

I. CALL TO ORDER.

A regular meeting of the City Council of the City of Litchfield was held in the City Council Chambers at the City Hall Tuesday, January 17, 2023, commencing at 5:30 p.m. Mayor Dingmann called the meeting to order.

A. ROLL CALL:

Mayor	Ron Dingmann	Present
Council Member-at-Large	Vacant	Present
Council Member Ward I	Eric Mathwig	Excused
Council Member Ward II	Darlene Kotelnicki	Present
Council Member Ward III	Betty Allen	Present
Council Member Ward IV	John Carlson	Present
Council Member Ward V	Sara Miller	Present
City Administrator	Dave Cziok	Present
Assistant City Administrator	Joyce Spreiter	Present
Operations Coordinator	Mario Provencher	Present
Operations Engineer	Mike Geers	Present
City Attorney	Mark Wood	Present
City Engineer	Chuck DeWolf	Present
Independent Review	Amy Wilde	Present
KLFD	Tim Bergstrom	Present

B. PLEDGE OF ALLIGIANCE

II. CONSENT AGENDA -

Each item on the Consent Agenda was considered. No items were added or deleted.

A. COUNCIL MINUTES TO APPROVE:

- 1. City Council Meeting – January 3, 2023

B. FINANCIAL REPORTS TO APPROVE:

- 1. Electronic and Wire Transfer Report

C. CLAIMS TO AUTHORIZE FOR PAYMENT –

- 1. Computer List of Bills for \$275,452.52

D. OTHER PAYMENTS:

- 1. 2022 Wastewater Treatment Facility Imp Project –

**CITY OF LITCHFIELD
 RESOLUTION NO. 23-1-16
 AUTHORIZE PAYMENT NO. 2
 FOR THE LITCHFIELD WATER TREATMENT FACILITY
 IMPROVEMENT PROJECT**

WHEREAS, a contract has been awarded for the above titled item, and

WHEREAS, recommendation has been made and is on file to approve this payment,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Litchfield hereby approves Payment No. 2 for the 2022 Litchfield Water Treatment Facility Improvement Project totaling \$22,773.59 as attached and on file.

Resolution No. 23-1-16 – Cont’d

Adopted by the City Council this 17th day of January, 2023.

Attest:

ASSISTANT CITY ADMINISTRATOR

Approved:

MAYOR

E. ORDINANCES – SECOND READINGS: None.

F. LICENSES:

1. Lawful Gambling Permit – Litchfield Area Mentorship Program – Kinship –

**CITY OF LITCHFIELD
RESOLUTION NO. 23-1-14
LAWFUL GAMBLING PERMIT TO CONDUCT OFF-SITE GAMBLING FOR
AN EXEMPT ORGANIZATION LITCHFIELD AREA MENTORSHIP PROGRAM- KINSHIP**

WHEREAS, an application for a lawful gambling license to conduct off-site gambling was considered from the Litchfield Area Mentorship Program - Kinship,

NOW, THEREFORE, BE IT RESOLVED to approve the application to conduct off-site gambling from a Lawful Gambling license for the Litchfield Area Mentorship Program - Kinship for March 31, 2023, at Litchfield Eagles Club, 389 CSAH 34 S, Litchfield, MN, and to direct submittal of a copy of this resolution with their application to the State Gambling Control Division.

Adopted by the City Council this 17th day of January, 2023.

Attest:

ASSISTANT CITY ADMINISTRATOR

Approved:

MAYOR

2. Lawful Gambling Permit – Litchfield Lions Club –

**CITY OF LITCHFIELD
RESOLUTION NO. 23-1-15
LAWFUL GAMBLING PERMIT TO CONDUCT OFF-SITE GAMBLING FOR
AN EXEMPT ORGANIZATION LITCHFIELD LIONS CLUB**

WHEREAS, an application for a lawful gambling license to conduct off-site gambling was considered from the Litchfield Lions Club,

NOW, THEREFORE, BE IT RESOLVED to approve the application to conduct off-site gambling from a Lawful Gambling license for the Litchfield Lions Club for February 20, 2023, at Litchfield Eagles Club, 389 CSAH 34 S, Litchfield, MN, and to direct submittal of a copy of this resolution with their application to the State Gambling Control Division.

Adopted by the City Council this 17th day of January, 2023.

