



MINUTES

Council Meeting

6:00 PM - Monday, July 6, 2020

City Hall, 8 Summit Drive, Blackduck MN

The Council of the City of Blackduck was called to order on Monday, July 6, 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, and Councilor Maxwell Gulette

COUNCILORS EXCUSED:

STAFF PRESENT: City Administrator Christina Regas, Police Chief Jace Grangruth, Lead Bartender Melissa Gulette, Public Works Supervisor Mike Schwanke, and Liquor Store Manager Shawnda Lahr

OTHERS PRESENT: Jennifer Parker Blackduck American, Sheldon Ostlund Resident, City Attorney Joseph Langel of RRM

1. CALL TO ORDER

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

2. APPROVAL OF AGENDA

a.

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

Carried 3 to 0

Paige Moore	For
Jason Kolb	For
Maxwell Gulette	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. June 8, 2020 Blackduck City Council Meeting Minutes
- b. ~~June 11, 2020 Blackduck Golf Board Meeting Minutes~~
- c. June 11, 2020 Blackduck Personnel Committee Meeting Minutes
- d. June 11, 2020 Blackduck City Council Work Session Minutes

- e. June 16, 2020 Blackduck Personnel Committee Meeting Minutes
- f. June 17, 2020 Blackduck Planning Commission Meeting Minutes
- g. June 18, 2020 Kitchigami Regional Library Board Meeting Packet including May 2020 Board minutes
- h. June 22, 2020 Blackduck City Council Work Session Meeting Minutes
- i. June 2020 Fund Balance Report
- j. ~~June 2020 Bill Batch~~
- k. June Sewer Income Statement
- l. June 2020 Water Income Statement
- m. June 2020 Pine Tree Park Income Statement
- n. June 2020 Golf Income Statement
- o. June 2020 Liquor Store income statement
- p. Final Approval - June/July 2020 new hires report
- q. Final Approval - 2020 First Half Property Tax settlement
- r. Final Approval - Karen Davis Satisfaction of Housing REhab of Mortgage
- s. Final Approval - Paul Bunyan Rural Telephone Cooperative agreement for managed communication services
- t. Final Approval - Ehlers Report of Potential Refunding of Existing Bonds
- u. Final Approval - Delta Dental 2020-2021 Group Dental Plan Renewal
- v. Final Approval - Coronavirus Relief Fund Certification - CARES - city of Blackduck

Maxwell Gullette moved to approve the consent agenda removing items (b) June 11, 2020 Blackduck Golf Board Meeting Minutes; and (j) June 2020 Bill Batch Paige Moore seconded the motion.

Carried 3 to 0

Paige Moore	For
Jason Kolb	For
Maxwell Gullette	For

- w. Discussion for item (b) June 11, 2020 Blackduck Golf Board Meeting Minutes
 Councilor Gullette requested clarification on the club house 'policies' regarding allowing the sale of beer and food to patrons but also allowing golfers to 'bring their own food to eat' stated the policies were confusing. Regas clarified the minutes stating the ladies league typically have food they have a pot luck upstairs of the club house when they golf together but since that is not allowed this season they have given permission to 'picnic' on the patio with their potluck food items or off-site when needed. Gullette asked to clarify that normal policies do not allow the public to bring their own food in before they golf. Regas stated that is accurate but reminded the board the golf course does not have a food license that allows for food service/sales. Nothing further.
- x. Discussion of item (j) June 2020 Bill Batch
 Councilor Gullette asked for confirmation the June payables include the last invoice from the Boyle Law Office for services rendered. Regas confirmed yes.
 Councilor Kolb asked why the City is not using Blackduck's Repair Businesses for the City's vehicles and maintenance. Kolb asked why the City is using Rudy's Repair when there are 3 mechanic shops that are local. Regas stated the choice of maintenance facility is descretionary on the department head if there is a better price

or service then that is up to that department head. Kolb stressed how the City should be doing everything local and questioned why the City is not doing the maintenance local for vehicles. Kolb further stated the bill batch does not specify which department uses Rudy's Repair for service. Regas stated the charges were billed to the Police Department. Kolb asked Police Chief Grangruth for elaboration on why he is not using a local business. Grangruth confirmed that as Regas stated the department heads have the discretion to go where they see will provide the service and requested to explain his reasons off the record noting he does not believe it is fair to discuss businesses in town on record. Nothing further.

Maxwell Gullette moved to approve consent items (b) June 11, 2020 Blackduck Golf Board Meeting Minutes; and (j) June 2020 Bill Batch Jason Kolb seconded the motion.

Carried 3 to 0

Paige Moore	For
Jason Kolb	For
Maxwell Gullette	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. Council Vacancies

Jennifer Parker asked if there is any additional plan in place to seek to fill the council vacancies. Mayor Moore stated the vacancies have been posted. Councilor Gullette stated there is an agenda item for this council meeting addressing a vacancy. Gullette stated resident Sheldon Ostlund has submitted a letter of interest the council will hear. Nothing further.

5. REPORTS OF COMMITTEES AND CITY STAFF

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

5.1.1. Approval of Downtown Alley Paving Contract

Paige Moore moved to approve the alley paving quote from Northern Paving as presented Maxwell Gullette seconded the motion.

Councilor Kolb asked Schwanke for his recommendation on the vendor to use. Schwanke stated he has a good working relationship from Northern Paving.

Carried 3 to 0

Paige Moore	For
Jason Kolb	For
Maxwell Gullette	For

5.1.2. Consideration - Public Works / Streets Equipment Quotes for Tractor and Dump Truck -

Tractor Replacement -Schwanke provided Council a quote on a new CAT tractor and a used CAT tractor for discussion. Schwanke stated the City tractor would provide a trade-in value of \$9750 reducing the cost of a new tractor to \$89,989.20 after state contract pricing or a used tractor from 2015 to \$64,776. Councilor Gullette asked if the costs include a warranty. Schwanke stated he did not have the time to find out the additional costs for a warranty. Regas requested Schwanke provide to council for consideration lease to own payment options. Gullette asked for details on the 2015 used tractor. Councilor Kolb requested a maintenance log for the 2015 used tractor. Schwanke agreed to provide the requested information at the next work session.

Dump Truck Replacement - Schwanke could not provide information on replacement option for a dump truck at this meeting. Schwanke stated at this time he would like to bring the City truck to Frontier to go over the truck and provide a full estimate on repairing the truck and the items of concern Schwanke has with it at this time. Nothing further at this time.

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

5.2.1. Approval of Liquor Store Furnace Contract

Paige Moore moved to approve Nendick's and Pater Electric for the furnace replacements and electrical as submitted Maxwell Gullette seconded the motion.

Carried 3 to 0

Paige Moore	For
Jason Kolb	For
Maxwell Gullette	For

5.3. LAW ENFORCEMENT REPORT - JACE GRANGRUTH, POLICE CHIEF

5.3.1. Report -

Police Chief Grangruth stated his department was involved in community policing with Officer Jespersen and youth in the city and campground over the July 4th holiday.

5.4. FIRE DEPARTMENT REPORT - BRIAN LARSON, FIRE CHIEF

5.4.1. *No report submitted.*

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

5.5.1. Approval of Water Softener Bid for Club House

Paige Moore moved to approve the estimate from Juelson Plumbing and Heating to replace the water softener in the club house Jason Kolb seconded the motion.

Carried 3 to 0

Paige Moore	For
Jason Kolb	For

Maxwell Gullette For

5.5.2. Approval of Golf Course Cart Shed updated budget -

Regas provided the council an updated budget for the cart shed to include the finishing work around the shed and to pay to have the drain tile trenched in for the water run-off plan for Beltrami County.

Maxwell Gullette moved to approve the revised budget for the golf course cart shed to provide for trenching and materials for the drain tile for the water run-off plan and landscaping finishing work for an increase to the budget of \$12,021 Jason Kolb seconded the motion.

Carried 3 to 0

Paige Moore For
Jason Kolb For
Maxwell Gullette For

5.6. LIBRARY REPORT - KELLY HANKS, HEAD LIBRARIAN

5.6.1. Report -

Councilor Gullette stated the library is open but is limiting capacity. Nothing further.

6. BLACKDUCK BLANDIN GROUP

a. Update -

Jace Grangruth provided a report on the status of the beach project. Grangruth stated the project is moving forward and contractor pending should be able to open at some point in the summer of 2020.

7. ADMINISTRATOR'S REPORT

a. Approval Needed - Resolution 2020-01 - revised - Resolution of Annual Appointments and designations for 2020

Paige Moore moved to approve the revised Resolution 2020-01 with updated committee appointments Jason Kolb seconded the motion.

Carried 3 to 0

Paige Moore For
Jason Kolb For
Maxwell Gullette For

b. Approval Needed - Resolution 2020-20 - Resolution approving an excluded bingo application for the Blackduck Area Chamber of Commerce Chamber Bingo permit application

Maxwell Gullette moved to approve Resolution 2020-20 for the Blackduck Chamber of Commerce Paige Moore seconded the motion.

