



# BLACKDUCK CITY COUNCIL MEETING

TUESDAY JULY 5<sup>TH</sup>, 2016 6PM

REGULAR COUNCIL MEETING MINUTES

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**CALL TO ORDER:** The City Council of the City of Blackduck met in Regular Session at Blackduck City Hall at 6:00p.m. on July 5<sup>th</sup>, 2016.

**ROLL CALL:**

**Councilors present:** Councilors Stade, Patch, and Mayor Lundberg

**Councilors Absent:** Loeken

**Staff Present:** City Administrator Christina Regas, Liquor Store Manager Shawnda Lahr, Golf Course Superintendent Jim Andersen, Public Works Supervisor Bob Klug

**Others Present:** Audrey Zimmerman Bemidji Pioneer, Brandon Carlson WSN, Dawn Jourdan, Kurt Benson, Bob Klug Sr., Curt Cease, Jordan Lee WSN, Sandy Nelson Miller McDonald

**APPROVAL OF AGENDA** – Councilor Patch moved to approve the agenda seconded by Councilor Stade. Motion carried unanimously.

**CONSENT AGENDA** – Moved by Councilor Stade and seconded by Councilor Patch to approve the consent agenda items:

- a. June 6<sup>th</sup>, 2016 Council Meeting Minutes
- b. June 21<sup>st</sup>, 2016 Council Work Session Minutes
- c. June 8<sup>th</sup>, 2016 Blackduck Development Corp Meeting Minutes
- d. June 22<sup>nd</sup>, 2016 Planning Commission Minutes
- e. May 19<sup>th</sup>, 2016 Kitchigami Regional Library Board Meeting Minutes
- f. June 21<sup>st</sup>, 2016 Blackduck Municipal Golf Board Meeting Minutes
- g. June 23<sup>rd</sup>, 2016 Liquor Committee Meeting Minutes
- h. June 2016 Fund Balance Report
- i. June 2016 Bills
- j. YTD June 2016 Income Statements
- k. June 2016 Month End Remittance Report
- l. May 2016 LG216 Lawful Gambling Monthly Rent Report
- m. June 2016 Property Tax Settlement
- n. 2016 LMCIT Workers Compensation Insurance Breakdown
- o. Final Council Approval of new employees and resignations

Motion carried unanimously.

**BLACKDUCK FORUM** –

No one present to speak.

**2015 CITY FINANCIAL AUDIT REPORT** – Sandy Nelson, Miller McDonald

1. Sandy Nelson was present to review highlights of the 2015 Financial Audit. Nelson pointed out a listing of items that were tested accordance with the MN Legal Compliance Audit Guide for Cities. One item pointed out was marked 2015-001: Insufficient Pledged Collateral where the audit recognized the City did not have enough pledge collateral December 31, 2015 and recommends the City monitor and inform the financial institution of the pledged collateral



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quarterly. Two standard documents were submitted that are required that require any significant deficiencies. Those are that Miller McDonald prepares the financial statements, typically it is done by the City but the City of Blackduck does not do that portion Miller McDonald does. The other finding was the segregation of duties, the City of Blackduck finance department has only 2 people so segregation of duties is difficult. Other findings included new reporting standards for PERA required by the State Auditor. Miller McDonald found no significant difficulties in dealing with management in performing and completing the audit, there was no disagreements with management found, and there were no uncorrected misstatements found. There was one invoice that was not paid within 35 days and it was suggested to date stamp all invoices as they come in. Nelson reported on individual enterprise fund year end net profits and compared them to previous years.

### **2016 ROAD IMPROVEMENT PROJECTS – Curt Meyer, City Engineer WSN**

1. Resolution 2016-16 Resolution of adoption of residential anti-displacement & relocation assistance; Resolution 2016-17 Resolution adopting a policy prohibiting civil rights/excessive force; & Resolution 2016-18 Resolution adopting a policy regarding drug free workplace – Moved by Councilor Patch and seconded by Councilor Stade to approve Resolutions 2016-16-18. Motion passed.
2. Road Improvement Projects Funding – Jordan Lee of WSN was present to update the council on the funding timeline for the water and sewer projects. Lee reported that the 2015 PFA funds and any 2016 PFA funds for the water project will be loan at 1%. There is no grant money available. DEED still has no contracts available for the City to sign, Lee relayed that any construction costs incurred before grant agreement signing are ineligible for reimbursement with grant money.
3. Construction Timeline – Brandon Carlson from WSN was present to update the council on the construction timeline. Carlson reported that Glaydens plan to start the project on July 6<sup>th</sup>, 2016 and construction meetings would resume again. Detours would be up on Summit and remain up until the project is completed.

