

City of Blackduck
Regular Meeting
September 8th, 2014

The City Council of the City of Blackduck met in Regular Session at Blackduck City Hall at 6:00 p.m. on September 8th, 2014.

Councilors present: Mayor Lundberg, Councilors Loeken, Stade, Christenson

Councilors Absent: Patch

Staff Present: City Administrator Christina Regas, Public Works Supervisor Bob Klug, Liquor Store Manager Shawnda Kisner, Golf Course Manager Jim Anderson,

Others Present: Jillian Gandsey, Kurt Benson, Kipp Newman, Dan Skaug

The meeting was called to order at 6:04pm and the Pledge of Allegiance was recited.

Blackduck Forum

No action taken

Approval of the Agenda

Councilor Loeken moved to approve the agenda as written seconded by Councilor Christenson motion carried unanimously.

Consent Items

Moved by Councilor Christenson and seconded by Councilor Stade to approve the following consent agenda items. Motion carried unanimously.

- Minutes from August 4th, 2014 Council Meeting
- Minutes from August 18th, 2014 Public Hearing Minutes

Correspondence - None

Presentation of Bills, YTD Income Statements through July, and Fund Balance Report

- Moved by Mayor Lundberg and seconded by Councilor Stade to approve payment of Bill Report #1 in the amount of \$66,724.76 & Bill Report #2 in the amount of \$44,029.83 for the August bills and transfer of \$2,000 from the General Fund to the Cemetery Fund; transfer \$22,000.00 from the Water Fund to the Water Sinking fund for 2014 Capital outlay; and transfer \$30,000.00 from the Sewer Fund to the Sewer Maintenance Fund for 2014 Capital outlay. Motion carried unanimously.
- LG216 Worksheet for Lawful Gambling; Month End Remittance Report for July 2014; Fire Dept. Training Redistribution for review.

Administrative

- **Kevin Beck – Utility account request** – Mr. Beck was not present to discuss his July utility bill for the Touchless Car Wash at Timberline that had above normal usage due to possible water softener regeneration failure. He is asking for relief of \$2,716.58. Mayor Lundberg motioned to table the item until Mr. Beck can be present at the next council meeting, seconded by Councilor Christenson. Motion passes.
- **General Fund 2015 Budget Approval & Proposed 2015 Levy** – Motion by Councilor Christenson and seconded by Mayor Lundberg to approve Resolution 2014-10 for the proposed levy at \$210,000. Discussion by Loeken and Stade regarding the 3% merit increase for full time employees, Lundberg stated that it has to be budgeted but can go down. Stade questioned where does the 3% come from? Wage allocation page includes

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steps that are 3%; this does not mean all employees are going to receive a 3% increase it will be based upon performance evaluation. Regas stated that overall there is a cost savings on payroll in the general fund however due to PERA going up that was a difference. The 3% is a budgeted recommendation. Hearing no other discussion, Motion passes.

- **4th Street NE Sewer Replacement Resolution authorizing the issuance, sale, and delivery of a \$105,000 general obligation disposal system bond series 2014A.** Kurt Benson questioned if it is city's responsibility from the gutter out, Klug stated it is the homeowners responsibility for the service line, the main is what the city is replacing. Benson asked why are the homeowners responsible for the main? Klug stated the city's assessment policy allows for that. The sewers assessment percentage is 70%, but the city is only assessing 30% of the 70%. Benson questioned why the contractor isn't responsible for the main since they put it in? The contractor is no longer around. Newman stated that the city is responsible for a large amount of the charges to fix it and are assuming most of the costs. Benson requested the amount being assessed, Regas stated it is \$1914.50 per property owner; it can be paid up front or assessed on their taxes for 10 years. Regas stated to Benson that the assessment was run through the city attorney and all waivers are legal. Councilor Stade motioned to approve the issuance of the 2014A general obligation bond for \$105,000 to complete this project seconded by Councilor Christenson. Motion passed.
- **Temporary Liquor License for the Pond** – Councilor Christenson motioned to approve the 4 Day Temporary on-sale liquor license for the 4 Sundays in November for hunting season and a Greenbay Packer/Vikings Game seconded by Mayor Lundberg. Motion passes.
- **Tax Assessment for Unpaid Utility Bills – Resolution 2014-11** - Motion by Councilor Stade and seconded by Councilor Loeken to approve the assessment for past due street light charges. Discussion was made by Mayor Lundberg asking if the city is going to address the inconsistency of the charges of the street light fees to the residents of Blackduck, Regas stated that she is almost complete with her study to find out who is and who isn't being charged the fee. Regas summarized the ordinance to Councilor Christenson and Loeken that it was adopted to assist paying for the electricity to light the street lights within the city. Councilor Stade asked for a review of the ordinance. Mayor Lundberg called for a vote on the motion. Motion passes unanimously.

Committee Reports

- **Planning Commission – Approval of Variance Request by Kipp Newman** for his residence at 56 3rd St. NE for his new deck. Kipp Newman is requesting approval of an 11 foot variance to build his front deck due to his home being inside the 30 foot variance already. His neighbors are fine with his deck and have had no issues with the variance request. Motion by Councilor Loeken and seconded by Councilor Christenson to approve the 11 foot variance. Motion passes.

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Department Updates

Public Works –

- **Hail Storm Bid Approval** – After the Legal Advertisement was run the city received bids for the hail storm damage and one bid came in that covered all that was requested by the city. Regas stated that two bids came in however only one had all that was requested from the advertisement. Motion by Councilor Christenson and seconded by Councilor Stade to approve DPS Exteriors as the winning bidder for the hail damage. Motion passes.
- **Sale of Replaced Grader** – Motion by Councilor Stade and seconded by Councilor Loeken to advertise for 2 weekends and take bids for 3 weeks with a starting minimum bid of \$10,000 for the old Grader. Regas will also research other websites to advertise it on such as Rural Water, LMC, etc. Motion Passes.

Liquor Store-

- **Bash Report** – the Pond had increased sales over 2013
- **Refrigerator purchase approval** – Motion by Mayor Lundberg and seconded by Councilor Christenson to purchase the True Food Service Equipment Reach-in Refrigerator Model No. T-23 for \$2520.98 plus shipping and removal of old unit from Naylor's in Bemidji. Discussion by Shawnda was made to ensure the next unit had a 3 year parts and labor plus 5 year on compressor warranty. The current unit has no compressor warranty. Artic air is no longer in business and Naylor's will not support the warrant of the current one. Motion Passes.

Police Department- no report

Fire Department- no report

Municipal Golf Course-

- Jim Anderson reports that business at the Golf course is winding down but it still has tournaments scheduled for the upcoming weekend. It has been a good year despite the June rain and he is looking into the first part of October to be closed.

Director of Community Services & Activity Report – report submitted by Ryan Grow

Adjournment

Moved by Councilor Christenson and seconded by Councilor Stade to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 7:03pm.

Christina Regas, City Administrator

Daryl Lundberg, Mayor