50/hour on the next pay period. Once the Wastewater Licensure is in possession at the city, the employee will receive a wage increase of \$0.50/hour on the next pay period.

**Article 18. Drug & Alcohol Testing Policy**

Employees should reference language in the City of Blackduck Personnel Policy (pages 45-50).

**Commented [CR12]:**

**Article 19. Savings Clause**

This agreement is subject to the laws of the United States, the State of Minnesota and Beltrami County. In the event any provisions of this agreement shall be held to be contrary to the law by a court of competent jurisdiction from whose final decree or judgment no appeal has been taken within the time limit provided, such provisions shall be voided. All other provisions of this Agreement shall continue in full force and effect from year to year. The voided provision may be renegotiated at the written request of either party.

**Article 20. Duration**

This Agreement shall be effective as of January 1, 2021 and shall remain in effect through December 31, 2021. The Agreement shall continue in effect from year to year thereafter unless either party shall give written notice at least two hundred forty (240) days prior to any anniversary date of its desire to amend or terminate the Agreement.

**In Witness Whereof**, the parties hereto have set their signatures on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**City of Blackduck**

**International Union of Operating Engineers, Local 49**

\_\_\_\_\_  
Mayor Maxwell Gullette

\_\_\_\_\_  
Jason A. George  
Business Manager – Financial Secretary

\_\_\_\_\_  
City Administrator, Christina Regas

\_\_\_\_\_  
Todd E. Djonne  
Business Representative

Labor Agreement Pay Schedule												
Points	Position	Hiring Range			Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Top of Range
353	Public Works Supervisor	\$23.63	\$23.63	\$24.34	\$25.07	\$25.82	\$26.60	\$27.39	\$28.22	\$29.06	\$29.93	\$30.83
252	Maintenance Worker #1	\$13.39	\$14.06	\$14.77	\$15.51	\$15.97	\$16.45	\$16.94	\$17.45	\$17.97	\$18.51	\$19.00
218	Maintenance Worker #2	\$12.73	\$13.37	\$14.04	\$14.74	\$15.18	\$15.64	\$16.10	\$16.59	\$17.08	\$17.60	\$18.13

Please save your report based on the following example:  
 RochesterCity\_August2020  
 Submit in Excel format to [CRAOffice.mmb@state.mn.us](mailto:CRAOffice.mmb@state.mn.us) seven business days after the end of each reporting period.

Local Government Expenditure Report		
Name of Local Government (this will auto populate based on your SWIFT Supplier ID)	10 digit SWIFT Supplier ID # (begins with 0000) Select this link for SWIFT ID list	Date Submitted (Enter in MM/DD/YYYY Format)
BLACKDUCK CITY	0000201376	9/8/2020
Name and Title of Person Filing Out Form	DUNS Number (Select this link for more information)	Phone Number (enter 10 digits without spaces or dashes)
Christina Regas, City Administrator	120253026	2188354803
Email Address	Amount of CRF Received from the Department of Revenue	Total Spent to Date (this amount will autofill)
christina.regas@blackduckmn.com	\$ 63,286	\$ 30,325.66
Use the drop down in cell D14 to select "Interim" if your agency has any unspent funds and "Final" in the box if all available CRF funds have been spent and this will be your final report. Please submit this report no later than 7 business days after the end of each month to provide the spend status of allotted Coronavirus Relief Funds (CRF). CFDA Number 21.019 awarded by the State of Minnesota.	<b>Interim</b>	
	Amount of CRF Remaining (this amount will autofill)	
	\$ 32,960.34	

The covered period for these expenses is March 1, 2020 through November 15 (cities and towns) /December 1, 2020 (counties).

**DO NOT USE CRF FUNDS FOR ANY COST INCURRED OUTSIDE THIS COVERED PERIOD.**

Coronavirus Relief Fund (CRF) Categories		Total	July, 2020	August, 2020	September, 2020	October, 2020	November, 2020	December, 2020
Describe expenses (links to expenditure category examples are in the green category boxes to the left)		Treasury Guidance	FAQs					
Administrative Expenses	technology to allow for virtual meetings/preparing plans/supplies/	4672.70	2591.65	2081.05	0.00	0.00	0.00	0.00
Budgeted Personnel and Services Diverted to a Substantially Different Use		0.00	0.00	0.00	0.00	0.00	0.00	0.00
COVID-19 Testing and Contact Tracing		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Economic Support (other than small business, housing, and food assistance)		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Expenses Associated with the Issuance of Tax Anticipation Notes		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Facilitating Distance Learning		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Food Programs		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Housing Support		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Improve Telework Capabilities of Public Employees		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Medical Expenses		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Nursing Home Assistance		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Payroll for Public Health and Safety Employees	payroll to segregate staff for public works / training for staff	7446.75	7072.20	374.55	0.00	0.00	0.00	0.00
Personal Protective Equipment	masks and gloves for fire department	67.86	67.86	0.00	0.00	0.00	0.00	0.00
Public Health Expenses	cleaning supplies for all departments / divider materials /	9086.84	4588.57	4498.27	0.00	0.00	0.00	0.00
Small Business Assistance		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unemployment Benefits		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Workers' Compensation		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Items Not Listed Above - to include other eligible expenses that are not captured in the available expenditure categories	publications for meetings / technology for meetings & staff / office supplies / repairs & maintenance to golf carts for increase use due to customer separation / improvements to phone systems in all departments / table clothes, to-go supplies etc. for increase food orders for municipal liquor store /	9051.51	9051.51	0.00	0.00	0.00	0.00	0.00
<b>Total Spent</b>		<b>30325.66</b>	<b>23371.79</b>	<b>6953.87</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Cities and Towns</b>								
Enter the Amount of unspent funds distributed to home county		0.00						
Enter the name of the home county		Beltrami						
Enter the date funds were returned								
<b>Cities and Towns in Hennepin and Ramsey Counties</b>								
Enter the amount of unspent funds granted to hospitals		0.00						
Enter the name(s) of hospitals receiving grants of unspent funds								
<b>Counties</b>								
Enter the amount of unspent funds received from cities and towns		0.00						
Enter the amount of unspent funds returned to the State of Minnesota		0.00						
Enter the date unspent funds were returned to the State of Minnesota								
<b>Total</b>			<b>July, 2020</b>	<b>August, 2020</b>	<b>September, 2020</b>	<b>October, 2020</b>	<b>November, 2020</b>	<b>December, 2020</b>

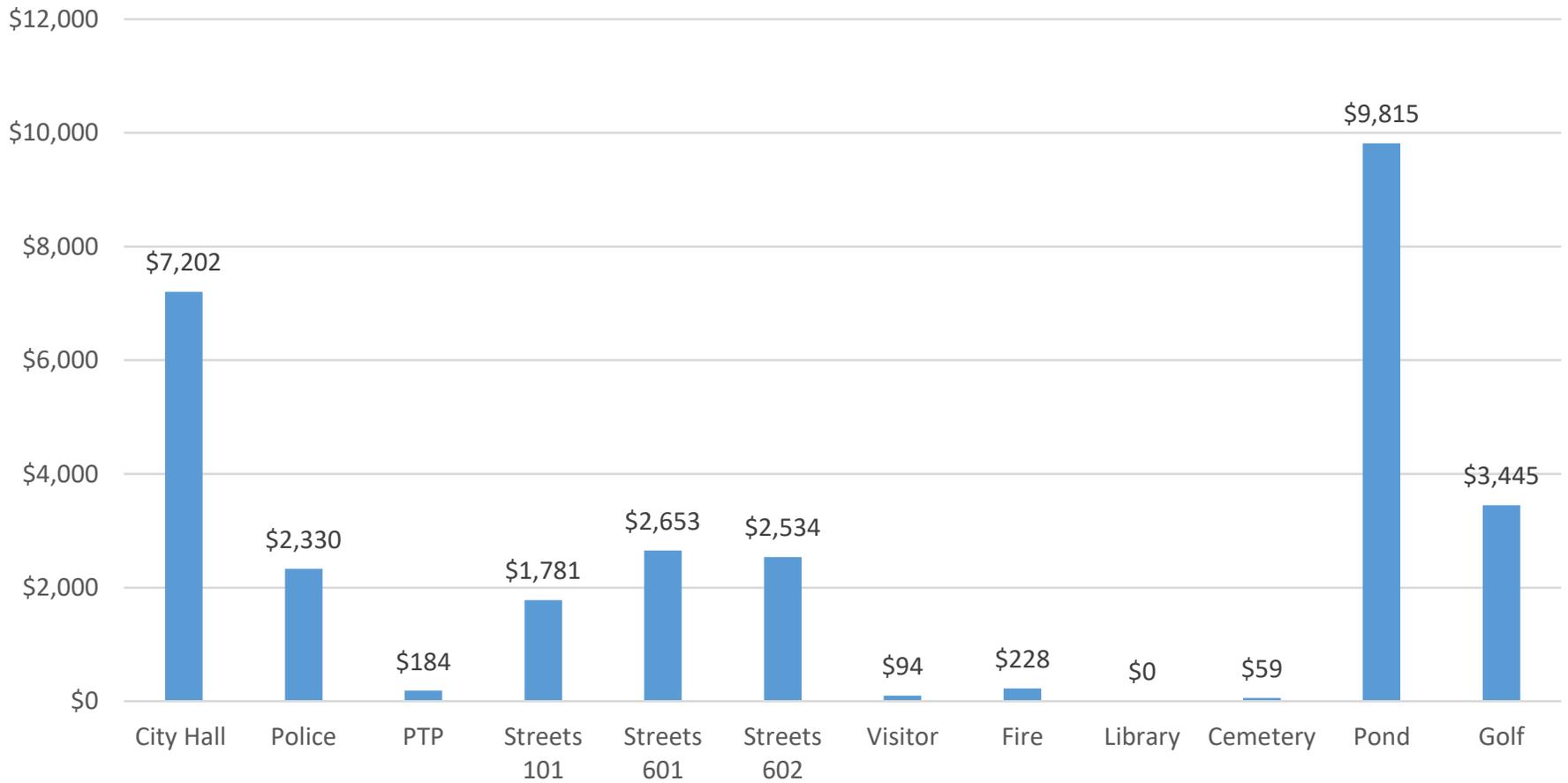
Enter the amount distributed to cities and towns with a population under 200	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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**CRF Fund Spending Confirmations**

**X** Use the dropdown menu to place an "X" in the cell B78 to confirm that your CRF funding request meets federal guidance:  
 (1) as a necessary expenditure to respond to the COVID-19 public health emergency,  
 (2) is not accounted for in the current budget,  
 (3) expenses were incurred during the covered period. See box C18 for explanation, and  
 (4) does not include any ineligible expenses as defined in federal guidance.

