

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, April 15, 2019, 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
Parks Foreman/Arena Manager	Chadd Benson	Present
City Attorney	Mark Wood	Present
Assistant City Engineer	Chuck DeWolf	Present
Independent Review	Cam Bonelli	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. City Council Meeting – April 1, 2019

B. FINANCIAL REPORTS TO APPROVE: None.

C. CLAIMS TO AUTHORIZE FOR PAYMENT –

1. Computer List of Bills for \$120,961.50

D. OTHER PAYMENTS: None.

E. ORDINANCES – SECOND READINGS: None.

F. LICENSES:

1. Sales on Public Property – Relay for Life
2. 3.2 Percent Malt Liquor On-Sale License Application - Eagles Aerie #3424
3. Lawful Gambling Permit - Kiwanis Club

**CITY OF LITCHFIELD
 RESOLUTION NO. 19-4-65
 LAWFUL GAMBLING PERMIT FOR AN EXEMPT
 ORGANIZATION THE KIWANIS CLUB OF LITCHFIELD, MINNESOTA**

WHEREAS, an application for a lawful gambling license exemption was considered from the Kiwanis Club of Litchfield, Minnesota,

Resolution No. 19-4-65– Cont’d.

NOW, THEREFORE, BE IT RESOLVED to approve the application for an Exemption from a Lawful Gambling license for the Kiwanis Club of Litchfield, Minnesota on September 20, 2019 at Peter’s On Lake Ripley, 405 W Pleasure Drive, 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 15th day of April, 2019.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

G. OTHER ROUTINE MATTERS:

- 1. Accepting Statutory Tort Liability Limits -

**CITY OF LITCHFIELD
RESOLUTION NO. 19-4-60
ACCEPTING STATUTORY TORT LIABILITY LIMITS**

WHEREAS, the City of Litchfield obtains liability coverage from the League of Minnesota Cities Insurance Trust (LMCIT), and

WHEREAS, the City of Litchfield must elect whether or not to waive the statutory tort liability limits to the extent of the coverage purchased, and

WHEREAS, the City of Litchfield accepts liability coverage limits of \$1,500,000 from the League of Minnesota Insurance Trust (LMCIT),

NOW, THEREFORE, BE IT RESOLVED that the City of Litchfield does not waive the monetary limits on municipal tort liability established by Minnesota Statutes 466.04.

Adopted by the City Council this 15th day of April, 2019.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

H. COMMUNICATIONS TO REVIEW :

- 1. Minutes & Reports:
 - a. Airport Commission – March 28, 2019 and April 2, 2019 (No Quorum-no minutes)
 - b. Planning Commission Minutes - April 8, 2019
- 2. Communications:
 - a. Meeker County Zoning Administrator - Notice of Application for Livestock Feedlot Permit

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

**CITY OF LITCHFIELD
RESOLUTION NO. 19-4-68
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 15th day of April, 2019.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR

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

III. TIMED ITEMS – None.

IV. ACKNOWLEDGEMENT OF AUDIENCE/PRESENTATIONS – None.

V. COMMISSION RECOMMENDATIONS –

A. PLANNING COMMISSION

1. Variance Request - By Jon & Sandra Pettit at 425 South Miller Avenue –

Council Member Mathwig provided the findings and recommendations of the Planning Commission.

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

**CITY OF LITCHFIELD
RESOLUTION NO. 19-4-62
GRANT VARIANCE TO JON & SANDRA PETTIT
FOR PROPERTY LOCATED AT 425 S MILLER AVENUE**

WHEREAS, the Planning Commission held a hearing on April 8, 2019, on a request for a variance by Jon & Sandra Pettit, and

WHEREAS, the Litchfield Planning Commission, upon review of the findings of facts, as follows, has recommended that this variance be granted and they referred the application to the City Council for final action, and

WHEREAS, the applicant is requesting approval of a variance to allow for a ten (10) foot reduction to the minimum required rear yard setback of thirty-five (35) feet for the purpose of constructing an attached garage, and

WHEREAS, the property is located at 425 S Miller Avenue, located in the R-2 Residence District, and

WHEREAS, the existing home sits twenty (20) feet from the front property line, where thirty (30) feet is required, and
Resolution No. 19-4-62– Cont’d.