Attest:

ASSISTANT CITY ADMINISTRATOR

Approved:

MAYOR

G. OTHER ROUTINE MATTERS:

1. 2022 DER Tariff Filing –

**CITY OF LITCHFIELD
RESOLUTION NO. 23-1-17
APPROVING UPDATES TO THE CITY OF LITCHFIELD’S
COGENERATION AND SMALL POWER PRODUCTION TARIFF**

WHEREAS, the City of Litchfield’s rules and Minnesota Statutes Section 216B.164 require the utility to annually file a Cogeneration and Small Power Production Tariff with the Litchfield City Council, and

WHEREAS, Schedule 1 of this tariff shall provide the calculation of average retail utility energy rates, and

WHEREAS, Schedule 2 provides standard contracts to be used with qualifying facilities, and

WHEREAS, Schedule 3 provides the utility’s safety standards, required operating procedures for interconnected operations, and the functions to be performed by any control and protective apparatus, and

WHEREAS, Schedule 4 provides procedures for notifying qualifying facilities of periods when the City of Litchfield will not purchase energy or capacity, and

WHEREAS, Schedule 5 provides the estimated seasonal peak and off-peak system average incremental energy costs for the utility’s power supplier from which energy purchases are first avoided, as well as the power supplier’s net annual avoided capacity costs, and

WHEREAS, these filings shall be maintained at the City of Litchfield offices and shall be made available for public inspection during normal business hours, and

THEREFORE, BE IT RESOLVED that the Litchfield City Council approves the following updates to the Cogeneration and Small Power Production Tariff for transactions following the date of adoption stated below.

Adopted by the City Council this 17th day of January, 2023.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

H. COMMUNICATIONS TO REVIEW :

- 1. Minutes & Reports:
 - a. Airport Minutes – January 9, 2023

After review, it was moved by Council Member Allen, seconded by Council Member Miller, to adopt the following:

**CITY OF LITCHFIELD
RESOLUTION NO. 23-1-18
APPROVING CONSENT AGENDA**

WHEREAS, the Consent Agenda has been assembled and presented; and

WHEREAS, all requests to have items removed have been duly noted,

NOW, THEREFORE, BE IT RESOLVED to approve the Consent Agenda as presented except for items, if any, which were requested to be removed for individual consideration.

Adopted by the City Council this 17th day of January, 2023.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

Upon roll call vote, all members present voted aye, whereupon the resolution was declared adopted.

III. TIMED ITEMS –

A. 5:30 P.M. PUBLIC HEARING CONTINUED – CONSIDER ADOPTION OF SALES TAX ORDINANCE –

This being the time, date, and place set, with all notices published and posted as required by law, Mayor Dingmann opened the public hearing (continued from the January 3, 2023 due to inclement weather) at 5:32 p.m. to consider adoption of a Sales Tax Ordinance.

An attendance list is on file. There were no oral or written comments. Mayor Dingmann closed the public hearing at 5:33.

After review, it was moved by Council Member Miller, seconded by Council Member Carlson, to adopt the following:

**CITY OF LITCHFIELD
RESOLUTION NO. 23-1-7
FIRST READING OF AN ORDINANCE
ADOPTION OF SALES TAX ORDINANCE**

WHEREAS, the Minnesota Legislature has provided the City of Litchfield the ability to secure a special local law related to establishing a local sales and use tax pursuant to Minnesota Session Laws 2021, 1st Special Session, Chapter 14, Article 8, Section 10; and

WHEREAS, said law requires the approval by the voters at a general election pursuant to Minnesota Statutes section 297A.99, subdivision 3; and

WHEREAS, upon voter approval, the City of Litchfield may impose by ordinance a sales and use tax of one-half of one percent for the purposes relating to the cost of collecting and administering the tax and for up to \$10,000,000.00 for the cost of constructing a community wellness/recreation center that will include a gymnasium and general fitness spaces, a dedicated walking section, a community room, and any locker rooms and mechanical equipment needed for future additions to the facility; and

WHEREAS, said law allows the City of Litchfield the ability to issue bonds under Minnesota Statutes chapter 475 to finance all or a portion of the costs of the above facilities; and

WHEREAS, the voters approved the above sales and use tax at the 2022 general election; and

WHEREAS, the City of Litchfield City Charter Chapter 3, Section 3.04 states except as otherwise provided, all legislation shall be by ordinance; and

WHEREAS, the City Council held a public hearing on January 3, 2023 at City Hall, to consider the adoption of a Sales Tax Ordinance after due published and posted notice had been given, by the Assistant City Administrator, and all interested and affected persons were given the opportunity to voice their concerns and be heard; and

WHEREAS, there were no objections received at the hearing,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Litchfield that this be the First Reading of Ordinance No. 816, adoption of Sales Tax Ordinance.

Adopted by the City Council this 17th of January, 2023.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

Upon roll call vote, all members present voted aye, whereupon the resolution was declared adopted.

