

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 and by videoconferencing on Monday, April 20, 2020, commencing at 5:30 p.m. Mayor Johnson called the meeting to order. This meeting was conducted via videoconferencing pursuant to Minn. Stat. 13D.021.

A. ROLL CALL:

Mayor	Keith Johnson	Present by videoconferencing
Council Member-at-Large	Ron Dingmann	Present by videoconferencing
Council Member Ward I	Eric Mathwig	Present by videoconferencing
Council Member Ward II	Darlene Kotelnicki	Present by videoconferencing
Council Member Ward III	Betty Allen	Present by videoconferencing
Council Member Ward IV	Vern Loch, Jr.	Present by videoconferencing
Council Member Ward V	Sara Miller	Present by videoconferencing
City Administrator	Dave Cziok	Present *
Assistant City Administrator	Joyce Spreiter	Present *
City Attorney	Mark Wood	Present by videoconferencing
Assistant City Engineer	Chuck DeWolf	Present by videoconferencing
Independent Review	Brent Schacherer	Present by videoconferencing
KLFD	Tim Bergstrom	Present by videoconferencing

* Present at City Hall and by videoconferencing

Mayor Johnson outlined meeting procedures to better accommodate the Council and ensure that everyone gets to be heard under the current videoconferencing format.

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 6, 2020

B. FINANCIAL REPORTS TO APPROVE: None.

C. CLAIMS TO AUTHORIZE FOR PAYMENT –

- 1. Computer List of Bills for \$270,019.02

D. OTHER PAYMENTS: None.

E. ORDINANCES – SECOND READINGS:

- 1. Ordinance No. 798

**CITY OF LITCHFIELD
 RESOLUTION NO. 20-4-78
 SECOND READING FOR ORDINANCE NO. 798
 AN ORDINANCE AMENDING PART OF THE CITY CODE,
 TITLE XV: LAND USAGE, CHAPTER 154: ZONING ORDINANCE,
 SECTION 154.297: LISTING OF SPECIAL USES**

WHEREAS, upon recommendation of the Planning Commission and after holding a public hearing, a First Reading was given on April 6, 2020, Resolution No. 20-4-69,

Resolution No. 20-4-78– Cont’d.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Litchfield that this be Second Reading of Ordinance No. 798, an ordinance amending part of the City Code, Title XV: Land Usage, Chapter 154: Zoning Ordinance, Section 154.297: Listing of Special Uses, and

BE IT FURTHER RESOLVED that this be entered into the Book of Ordinances as Ordinance No. 798, and into the Codified Ordinances of the City of Litchfield.

Adopted by the City Council this 20th day of April, 2020.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

- F. LICENSES: None.
- G. OTHER ROUTINE MATTERS:
 - 1. Employment Offer

**CITY OF LITCHFIELD
RESOLUTION NO. 20-4-79
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>Golf Course</u>	Madison Larson

Adopted by the City Council this 20th day of April, 2020.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

- H. COMMUNICATIONS TO REVIEW: None.

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

**CITY OF LITCHFIELD
RESOLUTION NO. 20-4-81
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 20th day of April, 2020.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR

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 – BOARD OF REVIEW

This being the time, date and place set, with all notices published and posted as required by law, Mayor Johnson opened the 2020 Local Board of Appeal and Equalization hearing regarding property valuations in the City of Litchfield, where citizens had the opportunity to present and appeal, at 5:33 p.m.

An attendance list is on file.

Meeker County Assessor Lee Schroeder addressed the Local Board of Appeal and Equalization (City Council) and citizens on behalf of the City of Litchfield. He said there were some changes in Litchfield as far as property values go. He explained the City was at about 82% and the State requires values to be between 90% and 105% compared to what properties are selling for and what the Assessor’s Office has them valued at. Schroeder said Litchfield was at about 82% overall resulting in increasing building values about 15%, adding that put values at 94-95%. Most properties went up between 11% and 13% just on the buildings. He said there were no land changes.

