

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 on Monday, March 2, 2020, commencing at 5:30 p.m. Mayor Johnson called the meeting to order.

A. ROLL CALL:

Mayor	Keith Johnson	Present
Council Member-at-Large	Ron Dingmann	Present
Council Member Ward I	Eric Mathwig	Present
Council Member Ward II	Darlene Kotelnicki	Present
Council Member Ward III	Betty Allen	Present
Council Member Ward IV	Vern Loch, Jr.	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
Assistant City Engineer	Chuck DeWolf	Present
Independent Review	Brent Schacherer	Present
KLFD	Tim Bergstrom	Present

II. CONSENT AGENDA -

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

A. COUNCIL MINUTES TO APPROVE:

- 1. February 18, 2020

B. FINANCIAL REPORTS TO APPROVE: None.

C. CLAIMS TO AUTHORIZE FOR PAYMENT –

- 1. Computer List of Bills for \$2,739,644.29

D. OTHER PAYMENTS:

- 1. Civic Arena Refrigeration Improvements

**CITY OF LITCHFIELD
 RESOLUTION NO. 20-3-44
 AUTHORIZE PAYMENT FOR THE
 CIVIC ARENA REFRIGERATION IMPROVEMENTS**

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 to approve Final Payment for the Civic Arena Refrigeration Improvements totaling \$41,779.70 as attached and on file.

Adopted by the City Council this 2nd day of March, 2020.

Attest:

ASSISTANT CITY ADMINISTRATOR

Approved:

MAYOR

E. ORDINANCES – SECOND READINGS: None.

F. LICENSES:

- 1. Lawful Gambling Permit –
 - a. LAMP-kinship

**CITY OF LITCHFIELD
RESOLUTION NO. 20-3-45
LAWFUL GAMBLING PERMIT TO CONDUCT BINGO FOR
AN EXEMPT ORGANIZATION LAMP-KINSHIP**

WHEREAS, an application for a lawful gambling license exemption to conduct BINGO was considered from the Litchfield Area Mentorship Program-Kinship (LAMP-Kinship),

NOW, THEREFORE, BE IT RESOLVED to approve the application for an Exemption from a Lawful Gambling license to conduct BINGO for the Litchfield Area Mentorship Program-Kinship (LAMP-Kinship) on March 27, 2020 at Litchfield Eagles Aerie Club #3424, 389 South CSAH 34, Litchfield, 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 2nd day of March, 2020.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

G. OTHER ROUTINE MATTERS:

- 1. Employment Offer

**CITY OF LITCHFIELD
RESOLUTION NO. 20-3-46
EMPLOYMENT OFFER FOR
TEMPORARY PART-TIME POSITIONS**

WHEREAS, the City needs employees for temporary part-time positions, and

WHEREAS, the funds to fill these positions were approved in the 2020 Budget, and

WHEREAS, the supervisors will adjust the wage schedule for 2020 temporary part-time employees to fill these positions, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Litchfield to offer 2020 temporary part-time employment with the City of Litchfield, to the following:

<u>Department</u>	<u>New Hires</u>
<u>Liquor Store</u>	Kayla Housman Andrew Dewald

Adopted by the City Council this 2nd day of March, 2020.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

H. COMMUNICATIONS:

- 1. Heritage Preservation Commission Minutes:
 - a. February 24, 2020

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

**CITY OF LITCHFIELD
RESOLUTION NO. 20-3-48
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 2nd day of March, 2020.

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 - TH12 Reconstruction Project - Sanitary Sewer and Watermain Improvements -

This being the time, date and place set, with all mailed and published notices as required by law, the hearing was opened at approximately 5:31 p.m. to consider the TH 12 Reconstruction Project – Sanitary and Watermain Improvements.

Assistant City Engineer Chuck DeWolf provided a powerpoint presentation outlining the TH 12 Sanitary Sewer and Watermain Improvement Project.

An attendance list is on file. No written or oral comments were received. Mayor Johnson closed the public hearing at 5:40 p.m.

After review, it was moved by Council Member Dingmann, seconded by Council Member Mathwig, to adopt the following:

**CITY OF LITCHFIELD
RESOLUTION NO. 20-3-50
ORDERING IMPROVEMENT AND PREPARATION OF PLANS
TH 12 SANITARY SEWER & WATERMAIN IMPROVEMENTS**

WHEREAS, a resolution of the City Council adopted the 21st day of January, 2020, fixed a date for a Council hearing on the proposal TH 12 Sanitary Sewer & Watermain Improvements, including improvements to the following streets:

- Sibley Avenue - Fourth Street to Commercial Street
- Depot Street - Sibley Avenue to Holcombe Avenue

WHEREAS, ten days’ mailed notice and two weeks’ published notice of the hearing was given, and the hearing was held thereon on the 2nd day of March, 2020, at which all persons desiring to be heard were given an opportunity to be heard thereon,

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Litchfield, Minnesota:

1. Such improvement is necessary, cost-effective, and feasible as detailed in the feasibility report.
2. Such improvement is hereby ordered as proposed in the Council resolution adopted on the 21st day of January, 2020.
3. Such Improvement has no relationship to the comprehensive municipal plan.
4. Plans and specifications prepared by Bolton & Menk, Inc., engineer for such improvement pursuant to council resolution, a copy of which plans and specifications is attached hereto and made part hereof, are hereby approved and shall be filed with the Assistant City Administrator.
5. This project was advertised and bids were accepted as part of a cooperation agreement project with MnDOT. Proper notification was given to prospective bidders to bid the project by MnDOT.

Adopted by the City Council this 2nd day of March, 2020.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

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

IV. ACKNOWLEDGMENT OF AUDIENCE/PRESENTATIONS –

A. FIRE AND RESCUE ANNUAL REPORTS –

Fire Chief Gilbertson provided his annual report to the Council. He discussed future needs including turn out gear and SCBA replacement. He explained that turn out gear has a life expectancy of around 10 years while SCBA’s have a 15 year life expectancy. Gilbertson discussed the 2019 expenses adding that the annual costs to the townships remain level. He informed the Council about mutual aid provided to the City of Becker in a recent fire incident and explained that the City will be reimbursed for the expenses.

Rescue Chief Tangen provided his annual report to the Council. He discussed the status of replacing Rescue vehicles 3 and 4 as authorized by the Council. He discussed future needs including turn out gear which is replaced every 11 years. Tangen added staff will be looking at replacing the portable radios in the future as well.

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

**CITY OF LITCHFIELD
RESOLUTION NO. 20-3-47
APPROVE 2020 FIRE AND RESCUE SERVICE CONTRACTS**

WHEREAS, governmental units who contract with the City of Litchfield for Fire and Rescue Service met informally on February 12, 2020, with Litchfield Fire and Rescue Service personnel to consider 2019 annual reports, estimated 2020 billings (which are on file), present and future needs of the departments, and

WHEREAS, the contract holders were able to express any concerns, and

WHEREAS, 2020 Fire and Rescue Squad Contracts were distributed and are expected to be executed and returned after the townships have their annual meetings later in March,

NOW, THEREFORE, BE IT RESOLVED to approve the 2020 Fire and Rescue Service contracts and billings, and

BE IT FUTHER RESOLVED to direct the Mayor and Assistant City Administrator to sign said contracts on behalf of the City of Litchfield.

Adopted by the City Council this 2nd day of March, 2020.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR

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

Council Member Dingmann recommended that the Finance Committee meet with administration to review the Fire/Rescue pay schedules to see if they are consistent with one another. It was moved by Council Member Dingmann, seconded by Council Member Loch, that the Finance Committee meet with administration to review the Fire/Rescue pay schedules. Upon roll call vote, all members present voted aye, whereupon the motion carried.

B. GOLF CLUB INC. –

Brian Johnson, President of Golf Club, Inc., addressed the Council concerning a proposal for consideration on improvements to the clubhouse and restaurant. He said that they were fortunate to have the same tenant for 31 years. In the search process for a new tenant, building improvements were identified and he stressed the importance of making improvements while the building is vacant. Johnson said the membership is behind them to make the necessary improvements, however they know they cannot do it alone. He explained that Will Dolan, Golf Club Inc. member, would speak to the value of said property. Will Dolan stated that a long term fix was needed for the restaurant and asked the Council to take into consideration that the restaurant is a vital asset to the community and is available to everyone. He encouraged the Council to listen with an open mind to the plan Golf Club, Inc. President Brian Johnson is presenting.

Brian Johnson presented the proposal to the Council derived from a recent Golf Club, Inc. general membership meeting. The proposal included that “The City, as owner of the building, should be responsible for the structural integrity of the building; The floor in the bar has to be repaired prior to any tenant taking over the restaurant; The remodel of the kitchen and restaurant will be paid for by GCI as needed to suit the needs of the next tenant; GCI will sell the four lots (two are on the north side of the course, and two are just south of the maintenance building and on the lake) to the City for \$125,000. All of the proceeds from the sale will help pay for the kitchen remodel; The racquetball club will assist in the remodel; If the City sells the building within five years, they would reimburse GCI for 50% of what GCI invests in the kitchen and restaurant. These monies would then be used by GCI for golf course improvements.” He spoke to the value of the restaurant to the community.

Mayor Johnson asked the Council to provide a motion to consider the proposal. It was moved by Council Member Dingmann, seconded by Council Member Loch, to consider the proposal presented by Golf Club, Inc. concerning the clubhouse and restaurant and to have discussion afterwards. Upon roll call vote, all members voted aye, whereupon the motion carried.

Council Member Allen inquired about the costs of the lots. Johnson responded that they had a verbal offer of \$90,000 for the 2 lots and were figuring an additional \$35,000 for the lake lots, adding the City has indicated they would like first right of refusal of the property. He said the lots have not been put up for sale publically. Council Member Dingmann inquired about the process and whether or not the City needed to get an appraisal. City Attorney Wood said the title needed to be examined for restrictions, adding however there are no requirements if there is a willing buyer and a willing seller.

Council Member Allen questioned why the repairs were necessary now and not planned for if it was business as usual until December 31, 2019. Brian Johnson explained that Golf Club, Inc. had been planning on a major kitchen remodel. He said the tenant opted out of the lease early and the timeline got moved up. He discussed selling these lots to help pay for the kitchen remodel. He explained that more repairs were identified as proposed tenants viewed the property. Johnson stressed that Golf Club, Inc. was a volunteer board. He said Golf Club, Inc. would like to offer the first right of refusal to the City concerning the lots. He explained they don't have the cash flow to make the necessary improvements and sale of the lots will help pay for some of the improvements. Council Member Allen expressed concerns about costs to repair the floor and the bids acquired. Concern was also expressed about past loans provided to Golf Club, Inc. Johnson explained that the loan was waived by former Administrator Miller. Council Member Kotelnicki questioned whether it had been waived and asked if staff could research farther.

Mayor Johnson inquired about repairing the bar floor and whether or not the wall had to be taken care of at this point. Brian Johnson stressed the importance of fixing the bar floor, adding the door to the patio could wait until a tenant is secured for the tenant to have input. City Administrator Cziok responded that there are significant needs to that floor that we have known for a long time and is unsure if they are structural or not, adding that in 2015 the joists were doubled up since we were fearful of it being soft. Brian Johnson provided the costs including a Safe Basements quote in the amount of \$25,344, an LBC quote for demo/repair in the amount of \$16,500, and carpet costs in the amount of \$11,384, noting LGC would be responsible for the carpet costs. He said there have been discussions that it may be possible that the patio work could be completed by City staff.

Council Member Dingmann inquired to the level of commitment by Golf Club, Inc. Brian Johnson responded that the commitment would be at least \$100,000. Improvements include kitchen updates, carpeting, and a new POS system. Council Member Loch discussed the City monitoring the repairs. Council Member Dingmann inquired as to whether forming a commission moving forward would be beneficial. Brian Johnson responded that there have been lots of committees in the past and very little success other than the Greens Committee awhile back.

Council Member Kotelnicki commented that she couldn't support the proposal as submitted. She would support some form of a joint committee. While agreeing the Golf Course is an asset, she would like firm dollar amounts to support justifying spending public money. She agrees with Golf Club, Inc. about the floor in that if we need to do it then it needs to be done right.

Council Member Mathwig questioned if the City were to purchase the lots where would the money come from. City Administrator Cziok responded that staff would have to take some time in determining how much the City wants to invest and where it will come from. He said the golf course fund has \$6,000 in currently and the City will most likely transfer \$100,000 into the fund like we do every year.

Council Member Loch suggested administration assist Golf Club, Inc. in finding a tenant, stressing that needs to be done. Although he agrees with fixing the floor, he discussed being responsible to taxpayers. He questioned whether the City should be buying the property or

should stay in the private sector. Loch said keep the lots on the tax rolls; we have to tell the taxpayers why we are spending \$125,000 on lots for the Golf Course that we don't need.

Mayor Johnson asked for a motion to fix the floor and patio as soon as possible. Council Member Miller felt that part of the problem is that the Council hasn't had those numbers in front of them. She also agrees with needing to fix the floor, however she would like to see the actual numbers (quotes) be provided for consideration.

It was moved by Council Member Kotelnicki, Council Member Dingmann, to allow Brian Johnson to address the Council again. Upon roll call vote, all members voted aye, whereupon the motion carried. Brian Johnson addressed the issue about the quotes and said the City Administrator had the quotes for a couple weeks. Secondly, he explained that if the City would purchase the lots, Golf Club, Inc. would have the money right away to do the improvements. Lastly, he addressed the question about the City assisting in finding a tenant in that Golf Club, Inc. is working with a restaurant broker. Johnson wanted to clarify to the public they have had several potential tenants come through the property. Loch responded to the cash flow issues that he wouldn't be afraid to ask the Council to consider extending funds until sale of the property to a private party was completed.

City Administrator Cziok responded that the City has copies of the bids provided to Golf Club, Inc. He explained the City was not a part of any of the discussions concerning the bids received and before the City digs into the floor issues, if it's the City's building and the City's project, then he would like to have staff and contractors review it even though the numbers may turn out similar. In reference to the lots, he said the City does not have first right of refusal on the lots right now. He said there were conversations about potentially having the first right of refusal if the lots go for public sale. The interest administration has had in those lots is that land is scarce and these lots about the golf course; if they are sold they are gone forever. While the economy is in a good spot, City Administrator Cziok pointed out the Golf Course economy is not. He can't envision the City ever making an improvement to use those lots today because the City is throwing a lot of money at the golf course, however if things change in 20 years we may regret not purchasing the lots. He wants to make sure the City is paying attention to the long term vision. Cziok clarified that former Administrator Miller did not have the authority to forgive debt. The Council at some point in time came up with a new agreement with Golf Club, Inc. that did not include those payments any longer. He questioned whether the Council should focus on the floor and wall at the next meeting and discuss the rest of the issues at the work session scheduled following the March 16, 2020 Council meeting. He discussed the need to secure a tenant and explained that revenue will go down with not having a restaurant out there. City Administrator Cziok said if there is anything the City can do to help out we should since it is affecting the City's bottom line as well. He recommended administration come back in 2 weeks with a flooring number for consideration and the Council can decide what they want to do with the rest.

It was moved by Mayor Johnson, seconded by Council Member Dingmann, that administration come back in 2 weeks with proposals for fixing the floor and patio. Upon roll call vote, all members voted aye, whereupon the motion carried.

C. WOLD ARCHITECTS –

John McNamara, representing Wold Architects and Engineers, addressed the Council concerning the Wellness/Recreation Center. He provided a powerpoint presentation on information collected from the Core group and the Stakeholder group. The Council discussed attendance at meetings and whether or not the meetings needed to have public notice in the event more Council Members wanted to be attendance as to not violate the open meeting law. The Council agreed by consensus that access to meeting minutes would be sufficient. No formal action was taken.

V. COMMISSION RECOMMENDATIONS –

A. HERITAGE PRESERVATION COMMISSION –

1. Vibration Monitoring Report –

Council Member Kotelnicki explained that the Vibration Monitoring Report was provided for informational purposes. She discussed the level of involvement required by parties. She said the monitoring team consists of MnDOT Engineers, Landwehr Construction, and the property owners. A preconstruction and post-construction inspection is to be completed by a subcontractor of Landwehr Construction. Kotelnicki said that the Heritage Preservation Commission (HPC) and Downtown Council are considered interested parties and receive input. No formal action was taken.

VI. COMMITTEE REPORTS – None.

VII. LEGAL CONSIDERATIONS – None.

VIII. BUSINESS –

A. **GOLF COURSE RATES** –

City Administrator Cziok outlined the proposed rate schedule for 2020. He recommended no increases to green fees and a 6% increase to memberships.

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

**CITY OF LITCHFIELD
RESOLUTION NO. 20-3-49
ADOPT 2020 GOLF COURSE RATES/FEEES**

WHEREAS, the Council approves annual golf course membership rates and green fees, and

NOW, THEREFORE, BE IT RESOLVED to approve setting the following:

2020 Golf Course Rates & Fees

Green Fees:

	Off Peak	Peak
9 Holes	\$12.00	\$18.00
18 Holes	\$18.00	\$25.00
All Day Golf	\$25.00	\$32.00

Student Rate:

Age 10 to 18	\$5.00
Under 10	Free with Paid Adult

Cart Rentals:

	Off Peak	Peak
9 Holes	\$10.00	\$10.00
18 Holes	\$12.00	\$15.00
All Day Cart	\$15.00	\$20.00

Tournaments:

9 Holes	\$1,250.00
18 Holes	\$2,400.00
Full service	\$ 200.00
Extra Carts	\$ 35.00

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Memberships:

Family & Couples	\$875.00
Single	\$740.00
Ages 23-29	\$590.00
Ages 18-22	\$285.00
High School Student	\$130.00
Middle School Student	\$80.00
Social Membership	\$100.00

Early Pay Incentives:

Single, Family & Couple Memberships	\$40.00 Discount if paid in full before April 3, 2020 And 2 Free Guest passes/cart included
Single, Family & Couple Memberships	2 free guest passes if paid in full before April 24, 2020

Cart Options:

Private Cart Usage Fee	\$250.00
Cart Storage – Gas	\$180.00
Cart Storage – Electric	\$215.00
Seasonal Cart Rental	\$470.00

Additional Options:

USGA/MGA Handicap Fee	\$33.00
USGA/MGA Student Handicap Fee	\$10.00
Lower Locker Rental	\$45.00
Upper Locker Rental	\$35.00

Adopted by the City Council this 2nd day of March, 2020.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

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

IX. ADDITIONAL ITEMS – None.

X. ANNOUNCEMENTS – None.

XI. ADJOURNMENT –

The City Council meeting adjourned at 7:50 p.m. by unanimous consent.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR