



# MINUTES

## Council - Work Session Meeting

6:00 PM - Monday, November 23, 2020  
City Hall, 8 Summit Drive, Blackduck MN

---

The Council - Work Session of the City of Blackduck was called to order on Monday, November 23, 2020, at 6:00 PM, in the City Hall, 8 Summit Drive, Blackduck MN, with the following members present:

- COUNCILORS PRESENT:** Councilor Jason Kolb, Mayor Maxwell Gullette, and Councilor Nicholas Seitz
- COUNCILORS EXCUSED:** Councilor Sheldon Ostlund
- STAFF PRESENT:** City Administrator Christina Regas, Police Chief Jace Grangruth, and Public Works Supervisor Mike Schwanke
- OTHERS PRESENT:** Matt Sparby

### 1 CALL TO ORDER

- a) Roll Call  
Regas took roll call of those in attendance.
- b) Pledge of Allegiance  
Mayor Gullette dispensed with the agenda.

### 2 APPROVAL OF AGENDA

- a)

Nicholas Seitz moved to approve the agenda as submitted Jason Kolb seconded the motion.

Carried 3 to 0

Jason Kolb	For
Maxwell Gullette	For
Nicholas Seitz	For

### 3 OLD BUSINESS

- a) City Building Remodeling & Rebuilding  
Updates from the first planning meetings of the Liquor store and Public Works / Law Enforcement buildings were discussed. Regas provided an update on the funding noting if the fees from engineers and architects are not included in the cost of the building the additional costs would need to be absorbed by the utility funding side. Schwanke stated if that needs to happen then rates would need to increase. Nothing further at this time.
- b) Public Works Truck(s)  
Schwanke reported he does not have a delivery date to report at this time.

- c) Blackduck Hot Water AIS Station  
Schwanke reported he and the County had communications issues of which have been resolved and he will be meeting with him to move forward with the project.
- d) Blackduck Library Deck & Front ADA Access  
Schwanke reported the front ADA access is now fixed and the long term issue will need to be decided upon in 2021. Regas will remove the item from the agenda.
- e) Resolution for Annual Appointments - After Election  
Regas requested the Council table the annual appointments until new business is discussed regarding the election and vacancies.
- f) Local Sales Tax - 2021 Legislative Process  
Regas reported she is compiling new updated revenue numbers from MN Dept of Revenue to support the resolution needed to pass by January 31, 2021.
- g) Blackduck Ordinance §1120 Beer, Wine, & Liquor Licensing -  
Regas reported the current City Ordinance §1120 as it is written does provide the owner of Blackduck Bowling Lanes the opportunity to offer strong beer. Regas stated the path would include the application for a 3.2% license AND the current Wine License option, holding both licenses and having an inspection from MDH supporting the 25 seating requirement would allow Blackduck Bowling Lanes to offer strong beer. Regas reported this communication has been provided to the owner in email format and with 2021 renewal documentation.

#### 4 NEW BUSINESS

- a) Schedule of Fees and Charges for 2021  
The schedule of fees and charges for 2021 was discussed and the following was agreed upon to change:
  1. Item #29 - The monthly sewer base fee for a Multi-family Dwelling unit shall be ~~\$13.00~~ \$18.00 per unit. -it was discussed to increase this rate to match the residential rate of \$18.00.
  2. Item #34 - The fee for bulk water shall be a ~~\$50.00 minimum for each connection to the public water system, which will included 1,000 gallons, thereafter \$20.00~~ (Schwanke and Regas will set this amount to be higher than the per gallon rate that exists for all utility customers) the connection charge to the public water system would be removed from the fee.
 The remaining fees and charges would not change for 2021 at this time.
- b) Condemnation vs. Hazardouse Structure Act  
Regas reviewed the notes and LMC memo with the council and asked for feedback. Regas noted that both processes have risk involved the question the City of Blackduck needs to decide if it should get involved. Regas stated the City would need to prove a public purpose to own the property if condemnation is chosen, and in the case of the hazardous structure act may acquire to properties without a public purpose but would assume the financial risk. Regas stated that regardless of which path the City chooses the City Attorney recommends the City order an administrative search warrant to inspect 32 Main Street that has not had an inspection completed. Regas stated the courts would want to see more clarity on the condition of the property to continue the hazardous structure act. Regas stated that although it would be a difficult lengthy process the end result would benefit the city to have the redevelopment downtown. Mayor Gulette agreed the City order the search warrant and requested it be added to the agenda for December 7, 2020. Mayor Gulette further requested a member of the BDC be invited to the next council meeting. Regas will extend an invite to Dwight Kalvig.
- c) 2020 Election Vacancys & Swearing in of Special Election Council members  
Regas stated the intention to swear in Councilor Ostlund if he were present to the

work session and noted that it will be completed at the December 7 Council Meeting. Regas provided drafts of resolutions declaring vacancies in the special election seat and general election seat for review.