Meeker County Appraiser Scoblic gave an overview of the information provided by the Meeker County Assessor’s office included in the Council agenda packet. He said there were 60 qualified sales in Litchfield with the overall ratio being 86.44% which did not include the time trend. He discussed the unqualified sales explaining that sales can be rejected based upon 31 codes, referring to the Sales Ratio Reject Code Sheet included in the Council packet.

Meeker County Appraiser Scoblic explained that there were 9 recommendations before the Local Board of Appeal and Equalization in which the Assessor’s office was unable to review the properties due the current COVID-19 pandemic. He said the Assessor’s office is recommending no changes until the properties can be viewed and after speaking with all 9 of the property owners, they were in agreement that no changes should be made until the properties are viewed.

Following are property owners who were not present but requested the Meeker County Assessor’s Office review their properties:

1. David and Misty Marotte – 830 Cottonwood Ave. – Parcel No. 27-2858000

Meeker County Appraiser Scoblic said the value went from \$272,700 to \$300,200 due to the 15% increase on buildings.

2. Steven and Mary Black – 813 South Hubbard Ave. – Parcel No. 27-2425000

Meeker County Appraiser Scoblic conducted an exterior review of the property this year. He explained that due to the COVID-19 pandemic, no interior review was conducted before the Local Board of Appeal and Equalization public hearing. Meeker County Assessing staff recommends no changes until a proper interior review can be conducted prior to the County Board of Appeal and Equalization. Scoblic explained the property value went from \$208,700 to \$248,600 adding that along with the 15% increase, adjustments were made due to some of the updates completed by the property owners.

3. Ronald and Tammy Schmitz – 713 South Miller Ave. – Parcel No. 27-1281000

Meeker County Appraiser Scoblic explained that due to the COVID-19 pandemic, no interior review was conducted before the Local Board of Appeal and Equalization public hearing.

Meeker County Assessing staff recommends no changes until a proper interior review can be conducted prior to the County Board of Appeal and Equalization. The property went from \$112,300 to \$141,600 adding there were adjustments due to some updates completed by the property owners.

4. Alex and Arlene Howanski – 1002 South Holcombe Ave. – Parcel No. 27-0092000

Meeker County Appraiser Scoblic explained that the property value went from \$106,200 to 114,300 because of the 15% increase that was applied throughout the whole City.

5. Gaylen Heacock – 1009 South Marshall Ave. – Parcel No. 27-0097000

Meeker County Appraiser Scoblic explained that the property value went from \$272,400 to 301,500 because of the 15% increase.

6. Wesley and Lynette Holmgren – 20 West 9th Street – Parcel No. 27-0299000

Meeker County Appraiser Scoblic explained that the property value went from \$439,200 to 484,300 because of the 15% increase.

7. Kelly & Janet Mankenberg – 416 North Swift Ave. – Parcel No. 27-0614000

Meeker County Appraiser Scoblic explained that the property value went from \$116,000 to 125,700 because of the 15% increase.

8. Ricky Gish – 339 East 2nd St. – Parcel No. 27-1408000

Meeker County Appraiser Scoblic explained that the property value went from \$77,100 to 84,600 because of the 15% increase.

9. Lake Ripley Properties LLC – 1205 South Sibley Ave. – Parcel No. 27-1486001

Meeker County Appraiser Scoblic explained that this is an apartment complex that staff has been unable to view and are leaving the value the same at \$1,057,800 until the property can be viewed.

Council Member Loch asked if the 15% increase was for every property in the City. Meeker County Appraiser Scoblic responded that every residential building value went up 15% but not the land. Loch inquired as to why the values were at 82%, questioning was this over the years, or because of the need for housing in Litchfield. Scoblic explained that values were based on sales. The Assessor's office does a sales study at the end of every year and this year the values were at 82%. He said the last couple years the values were not raised since they were right around 99%. Since the market values were only at 82% this year, the Meeker County Assessor's Office felt that a 15% increase was appropriate, bringing values to a 94-95% ratio which was acceptable by the State.

Council Member Dingmann asked for clarification that the Meeker County Assessor's Office was going to try to get an inspection in before the County Board of Appeal and Equalization. Meeker County Appraiser Scoblic responded yes and that all the recommendations would be forwarded to the County Board of Appeal and Equalization.

Council Member Allen asked for clarification that all the properties presented had improvements and that's why staff couldn't get in there to view them. Meeker County Appraiser Scoblic responded that he has been to all the properties within the last 5 years, two of the properties had improvements since the last time he was there and that's why the increase in value was more than 15%. He explained that each year they do a quintile in which each property has to be viewed every 5 years and every year he views about 20% of the properties in the City.

Mayor Johnson asked what the rate of increase was for the businesses. Meeker County Appraiser Scoblic replied that the Assessor's office did not increase commercial this year. Mayor Johnson asked for clarification that the Assessor's office goes by house sales referring to a recent house sale on Hubbard Avenue, if that plays a role in how they assess the buildings around it. Meeker County Scoblic responded that yes it does, however explaining their role with mass appraisal in which they just did a blanket change of 15% across the board. Individual market value consideration is done on case by case basis as questions arise or if the 5 years are up.

Council Member Mathwig asked for a clarification of the State requirement of being between 90% and 105%. Meeker County Appraiser Scoblic responded that the State requires Assessors to between 90% and 105% of what things are selling for. The ratio this year was about 82% after everything was considered which warranted a 15% increase in order to be acceptable by the State. Their goal was to be at least about 95% and to be fair with everyone.

Mayor Johnson asked City Administrator Cziok if there was anyone in the audience at City Hall who would like to speak. City Administrator Cziok responded that there was no one in the audience that would like to be heard.

Meeker County Assessing staff recommends no changes to the properties presented until a proper view can be conducted prior to the County Board of Appeal and Equalization.

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

**CITY OF LITCHFIELD
RESOLUTION NO. 20-4-82
APPROVE MEEKER COUNTY ASSESSOR'S OFFICE
RECOMMENDATION TO LOCAL BOARD OF APPEAL AND EQUALIZATION OF
NO CHANGES TO PROPERTIES PRESENTED**

WHEREAS, the Local Board of Appeal and Equalization hearing was held on April 20, 2020, and

WHEREAS, the City of Litchfield contracts with the Meeker County Assessor's office to perform assessments on behalf of the City, and

Resolution No. 20-4-82– Cont’d.

WHEREAS, the Meeker County Assessor’s office presented 9 properties for consideration, and

WHEREAS, the Meeker County Assessor’s Office was unable to view said properties due the COVID-19 pandemic, and

WHEREAS, the Meeker County Assessor’s Office recommends that no changes be made to the 9 properties presented until they can be viewed,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Litchfield to approve the Meeker County Assessor’s office recommendations that no changes be made to the 9 properties presented to the Local Board of Appeal and Equalization until at which time the properties can be viewed, and

BE IT FURTHER RESOLVED that future consideration of said properties will be conducted by the County Board of Appeal and Equalization in June.

Adopted by the City Council this 20th day of April, 2020.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

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

With no other comments at 5:51 p.m., Mayor Johnson explained the Council would continue with the Council meeting and that the public hearing would be kept open until 6:30 p.m. The Local Board of Appeal and Equalization reconvened at 6:30 p.m. Mayor Johnson asked if there was anyone wishing to comment. With no further comments, the public hearing was closed at 6:30 p.m.

IV. ACKNOWLEDGEMENT OF AUDIENCE/PRESENTATIONS –

A. AUDIT PRESENTATION –

Justin McGraw, representing Conway, Deuth and Schmeising, PLLP, addressed the Council concerning the 2019 Audit. He highlighted areas of the financials including the General Fund, TH12 Improvements, Special Revenue and Capital Projects Funds, Liquor Fund, Sewer Fund, Electric and Water Funds. He said in the past the funds have been managed as such to prepare themselves for a time in which they can weather some financial hardships where there may be some revenue shortages. He added that it’s really good fiscal policy that put the City in the position they are at today.

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

**CITY OF LITCHFIELD
RESOLUTION NO. 20-4-80
ACCEPT 2019 CITY FINANCIAL AUDIT REPORT**

WHEREAS, Conway, Deuth and Schmiesing, PLLP have been authorized to conduct an audit of 2019 Financial and other related matters, and

WHEREAS, a detailed report was reviewed previously with staff, and

WHEREAS, the report was reviewed by the Council on April 20, 2020,

Resolution No. 20-4-80– Cont’d.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Litchfield to accept the 2019 Financial Audit Report as on file, and

BE IT FURTHER RESOLVED to order its submission to other governmental units and to be published as required by State Statute.

Adopted by the City Council this 20th day of April 2020.

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. COVID-19 UPDATE –

City Administrator Cziok provided the status of operations. He reported that the Golf Course opened up on Saturday in the format of park and play. He is hoping by Wednesday to have fees/memberships/carts figured out in a safe manner. Cziok said the proshop will probably remained closed to the public however, window service similar to a drive-thru will be provided. He said emails have been sent informing people that it will not be business as usual. The City will have to be careful on expenses anticipating revenue loss from tournaments. Cziok said there has been staff buy-in already for making the necessary changes.

City Administrator Cziok said that Pioneerland Library staff is hoping to offer curb side service within the next couple weeks.

Lastly Cziok discussed continuation of video conferencing concerning Council meetings. He explained the assumption will be that the next meeting will be held via video conferencing unless while in a meeting the Council makes the decision to change for the next meeting. The resolution on file is that Council meetings continue in the video conferencing format as long as the emergency is in place. Cziok expects that the Council may want to consider moving back prior to removing the Emergency Declaration currently in place, adding he thinks the City will need the state of emergency at least from a staffing perspective for the foreseeable future.

Council Member Kotelnicki said she has been approached by 3 business owners since maybe Thursday requesting the City take a stand about reopening or somehow address some issues. She understands that this is a national and state issue. She said the Governor will provide more information. If there is something from the Governor this week that requires City action, Kotelnicki would not like to wait until the first meeting in May to address and would like to hold a special meeting to help the business owners.

Council Member Dingmann questioned if the Governor loosens up the regulations and allows things to change does the City need to respond or does the Governor's action automatically apply to the City. Council Member Kotelnicki responded that the CDC has issued a 3-step plan to reopen the country, adding that CDC states that local officials may need to tailor these guidelines to local circumstances such as a rural area where outbreaks have not occurred or have been very mild. Again she expressed concern about not waiting until the next meeting to address changes. Council Member Mathwig questioned whether or not Council Member Kotelnicki's question would fall under the Emergency Declaration in that City Administration should be able to take action as long as the Council hasn't repealed it. City Administrator Cziok responded yes however without knowing the question or questions it is hard to say. He said he may not have the authority to bypass an ordinance scenario referring to a recent action by the Governor concerning off-sale liquor.

City Administrator Cziok informed the Council about staff buy-in and that supervisors were contacted early on, resulting in some savings in particular departments with some overtime savings. He explained that the City is trying to keep part time staff at the 80 to 90 percentile level to where the City is normally at based on demands. Planning and Zoning contract costs have been cut by 25%. Cleaning costs are down with the Library currently closed, adding that cleaning will be reevaluated once the building is opened up to the public. The Liquor store experienced an initial bump due to panic buying however the City is seeing some decline in April.

Some positive news to report, Cziok said the City is not seeing big delinquencies yet with utility accounts however he does expect that to change at some point in time. Mayor Johnson added that with eliminating the City-wide clean-up the City will realize savings too. No formal action was taken.

B. SERVICE CONTRACT AGREEMENT MODIFICATIONS –

Council Member Dingmann said the Litchfield Visitors Bureau (LVB) was created about a year ago and continues to be work in progress with the mission to promote the community for activities, events and experiences, inspire growth and create opportunities. He explained that LVB would like to make some minor changes to the existing service contract agreement between the City, the Chamber and LVB. The changes include insurance, workers compensation language, broadening of funding and spelling corrections.

Council Member Allen asked for clarification of memberships. Council Member Dingmann responded that he believes that memberships would be opened up to businesses that would benefit from the LVB. Council Member Kotelnicki expressed concern that the agreement provides for the annual report and what is planned to be done next year but not what was done this year. She would like a report of the income, the expenditures, and then the remaining balance. Council Member Dingmann responded that he believes that was presented to the Council already but if not the report could be provided to the City. Kotelnicki said there were projections on how the money would be spent but not a report on how it was spent and inquired if it could be added to the agreement. City Attorney Wood replied that the Council has the ability to review the budget on an annual basis and as part of that review you are being asked for your approval of the new budget. It would be a legitimate question at that time to ask how was the money spent in the preceding year. Council Member Miller questioned whether it was covered in Item D. Verification of Expenditures, under Section 3 – Funding. Council Member Kotelnicki replied that it doesn't include approval by the City Council. Council Member Dingmann said LVB wants to be transparent and questioned City Attorney Wood if it was necessary to include. City Attorney Wood said it's always a little bit dangerous to articulate everything we want to see just because we are bound to leave something out however it does not hurt to put it in if it's the Council's desire to add it.

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

**CITY OF LITCHFIELD
RESOLUTION NO. 20-4-83
APPROVING AMENDMENT TO SERVICE CONTRACT AGREEMENT
WITH THE LITCHFIELD AREA CHAMBER OF COMMERCE AND THE
LITCHFIELD VISITORS BUREAU**

WHEREAS, the City of Litchfield adopted a Lodging Tax Ordinance in accordance with MN Statute 469.190 Local Lodging Tax, and

WHEREAS, the Lodging Tax Ordinance was adopted to assist in funding a Litchfield Visitors Bureau for the purpose of marketing and promoting the City, and

WHEREAS, an agreement was drafted outlining Litchfield Visitors Bureau services along with the responsibilities of all parties, and

WHEREAS, the Council reviewed proposed amendments to the Service Contract Agreement between the City of Litchfield, the Litchfield Area Chamber of Commerce and the Litchfield Visitors Bureau,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Litchfield approves the amendment to the Service Contract Agreement between the City of Litchfield, the Litchfield Area Chamber of Commerce and the Litchfield Visitors Bureau as provided, and

BE IT FURTHER RESOLVED that Item D. Verification of Expenditures, under Section 3 – Funding, be amended to include annual approval of the financial statements by the City Council.

Adopted by the City Council this 20th day of April 2020.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR

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

C. OFF-SALE LIQUOR –

City Administrator Cziok explained Legislative actions which have allowed for off-sale to take place within our community. The City does have the flexibility to prohibit that at the Council’s discretion. Mayor Johnson recommended leaving it as the Governor proposed it, adding after the COVID-19 pandemic it will go back to following the City’s Ordinance. Upon Council inquiry, City Attorney Wood responded that the bill passed by the Legislature does specify what can be sold and what size; essentially it’s a 6-pack of malt liquor or beer, 750 ml of wine, hard seltzer or cider and the off-sale has to be in conjunction with the sale of food. The Council, by consensus, approved of allowing it under the COVID-19 pandemic status. No formal action was taken.

IX. ADDITIONAL ITEMS – None.

X. ANNOUNCEMENTS – None.

XI. ADJOURNMENT –

The City Council meeting adjourned at 7:21 p.m. by unanimous consent.

April 20, 2020

Attest:

ASSISTANT CITY ADMINISTRATOR

Approved:

MAYOR