### **COMMITTEE REPORTS –**

1. Planning Commission – Bob Klug Sr., Curt Cease, & Kurt Benson
  - a. BDC Preliminary Plat – Moved by Councilor Stade and seconded by Councilor Patch to accept the recommendation of the Planning Commission and approve the Preliminary Plat for the BDC. Further discussion stated the importance to have a future plan for Oscar Ave and to request storm water runoff from the developer of the multi-family housing.
  - b. Evacuation Plan Towns Edge Estates – Moved by Mayor Lundberg and seconded by Councilor Patch to approve the submitted recommended evacuation plan for Towns Edge Estates. Motion passed.

### **PUBLIC WORKS REPORT – Bob Klug Jr., Public Works Supervisor**

1. Quote for Repairs to the Blackduck Police Department Roof – Moved by Mayor Lundberg and seconded by Councilor Stade to accept a quote to repair the roof on the Police Department building for \$8920.00 and pay for the repairs from the General Fund Reserve fund. Motion passed.

### **LIQUOR STORE REPORT – Shawnda Lahr, Liquor Store Manager**

1. Lahr presented a report on the 4<sup>th</sup> of July sales to the council. Nothing further.

### **LAW ENFORCEMENT REPORT – John Wilkinson, Chief of Police**

No report submitted.

### **FIRE DEPARTMENT REPORT – Troy Gabrelcik, Fire Chief**



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No report submitted.

## **GOLF COURSE REPORT** – Jim Andersen, Golf Course Superintendent

1. Andersen was present to report on the traffic from the 4<sup>th</sup> of July.
2. Earl Sargeant Tournament was booked for September 10<sup>th</sup>, 2016.
3. New Equipment Options – Andersen stated that MTI would be up this week to discuss the greens mower options and costs and he will discuss with Regas when they arrive.
4. Dawn Jordon – reported that her interaction with the ladies members was positive when she shared the plan to raise member rates is new equipment is purchased.

## **LIBRARY REPORT** – Alayna Nestberg, Head Librarian

No report submitted.

## **ADMINISTRATOR’S REPORT** – Christina Regas, City Administrator

1. Ordinance 2016-01 – Moved by Councilor Patch and seconded by Councilor Stade to approve Ordinance 2016-01 First and Final reading “Providing and Maintaining a municipal street light system”. Motion passed.
2. Resolution 2016-19 – Resolution accepting resignation and declaring a vacancy. - Moved by Mayor Lundberg and seconded by Councilor Patch to approve Resolution 2016-19. Motion passed
3. Resolution 2016-20 – Resolution to appoint Election Judges for the 2016 Primary & General Elections – Moved by Councilor Stade and seconded by Mayor Lundberg to approve Resolution 2016-20. Motion passed.
4. Filing Date for 2016 City of Blackduck Elections – Regas reported that the filing for 4 seats (3 councilors and 1 mayor) will be August 2 – August 16<sup>th</sup>, 2016.
5. Award letter form MN DNR for the Blackduck Trail Project – Regas reported that the additional gap funding for Phase 2 of the trail was awarded to the City of Blackduck
6. Work Session – Regas requested a work session on Monday July 11<sup>th</sup>, 2016 at 7:30pm.

## **COMMUNITY EVENTS/GOOD THINGS HAPPENING** –

- a. Blackduck Paint the Town Purple – Relay for Life – July 6<sup>th</sup> -10<sup>th</sup>, 2016
- b. Children’s Stories from India – July 14<sup>th</sup>, 2016 5pm Blackduck Senior Center
- c. Wood Carvers Festival – July 30<sup>th</sup>, 2016
- d. Blackduck American Legion Family Picnic Fundraiser – July 16<sup>th</sup>, 2016 4-8pm Wayside Rest Park
- e. Backwoods Bash – August 20<sup>th</sup>, 2016
- f. July 31<sup>st</sup> – Blackduck Firemen’s Scramble
- g. July 26<sup>th</sup> – Ladies Scramble

**ADJOURN** – Moved by Councilor Stade and seconded by Mayor Lundberg to adjourn the meeting at 7:04pm. Motion carried unanimously.

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Christina Regas, City Administrator

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Daryl Lundberg, Mayor