IV. ACKNOWLEDGEMENT OF AUDIENCE/PRESENTATIONS –

A. LITCHFIELD BASEBALL ASSOCIATION –

Nick Ridgeway, representing the Litchfield Baseball Association, addressed the Council with a request for consideration to finance new stadium seating. He explained that an inventory of damaged seats from vandalism led to looking into replacing the seating in its entirety. Ridgeway shared that Litchfield Baseball Association has been researching replacement costs and received a proposal from H&B Specialized Products, adding they would like to proceed with purchasing the new stadium seating. He outlined the financing proposal for Council consideration in which Litchfield Baseball Association is requesting the City provide the upfront financing costs for purchasing the stadium seating. Ridgeway continued that Litchfield Baseball Association would provide a down payment in the amount of \$21,635.00 after the 100th Annual Tournament and would ask for consideration of potential forgiveness of the remaining \$21,635.00 at a later date.

Nick Ridgeway provided the status of the commitment Litchfield Baseball Association has made financially towards the canopy with \$38,000 paid and a remaining balance to be paid of \$24,000. The Council shared their support of the improvements made at Optimist Park. Council Member Carlson explained that the City has made concessions with other projects and asked if Litchfield Baseball Association could live with the City forgiving one-fourth of the cost. While the Council supports Litchfield Baseball Association and their efforts, Council Members shared concern about the long list of other projects needing funding as well. Nick Ridgeway responded that forgiving one-fourth of the costs would be acceptable.

After review, it was moved by Council Member Carlson, seconded by Council Member Miller, to adopt the following:

**CITY OF LITCHFIELD
RESOLUTION NO. 23-1-19
AUTHORIZE FINANCING FOR OPTIMIST PARK STADIUM SEATING**

WHEREAS, the City has partnered with Litchfield Baseball Association on Optimist Park Improvements; and

WHEREAS, previous improvements included a canopy project and a backstop project; and

WHEREAS, Litchfield Baseball Association has identified additional improvement needs along with the original request; and

WHEREAS, Litchfield Baseball Association is requesting to partner with the City on replacing the stadium seating; and

WHEREAS, Litchfield Baseball Association has received a proposal from H&B Specialized Products in the amount of \$43,270.00; and

WHEREAS, Litchfield Baseball Association requested consideration of the City financing the project upfront with a down payment from Litchfield Baseball Association in the amount of \$21,635.00 following the 100th Annual Tournament,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Litchfield hereby approves providing the upfront financing for the purchase of new stadium seating for Optimist Park from H&B Specialized Products in the amount of \$43,270.00; and

BE IT FURTHER RESOLVED that Litchfield Baseball Association will provide a down payment in the amount of \$21,635.00 following the 100th Annual Tournament,

AND BE IT FURTHER RESOLVED the City will forgive one-fourth of the remaining half with Litchfield Baseball Association reimbursing the City for the other one-fourth over time.

Adopted by the City Council this 17th day of January, 2023.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR

Upon roll call vote, all members present voted aye, whereupon the resolution was declared adopted.

V. COMMISSION RECOMMENDATIONS – None

VI. COMMITTEE REPORTS – None

VII. LEGAL CONSIDERATIONS – None.

VIII. BUSINESS –

A. HOUSING –

City Administrator Cziok outlined the proposal from WSB for services to provide Housing Task Force coordination. The Council reviewed the Housing Task Force makeup, timeline, appointments, and recruitment.

After review, it was moved by Council Member Kotelnicki, seconded by Council Member Carlson, to adopt the following:

**CITY OF LITCHFIELD
RESOLUTION NO. 23-1-20
APPROVAL OF WSB PROPOSAL TO PROVIDE
HOUSING TASK FORCE COORDINATION SERVICES**

WHEREAS, the City has been discussing housing needs; and

WHEREAS, the Council held a work session on housing with Jim Gromberg, Economic Development Coordinator for WSB, and Lisa Graphenteen representing Meeker County EDA; and

WHEREAS, WSB recommended establishing a Housing Task Force to involve a variety of leadership perspectives, community groups, businesses, and residents in an effort to determine long-term housing needs and opportunities; and

WHEREAS, the composition of the housing task force is critical to its success; and

WHEREAS, Jim Gromberg recommends a nine-member task force to consist of two members from the City Council, two members from the Planning Commission, one member of the Meeker County HRA, and four members of the public; and

WHEREAS, the Council reviewed the proposed schedule for the Housing Task Force,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Litchfield hereby approves the WSB proposal to provide Housing Task Force coordination services in the amount not to exceed \$10,000 following the timeframe provided; and

BE IT FURTHER RESOLVED that the cost to provide the services be funded through American Rescue Plan Act (ARPA) dollars.

Adopted by the City Council this 17th day of January, 2023.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR

Upon roll call vote, all members present voted aye, whereupon the resolution was declared adopted.

It was moved by Council Member Kotelnicki, seconded by Council Member Miller to follow the makeup of the Housing Task Force as outlined in the WSB proposal which consists of a nine-member task force comprised of two members from the City Council, two members from the Planning Commission, one member of the Meeker County HRA, and four members of the public. The motion passed with 5 votes in favor and 0 against.