## Covid Expense Per Fund

Total spent to date: \$30,325





# CITY OF BLACKDUCK RESOLUTION NO: 2020-26

## RESOLUTION ACCEPTING SIGNATURE CARD AUTHORIZATION TO NEW CITY MAYOR

**WHEREAS**, the Blackduck City Council has authorized the new Mayor, Maxwell Gullette, access to the city's Deerwood Bank Accounts to make any and all mayoral changes.

**NOW THEREFORE BE IT RESOLVED** by the City Council of Blackduck, Minnesota as follow:

1. The council declares that Mayor Maxwell Gullette as the new mayor of all banking accounts the city is affiliated with.
2. The council approves Mayor Maxwell Gullette to be on the signature cards at Deerwood Bank effective September 8, 2020.
3. The council declares that Paige Moore as the out-going mayor of all banking accounts the city is affiliated with.
4. The council declares that Paige Moore be removed from the signature cards at Deerwood Bank effective September 8, 2020.

Adopted by the City Council of the City of Blackduck on September 8, 2020.

---

Maxwell Gullette, Mayor

---

Christina Regas, City Administrator



# CITY OF BLACKDUCK RESOLUTION NO: 2020-27

## **RESOLUTION DECLARING A VACANCY FOR THE SEAT OF COUNCILOR DUE TO APPOINTMENT OF VICE MAYOR GULLETTE TO FILL THE SEAT OF MAYOR THROUGH DECEMBER 31, 2020; OR WHEN 2020 GENREAL ELECTION RESULTS HAVE BEEN FINALIZED**

**WHEREAS**, Maxwell Gullette, the Mayor of Blackduck has accepted the appointment of Mayor and so forth vacating her council member seat, until his term expires December 31, 2020; and,

**WHEREAS**, the City of Blackduck seeks to appoint an individual to fill the existing term of the vacant council member seat through December 31, 2020; or when 2020 General Election results have been finalized;

**NOW THEREFORE BE IT RESOLVED**, by Minnesota Statute §412.02, subd. 2a requires the City Council of Blackduck, Minnesota appoint an individual to fill the vacancy until a special election is held at its next general election in 2020.

Adopted by the City Council of the City of Blackduck on September 8, 2020.

---

Maxwell Gullette, Mayor

---

Christina Regas – City Administrator



# 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 8<sup>th</sup> day of September 2020.

APPROVED:

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Maxwell Gullette, 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:	Joseph J. Langel of RRM Ratwik, Roszak & Maloney, P.A.



# CITY OF BLACKDUCK RESOLUTION NO: 2020-01

## **EXHIBIT B**

### **APPOINTMENTS AND REPRESENTATION ON VARIOUS COMMITTEES**

Vice Mayor	_____
City Assessor:	County Assessor, Joe Skerik
City Engineer:	Curt Meyer, Widseth Smith Nolting
Park & Trail Board:	Sheldon Ostlund, Jason Kolb, Mike Schwanke, and Christina Regas
Personnel Committee	Shawnda Lahr, <del>Paige Moore</del> , and Christina Regas
Public Works Committee:	Melissa Gulette, Jason Kolb, Christina Regas and Mike Schwanke
Liquor Committee:	Jason Kolb, Mike Schwanke, Shawnda Lahr, and Christina Regas
Finance Committee:	Christina Regas, Maxwell Gulette, and Mike Schwanke
Public Safety Committee:	<del>Paige Moore</del> , Jace Grangruth, Christina Regas, Brian Larson, Sheldon Ostlund
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 Gulette
Kitchigami Regional Library Representative	Kendra Murray
HRA:	<del>Paige Moore</del> , Maxwell Gulette, Jason Kolb, Sheldon Ostlund, and Christina Regas
Revolving Loan Fund Committee:	Dwight Kalvig, Grant Frenzel, Maxwell Gulette, Christina Regas, Shawnda Lahr, and a designee appointed by the Committee.



# CITY OF BLACKDUCK RESOLUTION NO: 2020-01

Ambulance Board Representative: Christina Regas

Joint Powers Emergency Services Board: Maxwell Gullette

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, Paige Moore, Pam Exner, and Jim Andersen

*Chapter 3 Administration §1. 300.07 Committees.*

*Subdivision 1. Standing Committees  
Committees designated - there shall be the following standing committees.*

- 1. Liquor Committee*
- 2. Park and Tree Board*
- 3. Golf Board*
- 4. Revolving Loan Committee*
- 5. Library Board*
- 6. Personnel*
- 7. Public Works*
- 8. Finance*
- 9. Public Safety*

*Subdivision 2. Membership  
Each committee shall be appointed by the mayor with the approval of the majority of the council. Each committee member shall serve as appointed unless excused by a majority of the members of the council.*

*Subdivision 3. Referral Reports.  
Any matter brought before the council for consideration may be referred by the presiding officer to the appropriate committee or to the special committee appointed by him or her for a written report and committee report shall be signed by a majority of the members and shall be filed with the administrator prior to the council meeting at which it is to be submitted. Minority reports may be submitted. Each committee shall act promptly and faithfully on the matter referred to it.*

**From:** [Blackduck Ambulance](#)  
**To:** [Christina Regas](#)  
**Subject:** CARES funding request for BAAI  
**Date:** Tuesday, September 8, 2020 8:56:19 AM

---

[EXTERNAL]

Good Morning Christina,

I'm not sure how formal of a request you need for tonight's meeting – I will get you exact numbers soon.