WHEREAS, the variance is in harmony with the general purposes and intent of the Ordinance, and

WHEREAS, the variance is consistent with the Comprehensive Plan, and

WHEREAS, the property owner proposes to use the property in a reasonable manner not permitted by the Zoning Ordinance, and

WHEREAS, the plight of the landowner is due to circumstances unique to the property, and

WHEREAS, the variance is in keeping with the essential character of the locality, and

WHEREAS, the purpose of the request is not solely financial, and

BE IT RESOLVED by the City Council of the City of Litchfield that a Variance be granted to Jon & Sandra Pettit, at 425 S Miller Avenue, to allow a decrease of ten (10) feet to the minimum required rear yard setback to allow for an addition on to the principal structure. Property legally described as:

Parcel No. 27-0986000, Lots 15, 16, and 17, Block 91, Weisels Addition,
City of Litchfield, Meeker County, Minnesota

Adopted by the City Council this 15th day of April, 2019.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR

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

- 2. Conditional Use Request & Variance Request - by Gregg Schilling at 718 South Gorman Avenue –

Council Member Mathwig provided the findings and recommendations of the Planning Commission.

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

**CITY OF LITCHFIELD
RESOLUTION NO. 19-4-63
GRANT CONDITIONAL USE PERMIT TO GREGG SCHILLING
FOR PROPERTY LOCATED AT 718 S GORMAN AVENUE, TORRENS PROPERTY
CERTIFICATE 527,
TO ALLOW A DUPLEX IN AN R-1 RESIDENTIAL DISTRICT ZONE**

WHEREAS, the Planning Commission held a hearing on April 8, 2019, for a Conditional Use Permit request by Gregg Schilling, and

WHEREAS, the Litchfield Planning Commission has recommended that this Conditional Use Permit be granted based upon the summation of the findings of facts, as follows, and be referred to the City Council for final action, and

Resolution No. 19-4-63– Cont’d.

WHEREAS, the applicant is requesting approval of a Conditional Use Permit to allow for a duplex to be located within the R-1 District, and

WHEREAS, a duplex is a conditional use within the R-1 District,

WHEREAS, the property is located at 718 S Gorman Avenue, in the R-1 Residence District, and

WHEREAS, the Conditional Use Permit would conform to the conditions as outlined in the Zoning Ordinance, and

WHEREAS, the Conditional Use Permit would not have an adverse effect on the use, value or appearance, and of the uses already permitted in the area, and

WHEREAS, the Conditional Use Permit would not impede the normal and orderly development and improvement of the surrounding property, and

WHEREAS, the Conditional Use Permit would not be detrimental to the public welfare, safety, order, convenience, prosperity or general welfare of the community, and

WHEREAS, the Conditional Use Permit would have adequate utilities, access roads, drainage, parking and other facilities, and

WHEREAS, the Conditional Use Permit would not adversely affect the existing uses because of traffic generation, noise, glare, general unsightliness or other nuisance characteristics, and

WHEREAS, denying this Conditional Use Permit would not create a hardship for the use of the property,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Litchfield that the request for a Conditional Use Permit be granted to Gregg Schilling for property located at 718 S Gorman Avenue, to allow a duplex in an R-1, Residence District Zone. The legal description of this property is:

Parcel No. 27-2732000,
Lot Five (5), Block One (1), Melodie Heights Eighth Addition to the City of Litchfield

Adopted by the City Council on this 15th day of April, 2019.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR

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

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

**CITY OF LITCHFIELD
RESOLUTION NO. 19-4-64
GRANT VARIANCE TO GREGG SCHILLING
FOR PROPERTY LOCATED AT 718 S GORMAN AVENUE, TORRENS PROPERTY
CERTIFICATE 527**

WHEREAS, the Planning Commission held a hearing on April 8, 2019, on a request for a variance by Gregg Schilling, and

WHEREAS, the Litchfield Planning Commission, upon review of the findings of facts, as follows, has recommended that this variance be granted and they referred the application to the City Council for final action, and

WHEREAS, the applicant is requesting a variance of three (3) feet from the required ten (10) foot side yard setback for the principal structure, and

WHEREAS, the property is located at 718 S Gorman Avenue, in the R-1 Residence District, and

WHEREAS, the variance is in harmony with the general purposes and intent of the Ordinance, and

WHEREAS, the variance is consistent with the Comprehensive Plan, and

WHEREAS, the property owner proposes to use the property in a reasonable manner not permitted by the Zoning Ordinance, and

WHEREAS, the plight of the landowner is due to circumstances unique to the property not created by the landowner, and

WHEREAS, the variance will not alter the essential character of the locality, and

WHEREAS, the purpose of the request is not solely financial, and

BE IT RESOLVED by the City Council of the City of Litchfield that a variance be granted to Gregg Schilling, at 718 S Gorman Avenue, to allow a decrease of three (3) feet from the minimum required side yard setback to allow for construction of the principal structure. Property legally described as:

Parcel No. 27-2732000, Lot 5, Block 1, Melodie Heights 8th Addition,
City of Litchfield, Meeker County, Minnesota

Adopted by the City Council this 15th day of April, 2019.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR

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

VI. COMMITTEE REPORTS – None.

VII. LEGAL CONSIDERATIONS – None.

VIII. BUSINESS –

A. MNDOT PROJECT UPDATE –

Assistant City Engineer Chuck DeWolf addressed the Council concerning State Project No. 4704-89. He explained that MnDOT is proposing an addendum to the Cooperative Construction Agreement, MnDOT Agreement No. 1031692, to address cost sharing for dewatering not included in the original agreement. He also discussed the impacts of the bids received by MnDOT which were significantly higher than anticipated. DeWolf explained that he did not have access to the details of the bids to determine why they came in so much higher. He shared that there were grant dollars available in the amount of \$590,000 to offset the City’s increased costs due to the higher bid results.