Carried 3 to 0

Paige Moore For
Jason Kolb For
Maxwell Gullette For

- c. Council Consideration - Letter of Interest to fill vacancy of City council seat - Sheldon Ostlund
Resolution 2020-21 Resolution appointing Sheldon Ostlund to serve the term of the vacant council member
Sheldon Ostlund expressed his interest in serving on the City Council and filling one of the vacancies.

Jason Kolb moved to approve Resolution 2020-21 appointing Sheldon Ostlund to serve the term of the vacant council member seat through December 31, 2020 Maxwell Gullette seconded the motion.

Carried 3 to 0

Paige Moore For
Jason Kolb For
Maxwell Gullette For

- d. Approval Needed - Donation Requests -
a. Blackduck After Prom
b. Equity Awareness Presentation for the Community
The Blackduck City Council agreed to table the donation request for the Blackduck After Prom until the next meeting.

to approve a donation from the liquor rent fund of \$2500 to the Equity Awareness Presentation for the Community of Blackduck

Carried 3 to 0

Paige Moore For
Jason Kolb For
Maxwell Gullette For

- e. City Building Remodeling & Rebuilding of Liquor Store and Public Works/Law Enforcement - Consider to proceed with projects
Regas provided an updated bond debt schedule for the city building projects that places 30% of the debt payments from the water and wastewater funds lowering the debt levy to the tax payers from the first proposal provided at the June 22, 2020 work session. Regas further cautioned the council when discussing approving moving forward on the building and remodeling to remember the schedules provide for 3-4 years the city would pay interest on the bond until rolled into a USDA debt service. Regas further stated the amount of funding the water and wastewater accounts the debt service would need to cover would be about \$9,600 each. Regas stated a rate study for both budgets would need to be completed to determine if the funds could cover the additional expenses without a rate increase. Regas open the discussion for questions.
Questions:
Mayor Moore asked how long Regas would need to complete a rate study. Regas stated the study could be ready for review by the August 10, 2020 council meeting. Regas further cautioned the City Council that although the departments are eager to

move forward with the project(s) since the city only meets monthly the process will take some time to finish. Councilor Kolb stated he is willing to meet more than once a month in order to make this happen.
Nothing further at this time.

- f. July 27, 2020 Blackduck City Council Work Session
- g. July 28, 2020 - August 11, 2020 (5pm) City of Blackduck City Offices Filing Dates
- h. August 10, 2020 - Blackduck City Council Regular Meeting
- i. August 11, 2020 Minnesota Primary Election

8. MAYOR AND/OR COUNCIL MEMBER REPORTS

- a. Street Lighting Updates -
Councilor Kolb asked Schwanke for an update on the street lighting if 2020 was the last year. Schwanke stated there may need to have a few replaced in 2021 as there was a miscount originally. Kolb asked if the lights on Liberty Drive are planned for 2020. Schwanke stated yes along with 4th Street NE which are a different style. Schwanke further stated the Frontage Road wiring will need maintenance in 2020 as there is a short in the line and the entire line may need replacing.
- b. Speed Limit Signs on CSAH 30 & MnDot 71 & 72 -
Councilor Kolb asked when the speed limit signs on MnDot 71 will be moved further out of town to reduce the amount of jack braking coming into town. Regas further stated the County Engineer agreed to place 'orange' warnings markers on the speed limit signs entering the City on CSAH 30. Regas stated there is one coming into town on the west side but was unsure of the east side. Lahr confirmed the orange warning marker was not on CSAH 30 coming in from the east. Schwanke and Regas agreed to look into the speed limit sign requests of the council. Nothing further.

9. COMMUNITY EVENTS/GOOD THINGS HAPPENING

- a. City of Blackduck Employee Anniversaries
 - a. Scott Geerdes - Fire Department - 2013 - 8 years of service
 - b. Bailey Baumgartner - Liquor Store - 2015 - 5 years of service
 - c. Andrew Jespersen - Police Department - 2016 - 4 years of service
 - d. Joe Cheney - Fire Department - 2003 - 18 years of service
 - e. Mike Schwanke - Public Works - 2019 - 1 year of service - JUNE 10th
 - f. Shawnda Lahr - Liquor Store - 2009 - 12 years of service
- b. July 22, 2020 @ 2pm @ City Hall - Blackduck Planning Commission Meeting
- c. July 15, 2020 @ Noon @ The Hungry Duck Restaurant Restaurant - Blackduck Chamber Meeting
- d. July 8, 2020 @ 11am @ City Hall - Blackduck Development Corporation Meeting

10. ADJOURNMENT

- a.

Maxwell Gullette moved to adjourn the meeting at 7:42pm Paige Moore seconded the motion.

Carried 3 to 0

Paige Moore

For

Jason Kolb
Maxwell Gullette

For
For

City Administrator, Christina Regas

Mayor, Paige Moore