If Blackduck Ambulance is granted the \$5000 of CARES money it would be used for the following:

- Specialty cleaning supplies for our facility and equipment
- Personal Protective equipment and treatment supplies
- Thermometers for screening staff and patients
- Replacement parts for medical equipment
- Payroll expenses in April for attending meetings and committees for developing plans due to COVID

Molly Vollbrecht, NRP  
Manager/Training Coordinator  
Blackduck Ambulance Assoc. Inc.  
218-835-4800  
baaiamb@paulbunyan.net



September 14, 2020

# Capital Improvement Plan in connection with the New Public Works/Public Safety Building City of Blackduck, Minnesota



**Prepared by:**  
**City Staff**  
**and**  
**Ehlers**

Todd Hagen, CIPMA  
VP/Senior Municipal Advisor

Shelly Eldridge, CIPMA  
VP/Senior Municipal Advisor

And

Chris Mickelson, CIPMA  
Municipal Advisor

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## SECTION I: Introduction

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In 2003, the Minnesota State Legislature adopted a statute (Section 475.521, referred to herein as the “CIP Act”) that allows cities to issue municipal bonds under a capital improvement plan without the usual referendum requirement (except for the so-called “reverse referendum” described in Section III). The CIP Act applies to capital improvements consisting of city halls, public works, and public safety facilities. The 2005 Legislature added towns to the meaning of a municipality and town halls and libraries to the meaning of a capital improvement under the CIP Act.

Throughout this plan, the term “capital improvement” refers only to those improvements identified in the CIP Act, as summarized above. Capital expenditures for other public improvements in the City will be financed through other means and are not governed by this plan.

## SECTION II: Purpose

---

A capital improvement is a major expenditure of municipal funds for the acquisition or betterment to public lands, buildings, or other improvements used as a city hall, town hall, library, public safety, or public works facility, which has a useful life of five years or more. For the purposes of the CIP Act, capital improvements do not include light rail transit or related activities, parks, road/bridges, administrative buildings other than city or town hall, or land for those facilities. A Capital Improvement Plan (“CIP”) is a document designed to anticipate capital improvement expenditures and schedule them over a five-year period so that they may be purchased in the most efficient and cost-effective method possible. A CIP allows the matching of expenditures with anticipated income. As potential expenditures are reviewed, the municipality considers the benefits, costs, alternatives and impact on operating expenditures.

The City of Blackduck, Minnesota (the “City”) believes the capital improvement process is an important element of responsible fiscal management. Major capital expenditures can be anticipated and coordinated to minimize potentially adverse financial impacts caused by the timing and magnitude of capital outlays. This coordination of capital expenditures is important to the City in achieving its goals of adequate physical assets and sound fiscal management. In these financially difficult times good planning is essential for the wise use of limited financial resources.

The Capital Improvement Plan is designed to be updated on an annual basis. In this manner, it becomes an ongoing fiscal planning tool that continually anticipates future capital expenditures and funding sources.

## SECTION III: The Capital Improvement Planning Process

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The process begins with analysis of the City’s five-year capital improvement needs and funding sources. The City may solicit input from citizens and other governmental units at an early stage, if desired.

The City Council then directs staff or consultants to prepare a plan that sets forth the estimated schedule, timing and details of specific capital improvements by year, together with the estimated cost, the need for the improvement, and the sources of revenue for the improvement. The City Council then holds a public hearing on the CIP, with notice published not more than 30 days and not less than seven days for the hearing (except as described below). The Council may either approve the CIP immediately after the hearing or based on input may make revisions and approve the CIP at a later meeting.

If the CIP calls for general obligation bonds to finance certain improvements, the City Council must follow an additional set of procedures. The Council must hold a public hearing regarding issuance of the bonds. Notice of such hearing must be published in the official newspaper of the municipality at least 14, but not more than 28 days prior to the date of the public hearing. In addition, the notice may be posted on the City’s official web site. (The public hearings on the CIP and the bonds may be combined into a single hearing, in which case the notice requirements for bonds must be followed.)

The Council must approve the sale of CIP bonds by a 3/5ths vote of its membership. However, the bonds are subject to a so-called “reverse referendum”. If a petition signed by voters equal to at least five percent of the votes cast in the City in last general election is filed with the City Clerk within 30 days after the public hearing regarding the bonds, the bonds may not be issued unless approved by the voters (by a majority of those voting on the question). Further, the maximum debt service in any year on all outstanding CIP Bonds is .16% of the estimated market value of property in the City, using the estimated market value for the taxes-payable year in which the bonds are issued.

After the CIP has been approved and bonds have been authorized, the City works with its financial advisor to prepare a bond sale and repayment schedule. Assuming no petition for a referendum is filed, the bonds are sold, and when proceeds from the sale of the bonds (and any other identified revenue sources) become available, the expenditures for specified capital improvements can be made.

In subsequent years, the process is repeated as expenditures are completed and as new needs arise. Capital improvement planning looks five or more years into the future from the date of the CIP.

## SECTION IV: Project Summary

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The only capital improvements contemplated in the five-year period of this plan (2020 through 2024) is the construction of a new structure to house the public works and police departments for the City (the “Public Works/Public Safety Building”), through issuance of general obligation capital improvement plan bonds (referred to as the “CIP Bonds”).

The City proposes to finance the construction of the Public Works/Public Safety Building through issuance of CIP Bonds under the CIP Act and this CIP. The proposed CIP Bonds would be issued in 2020 or 2021, in a principal amount not to exceed \$1,100,000.

The CIP Act requires the City Council to consider eight factors in preparing the CIP:

1. Condition of the City’s existing infrastructure, including projected need for repair or replacement.
2. Likely demand for the improvement.
3. Estimated cost of the improvement.
4. Available public resources.
5. Level of overlapping debt in the City.
6. Relative benefits and costs of alternative uses of funds.
7. Operating costs of the proposed improvements.
8. Alternatives for providing services most efficiently through shared facilities with other cities or local governments.

The City has considered the eight points as they relate to construction of the Public Works/Public Safety Building through issuance of the CIP Bonds. The findings are as follows:

- Approximately \$1,500,000 for the construction of a new public works and public safety building located at 197 Industrial Lane Northwest in the City and will be funded in 2020 or 2021 by approximately \$1,085,000 of CIP Bonds and \$465,000 of Utility Revenue Bonds.

These expenditures are anticipated due to:

- Increased demand for services.
- Increased awareness of needs by the public.
- Functionality of building.
- Lack of security.

Other than such construction, the City does not anticipate any other projects to be financed under this CIP in the 2020 through 2024 period.

## Conditions of City Infrastructure and Need for the Project

Due to the increase in demand for services, additional space will be needed for a building to accommodate staff, equipment and materials to better serve our growing community. The project will be built to meet these and future needs of the City.

## Demand for Project

Due to increasing public awareness, a new building is required to meet the demands of population growth to better serve the City’s growing needs. Also, a general lack of technology, functionality, and security/safety with limited space for the public works and police departments in the existing buildings, adds to demand for the project.

## Estimated Cost of the Project

The Blackduck Public Works/Public Safety Building is estimated to cost \$1,500,000 (bond issue in an amount not to exceed \$1,600,000). Grants and state bonding monies will be sought but are not guaranteed. The amount of bonds to be issued will be reduced to the extent the City receives financial assistance from the State of Minnesota.

## Availability of Public Resources

The CIP Bonds for construction of the Blackduck Public Works/Public Safety Building would be paid with ad valorem taxes and possibly reserves. However, the CIP Bonds will be additionally secured by the City’s full faith and credit, which is expected to produce lower interest rates on the CIP Bonds compared to the limited other options available to finance this type of project.

The bond proceeds are proposed to be paid for in part by shifting retiring debt levy dollars toward a portion of the new debt.

## Level of Overlapping Debt

The City has no outstanding CIP debt. Below is a chart with the debt of other taxing jurisdictions in the City.

Taxing District <sup>1</sup>	2019/2020 Taxable Net Tax Capacity	% In City	Total G.O. Debt	City's Proportionat e Share
Beltrami County	\$39,034,785	0.7735%	\$4,635,000	\$35,850
I.S.D. No. 32 (Blackduck)	3,493,539	8.6422%	4,130,000	356,922
<b>City's Share of Total Overlapping Debt</b>				<b><u>\$392,772</u></b>

<sup>1</sup> Only those taxing jurisdictions with general obligation debt outstanding are included in this section. Does not include non-general obligation debt, self-supporting general obligation revenue debt, short-term general obligation debt, or general obligation tax/aid anticipation certificates of indebtedness.

## Relative Costs and Benefits of Alternative Uses of the Funds

The space limitations with the current facilities and need for major renovation and maintenance make this project necessary for the City. There are no significant alternatives for funds designated for this project. This is a high priority due to the limited space available currently. The condition of the current buildings makes this project necessary for the City. The cost of renting extra space for this type of facility makes it impractical. There are no significant alternatives for funds designated for this project.

## Operating Costs of the Proposed Improvement

All public works operation costs will increase as demand for these services increases over time. A new larger facility will realistically require higher maintenance expenditures, but these additional maintenance costs will be mitigated to some extent by replacing an older facility with newer more efficient systems and the possible sale or reuse of the old facility. In other respects, no changes to operating costs are expected under this CIP.

## Alternatives for Shared Facilities with Other Cities or Local Government

Sharing the Blackduck Public Works/Public Safety Building with another community is not an option. Provision of public safety relies on immediate response times in emergencies and having a shared facility outside of the community would seriously jeopardize response times and public safety.

## SECTION V:

# Financing the Capital Improvement Plan

The total principal amount of requested expenditures under this Capital Improvement Plan is \$1,500,000 less any upfront cash contribution plus any costs of debt issuance and any capitalized interest. This amount represents the maximum principal amount of CIP Bonds that may be issued to \$1,100,000. Principal and interest on the CIP Bonds will be paid through a tax levy over the term of the CIP Bonds and/or other monies, further shown in Appendix A.

In the financing of the Capital Improvement Plan, two significant statutory limitations apply.

1. Under Chapter 475, with few exceptions, municipalities cannot incur debt in excess of 3% of the assessor's estimated market value for the municipality. In the City, the estimated market value is \$30,253,400. Therefore, the total amount of outstanding debt cannot exceed \$907,602 (These values are for 2019/20 tax year). However, because the City has a population of under 2,500 the CIP Bonds are exempt from the overall statutory debt limit for the City.
2. A separate limitation under the CIP Act is that, without referendum, the total amount of principal and interest in any one year on all CIP Bonds issued by the City cannot exceed 0.16% of the total estimated market value in the municipality. In the City, that maximum annual debt service amount is \$48,405 for the 2019/20 tax year ( $\$30,253,400 \times .0016$ ). The maximum principal and interest payments on the CIP Bonds proposed to be issued under this CIP is estimated to be approximately \$45,702. As such, debt service on the CIP Bonds will be within the annual limits under the CIP Act.

Details regarding the proposed terms of the CIP Bonds under this CIP are shown in Appendix A. The City is contemplating two bonding options (i.e., 3-year competitive temporary bond sale and a 40-year USDA loan to take-out the temporary bond after project completion). Both bond amounts will not exceed the maximum principal amount of CIP Bonds referred to above. A schedule of events for approval of the CIP and issuance of the CIP Bonds is shown in Appendix B; and the resolution calling the public hearing, form of the public hearing notice, and resolution approving the CIP are shown in Appendix C.

## Continuation of the Capital Improvement Plan

This Capital Improvement Plan should be reviewed as needed by the City Council using the process outlined in this Plan. It should review proposed expenditures, make priority decisions, and seek funding for those expenditures it deems necessary for the City. If deemed appropriate, the Council should prepare an update to this Plan.

# Appendix A

## Proposed CIP Bond Issue

### City of Blackduck, Minnesota

\$1,550,000 General Obligation Temporary Bonds, Series 2020A

Issue Summary - Public Works & Public Safety - CIP

Assumes Current Market BQ A+ Rates

### Total Issue Sources And Uses

Dated 08/15/2020 | Delivered 08/15/2020

	CIP	Utility Revenue (444)	Issue Summary
<b>Sources Of Funds</b>			
Par Amount of Bonds	\$1,085,000.00	\$465,000.00	\$1,550,000.00
<b>Total Sources</b>	<b>\$1,085,000.00</b>	<b>\$465,000.00</b>	<b>\$1,550,000.00</b>
<b>Uses Of Funds</b>			
Total Underwriter's Discount (1.200%)	13,020.00	5,580.00	18,600.00
Costs of Issuance	21,000.00	9,000.00	30,000.00
Deposit to Project Construction Fund	1,050,000.00	450,000.00	1,500,000.00
Rounding Amount	980.00	420.00	1,400.00
<b>Total Uses</b>	<b>\$1,085,000.00</b>	<b>\$465,000.00</b>	<b>\$1,550,000.00</b>

## City of Blackduck, Minnesota

\$1,085,000 General Obligation Temporary Bonds, Series 2020A

CIP

Assumes Current Market BQ A+ Rates

### Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
08/15/2020	-	-	-	-	-
08/01/2021	-	-	15,642.08	15,642.08	-
02/01/2022	-	-	8,137.50	8,137.50	23,779.58
08/01/2022	-	-	8,137.50	8,137.50	-
02/01/2023	1,085,000.00	1.500%	8,137.50	1,093,137.50	1,101,275.00
<b>Total</b>	<b>\$1,085,000.00</b>	<b>-</b>	<b>\$40,054.58</b>	<b>\$1,125,054.58</b>	<b>-</b>

### Yield Statistics

Bond Year Dollars	\$2,670.31
Average Life	2.461 Years
Average Coupon	1.4999999%
Net Interest Cost (NIC)	1.9875845%
True Interest Cost (TIC)	1.9993845%
Bond Yield for Arbitrage Purposes	1.4979616%
All Inclusive Cost (AIC)	2.8238975%

### IRS Form 8038

Net Interest Cost	1.4999999%
Weighted Average Maturity	2.461 Years

## City of Blackduck, Minnesota

\$1,550,000 General Obligation Bonds, Series 2020A

Issue Summary

(USDA Loan - 40 Years)

### Total Issue Sources And Uses

Dated 08/15/2023 | Delivered 08/15/2023

	CIP	Utility Revenue (444)	Issue Summary
<b>Sources Of Funds</b>			
Par Amount of Bonds	\$1,085,000.00	\$465,000.00	\$1,550,000.00
<b>Total Sources</b>	<b>\$1,085,000.00</b>	<b>\$465,000.00</b>	<b>\$1,550,000.00</b>
<b>Uses Of Funds</b>			
Deposit to Project Construction Fund	1,085,000.00	465,000.00	1,550,000.00
<b>Total Uses</b>	<b>\$1,085,000.00</b>	<b>\$465,000.00</b>	<b>\$1,550,000.00</b>

## City of Blackduck, Minnesota

\$1,085,000 General Obligation Bonds, Series 2020A

CIP

(USDA Loan - 40 Years)

### Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
01/01/2024	-	-	11,362.77	11,362.77
01/01/2025	15,865.48	2.750%	29,837.50	45,702.98
01/01/2026	16,301.78	2.750%	29,401.20	45,702.98
01/01/2027	16,750.07	2.750%	28,952.90	45,702.97
01/01/2028	17,210.70	2.750%	28,492.27	45,702.97
01/01/2029	17,684.00	2.750%	28,018.98	45,702.98
01/01/2030	18,170.31	2.750%	27,532.67	45,702.98
01/01/2031	18,669.99	2.750%	27,032.99	45,702.98
01/01/2032	19,183.41	2.750%	26,519.56	45,702.97
01/01/2033	19,710.96	2.750%	25,992.02	45,702.98
01/01/2034	20,253.01	2.750%	25,449.97	45,702.98
01/01/2035	20,809.97	2.750%	24,893.01	45,702.98
01/01/2036	21,382.24	2.750%	24,320.73	45,702.97
01/01/2037	21,970.25	2.750%	23,732.72	45,702.97
01/01/2038	22,574.43	2.750%	23,128.54	45,702.97
01/01/2039	23,195.23	2.750%	22,507.74	45,702.97
01/01/2040	23,833.10	2.750%	21,869.87	45,702.97
01/01/2041	24,488.51	2.750%	21,214.46	45,702.97
01/01/2042	25,161.94	2.750%	20,541.03	45,702.97
01/01/2043	25,853.90	2.750%	19,849.08	45,702.98
01/01/2044	26,564.88	2.750%	19,138.09	45,702.97
01/01/2045	27,295.41	2.750%	18,407.56	45,702.97
01/01/2046	28,046.04	2.750%	17,656.94	45,702.98
01/01/2047	28,817.30	2.750%	16,885.67	45,702.97
01/01/2048	29,609.78	2.750%	16,093.19	45,702.97
01/01/2049	30,424.05	2.750%	15,278.93	45,702.98
01/01/2050	31,260.71	2.750%	14,442.26	45,702.97
01/01/2051	32,120.38	2.750%	13,582.60	45,702.98
01/01/2052	33,003.69	2.750%	12,699.28	45,702.97
01/01/2053	33,911.29	2.750%	11,791.68	45,702.97
01/01/2054	34,843.85	2.750%	10,859.12	45,702.97
01/01/2055	35,802.06	2.750%	9,900.92	45,702.98
01/01/2056	36,786.62	2.750%	8,916.36	45,702.98
01/01/2057	37,798.25	2.750%	7,904.73	45,702.98
01/01/2058	38,837.70	2.750%	6,865.28	45,702.98
01/01/2059	39,905.74	2.750%	5,797.24	45,702.98
01/01/2060	41,003.14	2.750%	4,699.83	45,702.97
01/01/2061	42,130.73	2.750%	3,572.25	45,702.98
01/01/2062	43,289.32	2.750%	2,413.65	45,702.97
01/01/2063	44,479.78	2.750%	1,223.19	45,702.97
<b>Total</b>	<b>\$1,085,000.00</b>	<b>-</b>	<b>\$708,778.78</b>	<b>\$1,793,778.78</b>

# Appendix B

## Pre-Sale Schedule dated July 30, 2020 For the Sale of G.O. Capital Improvement Plan Bonds

The City Council must take the following actions before Bonds can be issued:

- City Council directs preparation of a 5-Year Capital Improvement Plan.
- City Council conducts a Public Hearing on issuance of Bonds and Capital Improvement Plan.
- City Council approves Bonds and Capital Improvement Plan by at least a 3/5ths vote of the governing body membership.

The table below lists the steps in the issuing process:

8/10	City Council adopts Resolution calling for Public Hearing on issuance of Bonds and on Capital Improvement Plan.
8/26 @ 12p	Close date to get Notice of Public Hearing on issuance of Bonds and on Capital Improvement Plan to official newspaper for publication.
8/29	Publish Notice of Public Hearing on issuance of Bonds and on Capital Improvement Plan (publication no more than 28 days and no less than 14 days prior to hearing date).
9/14 @ 6:00p	City Council holds Public Hearing on Bonds and on Capital Improvement Plan and adopts Resolution giving preliminary approval for their issuance and approving Capital Improvement Plan by at least a 3/5ths vote of the governing body membership.
TBD	City Council provides for sale of Bonds.
Week of TBD	Ehlers distributes official statement.
Week of TBD	Conference call with Standard & Poor’s for bond rating.
10/14	Reverse referendum period ends (within 30 days of the public hearing).
TBD	City Council accepts offer for Bonds and adopts Resolution-Approving sale of Bonds.
TBD	Tentative closing/receipt of funds.

Net Debt Limit - EXEMPT		Annual Levy Limit	
Assessor's Estimated Market Value	30,253,400	Assessor's Estimated Market Value	30,253,400
Multiply by 3%	0.03	Multiply by .16%	0.0016
Statutory Debt Limit	907,602	Statutory Levy Limit	48,405
Less: Debt Paid Solely from Taxes	NA	Less: Annual Levy under CIP	(45,702)
Unused Debt Limit	907,602	Unused Levy Limit	2,703

\*These values are for Pay 2019/2020

**EXTRACT OF MINUTES OF A MEETING OF THE  
CITY COUNCIL OF THE CITY OF BLACKDUCK, MINNESOTA**

HELD: August 10, 2020

Pursuant to due call and notice thereof, a regular meeting of the City Council of City of Blackduck, Minnesota, was duly called and held at the Blackduck City Hall, 8 Summit Avenue Northeast in Blackduck, Minnesota on August 10, 2020 at 6:00 p.m. for the purpose, in part, of calling a public hearing on the intention to issue general obligation capital improvement plan bonds and the proposal to adopt a capital improvement plan therefor.

The following members were present: *Mayor Moore; Councilors Gullette*  
and the following were absent: *NA Kolb, + Ostlund*

Member *Gullette* introduced the following resolution and moved its adoption:



# CITY OF BLACKDUCK RESOLUTION NO: 2020-23

## RESOLUTION CALLING PUBLIC HEARING ON THE INTENTION TO ISSUE GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN BONDS AND THE PROPOSAL TO ADOPT A CAPITAL IMPROVEMENT PLAN THEREFOR

**WHEREAS**, pursuant to Minnesota Statutes, Section 475.521 the City of Blackduck, Minnesota (the “City”) may issue bonds to finance capital expenditures under its capital improvement plan (the “Plan”) without an election provided that, among other things, prior to issuing the bonds the City adopts the Plan after a public hearing thereon and publishes a notice of its intention to issue the bonds and the date and time of a hearing to obtain public comment on the matter; and

**WHEREAS**, the City Council intends to hold a public hearing on its intention to issue general obligation capital improvement plan bonds (the “Bonds”) and to adopt the Plan therefor pursuant thereto on September 14, 2020; and

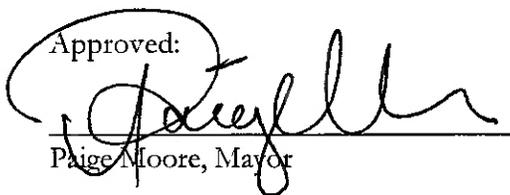
**NOW, THEREFOR, BE IT RESOLVED** by the City Council of the City of Blackduck, Minnesota, that the City Council hereby calls for a public hearing on its intent to issue the Bonds and to adopt the Plan therefor, such hearing to be held on the date and time set forth in Exhibit A attached hereto. The City Council is hereby directed to cause the notice to be published at least 14 but not more than 28 days before the hearing in the official newspaper of the City or a newspaper of general circulation in the City.

The motion for the adoption of the foregoing resolution was duly seconded by member Ostlund and, after full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof: Moore; Kolb; Gullette; Ostlund

and the following voted the same: N/A

Whereupon said resolution was declared duly passed and adopted.

Adopted by the City Council of the City of Blackduck on August 10, 2020.

Approved:  
  
Paige Moore, Mayor

  
Christina Regas – City Administrator

STATE OF MINNESOTA  
COUNTY OF BELTRAMI  
CITY OF BLACKDUCK

I, the undersigned, being duly qualified and acting City Administrator of the City of Blackduck, Minnesota, DO HEREBY CERTIFY that I have carefully compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council of said City, duly called and held on the date therein indicated, insofar as such minutes relate to the City Council calling a public hearing on the intension to issue the City's general obligation capital improvement plan bonds and proposal to adopt the City's capital improvement plan therefor.

WITNESS my hand on this 10<sup>th</sup> day of August, 2020.

  
\_\_\_\_\_  
City Administrator

**NOTICE OF PUBLIC HEARING**  
**CITY OF BLACKDUCK, MINNESOTA**  
**CAPITAL IMPROVEMENT PLAN**  
**AND NOTICE OF INTENTION TO ISSUE**  
**CAPITAL IMPROVEMENT BONDS**

**NOTICE IS HEREBY GIVEN** that the City Council of the City of Blackduck, Minnesota (the “City”) will meet on Monday, September 14, 2020, at 6:00 p.m., at the Blackduck City Hall, 8 Summit Avenue Northeast in Blackduck, Minnesota, in part to hold a public hearing concerning (1) the proposal to adopt a capital improvement plan pursuant to *Minnesota Statutes*, Section 475.521; and (2) the proposed issuance of general obligation bonds (the “Bonds”). The Bonds will be in an amount not to exceed \$1,100,000 and will be used to construct a new structure to house the public works and public safety departments for the City.

If a petition requesting a vote on the issuance of the Bonds, signed by voters equal to five percent of the votes cast in the City in the last general election, is filed with the City Administrator within 30 days after the public hearing (i.e., by October 14, 2020), the City may issue the Bonds only after obtaining approval of a majority of voters voting on the question at an election.

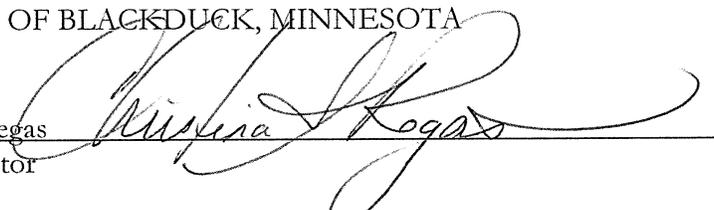
A copy of the plan is available for inspection in the City Administrator’s Office, City Hall, 8 Summit Avenue Northeast, Blackduck, Minnesota, 56630. Questions or comments may be directed to the City Administrator’s Office at 218-835-4803.

All interested persons may appear and be heard at the public hearing either orally or in writing or may file written comments with the City Administrator before the hearing.

Dated: August 10, 2020

BY ORDER OF THE CITY COUNCIL OF  
OF THE CITY OF BLACKDUCK, MINNESOTA

/s/ Christina Regas  
City Administrator

A handwritten signature in black ink, appearing to read 'Christina Regas', is written over a horizontal line. The signature is cursive and extends to the right of the line.

Client:

CITY OF BLACKDUCK

Account # 91343 Ad # 2853416

Phone: (218) 835-4803

Fax:

Address: PO BOX 380  
BLACKDUCK, MN 56630

Sales Rep.:

1315 Kelly Reid

Phone: (218) 333-9765

Fax: (218) 333-9819

Email: kreid@bemidjipioneer.com

Class.: 9960 MN LEGALS

Requested By:

Start Date: 08/29/2020

End Date: 09/05/2020

Nb. of Inserts: 2

Dimensions: 1 col. x 5.50 Inches

Publications: Blackduck American

Total Price: \$117.04

Paid Amount: \$0.00

Balance: \$117.04

Page 1 of 1

**-LEGAL ADVERTISEMENT-  
NOTICE OF PUBLIC HEARING  
CITY OF BLACKDUCK, MINNESOTA  
CAPITAL IMPROVEMENT PLAN AND  
NOTICE OF INTENTION TO ISSUE  
CAPITAL IMPROVEMENT BONDS**

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Dated: August 10, 2020

**BY ORDER OF THE CITY COUNCIL OF THE  
CITY OF BLACKDUCK, MINNESOTA**

/s/ Christina Regas, City Administrator  
2 da; 8/29,9/5