Regas provided insight to how the city should proceed to fill the vacant general election seat. City Attorney Langel stated in an email the City need to hold a special election on a uniform election date and provided those dates to chose from. After discussing those dates the council settled on the second Tuesday in April which is April 13, 2021. Regas stated she would draft the resolution to order the special election. Mayor Gullette asked when candidates would need to file for the seat. Regas could not confirm but normally filling is 90 days prior to an election. Regas stated this special election may be different.

Regas further recommended the City Council hold off on updating designations for committee vacancies until after the January 2021 regular council meeting.

d) Petition for Vacation of Universal Drive SW in the City of Blackduck - Matthew Sparby

Regas conference in Matt Sparby owner of Southern Duck Estates Development to discuss his petition for vacation of Universal Drive SW / Orion Ct. SW / and Milky Way Dr. SW. Regas provided for reference the plat map of Southern Duck Estates. Sparby stated his petition request is in result of his original planned plat. Sparby stated the owner of Rudniki Tractor Ranch has shown interest in purchasing the existing building and the potential of an additional structure construction and the Blackduck Snowmobile Club will purchase another parcel to build a public parking lot. Sparby stated he would like to retain the remaining property for personal use and stated the project is not going to financially feasible to complete in the near future including installing the remaining roads. Sparby stated he will keep the existing road; sell off the property and buildings; and retain the remaining. Sparby stated the remaining property would still remain in the City.

Regas asked for clarification on where the road would stop. Sparby noted the location with tree landmarks. Sparby stated how at the time when the development was create the dream was great but he has lost money on the project he will not get back and now it is time to part ways and move on.

Mayor Gullette asked how vacating the road would be of interest to the public. Sparby stated it allows for the snowmobile club parking lot and the business continue and grow without having additional costs. Sparby stated the development was never finished once the bid for constructing the roads came in. Regas asked if the current platted parcels will remain as they are now. Sparby stated no the parcels would go back to farmland and not be mowed. Sparby stated the parking lot will be a good addition to the City.

Mayor Gullette asked what the next step would be. Regas stated the City needs to order the public hearing so Regas can notify all the property owners regardless of Sparby is the only owner. Regas recommended the public hearing be scheduled to coincide with the January 11, 2021 regular council meeting. City Council agreed to the January date.

Councilor Kolb asked if the land would remain residential or reclassify it as agricultural. Sparby stated that would be up to the City. Kolb asked if it remains residential is the City allowed to remove the road. Sparby stated there would still have an easement for that property and there will be an easement for the snowmobile club. Sparby stated although it was platted as a road it was never maintained as a road.

Nothing further at this time.

e) Chief of Police Job description update - reporting authority

Chief Grangruth requested the council consider a restructuring of the way the Police Chief reports to the City. Grangruth currently as per his job description reports to

the City Administrator. Grangruth stated that although nothing would change regarding the Chief's working relationship between the positions. Grangruth stated he would like to have his position report to the City Council instead of the City Administrator. Mayor Gullette asked if the Chief would then provide a report at each meeting. Grangruth stated yes that could be an option. Grangruth further stated although the Administrator is the Chief's direct supervisor it gets complicated when there is a law enforcement matter since civilians have no jurisdiction over those matters. Councilor Kolb stated his concern for the Chief's communication with the Council and the risk of violating Open Meeting Law. Grangruth stated the Council can continue communicating the same without any violation risk. Councilor Kolb asked if the change would just be a policy change. Regas stated it would just be an update to the job description for the Police Chief. Regas stated the Chief could meet with the Personnel Committee update the job description and request further approval of the council. Nothing further.

**5 ADJOURNMENT**

a)

Jason Kolb moved to adjourn the work session at 7:52pm Nicholas Seitz seconded the motion.

Carried 3 to 0

Jason Kolb	For
Maxwell Gullette	For
Nicholas Seitz	For

---

Christina Regas, City Administrator

---

Maxwell Gullette, Mayor