B. LIQUOR LICENSE APPLICATION CONSIDERATION –

The Council reviewed the liquor license application from Half Bushel Brewing, LLC.

After review, it was moved by Council Member Allen, seconded by Council Member Kotelnicki, to adopt the following:

**CITY OF LITCHFIELD
RESOLUTION NO. 23-1-21
APPROVING ON-SALE LIQUOR LICENSE FOR HALF BUSHEL BREWING, LLC**

WHEREAS, Council approval is required for liquor licensing; and

WHEREAS, Brennen Rosenow, dba as Half Bushel Brewing, LLC, has submitted an application for an On-sale Liquor License; and

WHEREAS, the required investigative report was reviewed by the City Council,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Litchfield hereby approves the application from Brennen Rosenow, dba as Half Bushel Brewing, LLC for an On-sale Liquor License for property located at 201 North Sibley Avenue.

Adopted by the City Council this 17th day of January, 2023.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR

Upon roll call vote, all members present voted aye, whereupon the resolution was declared adopted.

C. CIVIC ARENA LEASE –

City Administrator Cziok discussed the one year Civic Arena License with the school. He explained that a one year license was favored due to the unknown impacts relating to ice usage with the addition of another rink. He said youth hockey and high school are splitting time between both rinks.

After review, it was moved by Council Member Carlson, seconded by Council Member Miller, to adopt the following:

**CITY OF LITCHFIELD
RESOLUTION NO. 23-1-22
CIVIC ARENA LICENSE AGREEMENT
WITH INDEPENDENT SCHOOL DISTRICT NO. 465**

WHEREAS, the current license agreement the City has with Independent School District No. 465 has expired; and

WHEREAS, both parties have negotiated a one year contract beginning for the 2022-2023 school year,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Litchfield hereby agrees to enter into a license agreement, as reviewed and as on file, with Independent School District No. 465 for the use of the Civic Arena, as per agreement, that shall continue through June 30, 2023.

Adopted by the City Council this 17th day of January, 2023.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR

Upon roll call vote, all members present voted aye, whereupon the resolution was declared adopted.

D. LARC UPDATE –

City Administrator Cziok discussed future Council actions relating to the LARC. Actions include determining the financing package, Joint Powers Agreement, and continuing school district collaboration. Council consensus was that financing discussion involve the entire Council rather than a small Council committee format.

Council Member Kotelnicki expressed concern about the Joint Powers Agreement. City Attorney Wood explained that a Joint Powers Agreement is required between legal jurisdictions with taxing authority. He shared that the Joint Powers Agreement can cover what you want it to cover. Council Member Kotelnicki questioned who is responsible with building the facility. It was noted the Joint Power Agreement will address responsibilities. No formal action was taken.

E. ARPA –

City Administrator Cziok reported that staff solicited pricing on trees with an estimate of \$20,000 for the purchase of 178 trees for parks, golf course, cemetery, and the boulevard. Council Member Kotelnicki requested a delay in using American Rescue Act Plan (ARPA) funding for the purchase of trees until the City got the information on housing, adding housing is a higher priority for her. Council Member Miller shared that a list was generated of potential uses of the ARPA funds at a work session with trees being one of the items identified to fund.

After review, it was moved by Council Member Carlson, seconded by Council Member Miller, to adopt the following:

**CITY OF LITCHFIELD
RESOLUTION NO. 23-1-23
APPROVING PURCHASE OF TREES WITH
AMERICAN RESCUE PLAN ACT (ARPA) FUNDS**

WHEREAS, the City received \$726,726.88 from the American Rescue Plan Act (ARPA); and

WHEREAS, the Council generated a list of potential uses of the funds at a work session with allocation for purchasing trees; and

WHEREAS, City staff has developed a plan to plant and water the trees,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Litchfield hereby approves purchasing 178 trees from Stockmen’s for boulevards, parks, golf course, and the cemetery with American Rescue Plan Act (ARPA) funds in the amount up to \$20,000.00.

Adopted by the City Council this 17th day of January, 2023.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

Upon roll call vote, all members present voted aye with the exception of Council Member Kotelnicki voting nay, whereupon the resolution was declared adopted.

F. ADMINISTRATIVE UPDATE –

The Council reviewed the status of the tasks and the timelines. No formal action was taken.

IX. ADDITIONAL ITEMS – None.

X. ANNOUNCEMENTS – None.

XI. ADJOURNMENT –

January 17, 2023

It was moved by Council Member Miller, seconded by Council Member Allen to adjourn the meeting. The meeting was adjourned at 6:23 p.m. by unanimous consent.

Attest:

ASSISTANT CITY ADMINISTRATOR

Approved:

MAYOR