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

**CITY OF LITCHFIELD
RESOLUTION NO. 19-4-69
APPROVING AMENDMENT NO. 1 OF THE
COOPERATIVE CONSTRUCTION AGREEMENT
MNDOT AGREEMENT NO. 1031692 (STATE PROJECT NO. 4704-89),
LITCHFIELD, MEEKER COUNTY, MINNESOTA**

WHEREAS, the City of Litchfield entered into MnDOT Agreement No. 1031692 with the State of Minnesota, Department of Transportation to provide for payment by the City to the State of the City’s share of the costs of grading, concrete and bituminous paving, lighting, signals, water main, sanitary sewer construction and other associated construction to be performed upon, along and adjacent to Trunk Highway No. 12 City Trunk Highway No. 22 from 4th Street to Depot Street, on Trunk Highway No. 12 from Depot Street to Holcombe Avenue, on Trunk Highway No. 22 from Commercial Street to Depot Street, on 4th Street from Jewitts Creek to Sibley Avenue and on Holcombe Avenue from Depot Street to 1st Street within the corporate City limits under State Project No. 4704-89 (T.H. 12=12), and

WHEREAS, MnDOT is proposing Amendment No. 1 to MnDOT Agreement No. 1031692 to address the City cost share for dewatering, and

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Litchfield hereby approves Amendment No. 1 of MnDOT Agreement No. 1031692, and

BE IT FURTHER RESOLVED that the Mayor and the Assistant City Administrator are authorized to execute said Amendment No. 1.

Adopted by the City Council this 15th day of April, 2019.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

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

City Administrator Cziok explained the purpose of adopting a Reimbursement Resolution concerning the proposed project. He shared that although the City had determined funding the project with reserves this allows flexibility if the City should choose to issue debt and reimburse itself as allowable within timelines of the project.

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

**CITY OF LITCHFIELD
RESOLUTION NO. 19-4-66
RESOLUTION ESTABLISHING PROCEDURES
RELATING TO COMPLIANCE WITH REIMBURSEMENT BOND
REGULATIONS UNDER THE INTERNAL REVENUE CODE**

BE IT RESOLVED by the City Council (the "Council") of the City of Litchfield, Minnesota (the "City"), as follows:

1. Recitals.

(a) The Internal Revenue Service has issued Treasury Regulations, Section 1.150-2 (as the same may be amended or supplemented, the "Regulations"), dealing with "reimbursement bond" proceeds, being proceeds of the City's bonds used to reimburse the City for any project expenditure paid by the City prior to the time of the issuance of those bonds.

(b) The Regulations generally require that the City make a declaration of intent to reimburse itself for such prior expenditures out of the proceeds of subsequently issued bonds, that such declaration be made not later than 60 days after the expenditure is actually paid, and that the bonding occur and the written reimbursement allocation be made from the proceeds of such bonds within 18 months after the later of (1) the date of payment of the expenditure or (2) the date the project is placed in service (but in no event more than 3 years after actual payment).

(c) The City heretofore implemented procedures for compliance with the predecessor versions of the Regulations and desires to amend and supplement those procedures to ensure compliance with the Regulations.

(d) The City's bond counsel has advised the City that the Regulations do not apply, and hence the provisions of this Resolution are intended to have no application to payments of City project costs first made by the City out of the proceeds of bonds issued prior to the date of such payments.

2. Official Intent Declaration. The Regulations, in the situations in which they apply, require the City to have declared an official intent (the "Declaration") to reimburse itself for previously paid project expenditures out of the proceeds of subsequently issued bonds. The Council hereby authorizes the Assistant City Administrator to make the City's Declarations or to delegate from time to time that responsibility to other appropriate City employees. Each Declaration shall comply with the requirements of the Regulations, including without limitation the following:

(a) Each Declaration shall be made not later than 60 days after payment of the applicable project cost and shall state that the City reasonably expects to reimburse itself for the expenditure out of the proceeds of a bond issue or similar borrowing. Each Declaration may be made substantially in the form of the Exhibit A which is attached to and made a part of this Resolution, or in any other format which may at the time comply with the Regulations.

(b) Each Declaration shall (1) contain a reasonably accurate description of the "project," as defined in the Regulations (which may include the property or program to be financed, as applicable), to which the expenditure relates and (2) state the maximum principal amount of bonding expected to be issued for that project.

(c) Care shall be taken so that the City, or its authorized representatives under this Resolution, not make Declarations in cases where the City does not reasonably expect to issue reimbursement bonds to finance the subject project costs, and the City officials are hereby authorized to consult with bond counsel to the City concerning the requirements of the Regulations and their application in particular circumstances.

(d) The Council shall be advised from time to time on the desirability and timing of the issuance of reimbursement bonds relating to project expenditures for which the City has made Declarations.

3. Reimbursement Allocations. The designated City officials shall also be responsible for making the "reimbursement allocations" described in the Regulations, being generally written allocations that evidence the City's use of the applicable bond proceeds to reimburse the original expenditures.

4. Effect. This Resolution shall amend and supplement all prior resolutions and/or procedures adopted by the City for compliance with the Regulations (or their predecessor versions), and, henceforth, in the event of any inconsistency, the provisions of this Resolution shall apply and govern.

Adopted by the City Council this 15th day of April, 2019.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR

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

EXHIBIT A

Declaration of Official Intent

The undersigned, being the duly appointed and acting Assistant City Administrator of the City of Litchfield, Minnesota (the "City"), pursuant to and for purposes of compliance with Treasury Regulations, Section 1.150-2 (the "Regulations"), under the Internal Revenue Code of 1986, as amended, hereby states and certifies on behalf of the City as follows:

1. The undersigned has been and is on the date hereof duly authorized by the City Council to make and execute this Declaration of Official Intent (the "Declaration") for and on behalf of the City.

2. This Declaration relates to the following project, property or program (the "Project") and the costs thereof to be financed:

Street and Utility Reconstruction:

2019-2020 US12 Downtown Litchfield Reconstruction Project - \$1,750,000

3. The City reasonably expects to reimburse itself for the payment of certain costs of the Project out of the proceeds of a bond issue or similar borrowing (the "Bonds") to be issued by the City after the date of payment of such costs. As of the date hereof, the City reasonably expects that \$1,750,000 is the maximum principal amount of the Bonds which will be issued to finance the Project.

4. Each expenditure to be reimbursed from the Bonds is or will be a capital expenditure or a cost of issuance, or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Regulations.

5. As of the date hereof, the statements and expectations contained in this Declaration are believed to be reasonable and accurate.

Date: April 15, 2019

Assistant City Administrator
City of Litchfield, Minnesota

B. MEEKER COUNTY ASSESSMENT CONTRACT –

City Administrator Cziok explained that the proposed Meeker County Assessment Contract is consistent with the previous contract and the services provided remain cost effective for the City.

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

**CITY OF LITCHFIELD
RESOLUTION NO. 19-4-61
APPROVING RENEWAL OF ASSESSMENT CONTRACT
WITH MEEKER COUNTY**

WHEREAS, the City has a contract with Meeker County to provide assessment services on behalf of the City, and

WHEREAS, Meeker County provided a renewal agreement for the assessment years 2020 through 2023, and

WHEREAS, the City wishes to renew the contract with Meeker County to continue providing the assessment services on behalf of the City,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Litchfield hereby authorizes the City to enter into a new contract with Meeker County to provide assessment services for the City as reviewed, and

BE IT FURTHER RESOLVED that the Mayor and City Administrator are authorized to sign the said assessment contract on behalf of the City.

Adopted by the City Council this 16th day of April, 2019.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

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

C. APPOINTMENTS TO MAKE –

- 1. Housing and Redevelopment Authority - One Regular Term until 5/1/2024
Incumbents: Ethel Young
Applicants: Ethel Young

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

**CITY OF LITCHFIELD
RESOLUTION NO. 19-4-67
LITCHFIELD HOUSING AND REDEVELOPMENT
AUTHORITY BOARD APPOINTMENT**

WHEREAS, there is an opening on the Housing and Redevelopment Authority Board, and

WHEREAS, this opening has been advertised, and

WHEREAS, there was one applicant,

Resolution No. 19-4-67– Cont’d.

NOW, THEREFORE, BE IT RESOLVED to appoint Ethel Young to the Housing and Redevelopment Authority Board for a term until May 1, 2024.

Adopted by the City Council this 15th day of April, 2019.

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 –

A. WORK SESSION –

The Council held a work session following the Council Meeting to continue the strategic planning process. A summary of the work session is on file. No formal action was taken.

XI. ADJOURNMENT –

The City Council meeting adjourned at 5.58 p.m. by unanimous consent.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR