

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 Tuesday, September 8, 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 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. August 17, 2020

B. FINANCIAL REPORTS TO APPROVE: None.

C. CLAIMS TO AUTHORIZE FOR PAYMENT –

- 1. Computer List of Bills for \$1,454,222.90

D. OTHER PAYMENTS:

- 1. Phase 2 Generation Improvements –

**CITY OF LITCHFIELD
RESOLUTION NO. 20-9-187
AUTHORIZE PAYMENT NO. 5
FOR THE PHASE 2 GENERATION 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 that the City Council of the City of Litchfield hereby approves Payment No. 5 for the Phase 2 Generation Improvements totaling \$355,698.00 as attached and on file.

Adopted by the City Council this 8th day of September, 2020.

Attest:

ASSISTANT CITY ADMINISTRATOR

Approved:

MAYOR

E. ORDINANCES – SECOND READINGS: None.

F. LICENSES: None.

G. OTHER ROUTINE MATTERS:

1. Employment Offer –

**CITY OF LITCHFIELD
RESOLUTION NO. 20-9-184
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>Pro Shop</u> | Sydney McCann Emma DeWolf Kaitlyn Kusler Addison Marquardt |
| <u>Liquor Store</u> | Andrea Westling |
| <u>Compost Site</u> | Gary Schrotberger |

Adopted by the City Council this 8th day of September, 2020.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

H. COMMUNICATIONS:

1. Minutes & Reports:
 - a. Personnel Committee Meeting – August 27, 2020
 - b. Finance/Infrastructure Committee – September 1, 2020

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

**CITY OF LITCHFIELD
RESOLUTION NO. 20-9-191
APPROVING CONSENT AGENDA**

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

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

Resolution No. 20-9-191– Cont’d.

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 8th day of September, 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 – None.

IV. ACKNOWLEDGMENT OF AUDIENCE/PRESENTATIONS – None.

V. COMMISSION RECOMMENDATIONS –

A. PLANNING COMMISSION –

1. Variance Request - By Andrew & Darlene Vossen at 711 W 6th Street -

Council Member Mathwig explained one condition for approval of the application for a variance from Andrew and Darlene Vossen for property located at 711 West 6th Street was that the two separate parcels be combined into one. After attempting to record the variance with Meeker County the City was made aware that the parcels could not be combined with one parcel being platted and the other parcel being unplatted with a metes and bounds legal description. The City is however able to accomplish combining these properties through recording restrictive covenants on the parcels, stating that they cannot be sold separately of each other and essentially function as one property.

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

**CITY OF LITCHFIELD
RESOLUTION NO. 20-9-186
GRANT VARIANCE TO ANDREW & DARLENE VOSSSEN
FOR PROPERTY LOCATED AT 711 WEST 6TH STREET**

WHEREAS, the Planning Commission held a hearing on August 10, 2020, on a request for a variance by Andrew & Darlene Vossen, 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 request is for a variance of two-hundred forty (240) square feet to the maximum allowable accessory structure square footage of one-thousand two-hundred (1,200) square feet for the purpose of constructing a greenhouse, and

WHEREAS, the property is located at 711 West 6th Street in the R-1, Single-Family Residence District, and

WHEREAS, the subject parcel contains one (1) existing accessory structure, and

Resolution No. 20-9-186-- 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 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

WHEREAS, the variance is subject to the following conditions:

1. The Applicant must sign and cause to be recorded a deed restriction prohibiting conveyance of the tax parcels identified herein to separate grantees.
2. Construction of the greenhouse must adhere to the site plan provided with the application.

BE IT RESOLVED by the City Council of the City of Litchfield that a variance be granted to Andrew & Darlene Vossen at 711 West 6th Street, to allow construction of a second accessory structure on the property, exceeding the maximum allowable accessory structure square footage by two-hundred forty (240) square feet. Said variance shall be subject to the conditions that Applicants sign and cause to be recorded a deed restriction prohibiting conveyance of the tax parcels to separate grantees and that construction of the greenhouse adheres to the site plan. Property legally described as:

Parcel No. 27-2336000
Lot 6, Block 7, Pleasant View Estates First Addition
City of Litchfield, Meeker County, Minnesota

Parcel No. 0024002
That part of the SW ¼ of the NW ¼, Section 11, Township 119, Range 31, Meeker County, Minnesota described as follows:

Beginning at the SE corner of Lot 6, Block 7 of Pleasant View Estates First Addition, according to the plat thereof as recorded and on file in the office of the County Recorder of Meeker County

Minnesota; thence on a bearing of South, it is assumed that the South line of said Lot 6 bears East, a distance of 100.00 feet; thence on a bearing of West, a distance of 126.93 feet to the east line of Lot 3 of said Block; thence N'ly along the East line of the said Lot 3 and along the East line of Lot 4 of said Block, a distance of 100.00 feet to the NE corner of said Lot 4; thence on a bearing of East along the South line of Lot 5 of said Block and along the south line of said Lot 6, a distance of 126.93 feet to the point of beginning.

BE IT FURTHER RESOLVED by the City Council of the City of Litchfield that Resolution No. 20-8-170 is hereby rescinded.

Adopted by the City Council this 8th day of September, 2020.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR

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

VI. COMMITTEE REPORTS –

A. PERSONNEL COMMITTEE –

1. Labor Report & City Hall Vacancy –

City Administrator Cziok discussed labor levels and organizational needs. He explained that the needs identified do not necessarily include hiring. He said the City needs to identify leadership within the organization. Cziok reported that efforts to fill the upcoming Office Supervisor vacancy were impacted with COVID-19. After reevaluating staffing needs, he explained that a new job description has been developed. The goals in the hiring process include focusing on customer service, attracting as many local talented candidates as possible, finding a fit within existing staff, and waiting on supervision.

City Administrator Cziok reported that the Personnel Committee also discussed administration’s pay and overall organizational pay structures as well as fire/rescue pay. Council Member Dingmann recommended that Administration be tasked with meeting with the Personnel Committee and the Finance Committee to resolve before the end of the year.

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

**CITY OF LITCHFIELD
RESOLUTION NO. 20-9-192
APPROVE OFFICE SUPPORT SPECIALIST POSITION**

WHEREAS, the City will have a vacancy in the position of Office Supervisor,
and

WHEREAS, City staff reviewed the organizational needs, and

WHEREAS, City staff developed a new job description for an Accountant to fill the vacancy, and

WHEREAS, City staff received applications and conducted interviews with several candidates, and

WHEREAS, the process was impacted by COVID-19, and

WHEREAS, Administration has reevaluated staffing needs and reviewed additional options with the Personnel Committee to assist current staff, and

WHEREAS, City staff has developed a new job description for an Office Support Specialist,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Litchfield hereby approves the Office Support Specialist position and job description, and

BE IT FURTHER RESOLVED to authorize City staff to begin the application process.

Adopted by the City Council this 8th day of September, 2020.

Approved:

Attest:

September 8, 2020

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 Dingmann, seconded by Council Member Miller, to adopt the following:

**CITY OF LITCHFIELD
RESOLUTION NO. 20-9-193
AUTHORIZE REVIEW OF ORGANIZATIONAL PAY STRUCTURES**

WHEREAS, the Personnel Committee discussed Administration’s pay and overall pay structures, and

WHEREAS, the Personnel Committee also requested information concerning the fire/rescue pay structures,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Litchfield hereby tasks Administration to meet with the Personnel Committee and the Finance Committee to review organizational pay structures including fire/rescue pay and report back to the Council before the end of the year.

Adopted by the City Council this 8th day of September, 2020.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR

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

VII. LEGAL CONSIDERATIONS – None.

VIII. BUSINESS –

A. 2021 PRELIMINARY LEVY/BUDGET PROCESS –

City Administrator Cziok outlined the 2021 Preliminary Levy/Budget process and Council action required. He explained that the goal is to provide the Council with a budget that is “business as usual” and doesn’t contain any operational changes. He discussed the major changes to the budget with personnel costs being one of the major factors as usually the case. He reminded the Council that the levy can be reduced in December however cannot be increased.

City Administrator Cziok discussed historical data including LGA and Levy History, Local Levy vs. Net Tax Capacity, and Annual Tax Rates. He explained the flat line indicated by the graphs provided represents a conservative community and a conservative Council. He discussed risk factors which include spending more when tax capacity drops, impacts of COVID-19, and not being able to afford services that residents are requesting. Cziok noted that the current net tax capacity is one of the largest increases the City has seen. He explained the need to balance taxpayer expectations to what they are willing to spend.

City Administrator Cziok distributed a spreadsheet with Collectible 2021 Property Tax Levy options for Council consideration. The Council could remain at same

levy as 2020, however Cziok explained that an additional \$18,500 is necessary to cover debt which would result in lowering the operating levy, adding adjustments would be made operationally to accommodate. The Council could levy the additional debt in the amount of \$18,500. The Council also reviewed impacts with increases of 3%, 4%, and 5%. The Council discussed a 5% increase because of the increase in net tax capacity and agreed that it provides a cushion with unknowns including COVID-19. City Administrator Cziok explained that he is hesitant to provide impacts to homeowners with all the variables. He said Meeker County raised valuations 15% which accounts for residential net tax capacity increases. Some of the commercial/industrial increases were realized from the new apartments on the east side of town, along with improvements with both North Star and FDA. City Administrator Cziok noted that the Council has always discussed decreasing the levy in December but has never actually changed it. The Council determined that the City may have a better handle on the unknowns with COVID-19 by December and can evaluate at that time whether the levy can be decreased.

1. Set Preliminary Levy -

It was moved by Council Member Loch, seconded by Council Member Dingmann, to approve a 5% Tax Levy increase as provided on the document distributed to the Council. Upon roll call vote, all members present voted aye, whereupon the motion carried.

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

**CITY OF LITCHFIELD
RESOLUTION NO. 20-9-188
ADOPTING PROPOSED 2020 PROPERTY TAX LEVY
COLLECTIBLE 2021 PROPERTY TAX LEVY**

WHEREAS, State law requires that cities certify their proposed Collectible 2021 Property Tax Levy by September 30, 2020, and

WHEREAS, the proposed levy amounts may be reduced but not increased for the final certifications, which are due on or before December 28, 2020,

NOW, THEREFORE, BE IT RESOLVED to propose the following 2020 Property Tax Levy, Collectible in 2021, as follows:

Regular Levy:

| | |
|---------------------|-------------|
| <i>General Fund</i> | \$2,385,500 |
|---------------------|-------------|

Special Levies:

Debt Service Funds

| | |
|-----------------------------|---------|
| 2007B Lease Rev | 45,000 |
| 2011B G.O. Cap Imp. Plan | 62,000 |
| 2015A G.O. Capital Imp Plan | 91,500 |
| 2018A G.O. Tax Abatement | 202,000 |
| 2018A G.O. Capital Notes | 80,000 |
| 2019A G.O. Sewer Rev & Ref | 83,500 |

Economic Development

| | |
|---------------------------|--------|
| Tax Abatement (Mn Rubber) | 12,500 |
| Tax Abatement (FDA) | 12,000 |

| | |
|-----------------------------|--------------------|
| Total Levy Certified | \$2,974,000 |
|-----------------------------|--------------------|

AND BE IT ALSO RESOLVED that the Assistant City Administrator is hereby instructed to transmit a certified copy of the Resolution to the Meeker County Auditor by September 30, 2020.

Adopted by the City Council this 8th day of September, 2020.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR

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

2. Set Preliminary Budget -

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

**CITY OF LITCHFIELD
RESOLUTION NO. 20-9-189
ADOPT PROPOSED 2021 TAX SUPPORTED BUDGETS**

WHEREAS, State law requires that cities adopt their proposed 2021 Budgets by September 30, 2020, and

WHEREAS, these proposed Budgets may be increased or decreased, but must be finally adopted after the meeting where public comments are received on December 7, 2020,

NOW, THEREFORE, BE IT RESOLVED to propose the following Tax Supported Budgets for 2021:

| | |
|--------------|-------------|
| General | \$5,963,358 |
| Debt Service | \$701,110 |

Adopted by the City Council this 8th day of September, 2020.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR

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

3. Set Public Hearing Dates -

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

**CITY OF LITCHFIELD
RESOLUTION NO. 20-9-190
SET 2021 BUDGET AND PROPERTY TAX LEVY
MEETING DATES**

WHEREAS, the City is required to set dates to consider, receive public comment, and to adopt the 2021 Budget and Property Tax Levy, and

WHEREAS, City staff is in the process of reviewing the budgets, and

WHEREAS, the 2021 Budget and Property Tax Levy meeting will be held at City Hall,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Litchfield hereby sets the 2021 Budget and Property Tax Levy meeting date as follows:

Review and public comment and adoption - Monday, December 7, 2020 at 6:00 P.M.

Adopted by the City Council this 8th day of September, 2020.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR

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

B. CIP EXECUTIVE REPORT –

City Administrator Cziok discussed the CIP Executive Report included in the Council packet. He explained the purpose was to provide the Council with a summary of infrastructure needs. He advised a more thorough report be initiated early next year with the assistance of the City Engineer which will be necessary for project funding. Cziok said some of the equipment and projects included in the CIP Executive Report have funding in place and staff will be looking to move those forward in 2021. No formal action was taken.

C. COVID-19 UPDATE –

City Administrator Cziok reported that other than preparing for the transition from summer to winter operations there were no other changes to report. Mayor Johnson inquired about the status of the Litchfield Library opening. Council Member Allen, representative to the Library Board, responded that the authority on opening lies with Pioneerland. She said Pioneerland has acknowledged there are more needs and have made accommodations by opening by appointment, offering curbside pickup, and extending hours. City Administrator Cziok added that although the City owns the building, Pioneerland is responsible for the employees. No formal action was taken.

D. CARES ACT FUNDING –

City Administrator Cziok provided an update on business allocations being reviewed through the committee established by the Meeker County EDA. He reported that \$470,000 need has been identified through 20 applications received. He explained applicants have to document need adding that applications for small amounts have been paid out if they met the criteria.

City Administrator Cziok said the Council Chambers improvements are largely on budget. He explained that there are acoustical improvements that have been identified but have not been budgeted. No formal action was taken.

E. CHARGING STATION –

City Administrator Cziok explained that the City was notified by MnDOT that the EV Charging Station installed on Trunk Highway 12/22, on the west side of Central Park, was not permitted and would need to be removed. He reported that location options will be provided for Council consideration. No formal action was taken.

F. MDT GRANT AGREEMENT - AIRPORT SRE BUILDING –

Assistant City Engineer Chuck DeWolf provided the timelines for completion of the Airport SRE building which will provide storage for snow removal equipment.

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

**CITY OF LITCHFIELD
RESOLUTION NO. 20-9-185
AUTHORIZATION TO EXECUTE
MINNESOTA DEPARTMENT OF TRANSPORTATION
GRANT AGREEMENT FOR AIRPORT IMPROVEMENT
EXCLUDING LAND ACQUISITION**

September 8, 2020

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

Resolution No. 20-9-185– Cont’d.

1. That the state of Minnesota Agreement No. 1044786, “Grant Agreement for Airport Improvement Excluding Land Acquisition,” for State Project No. A4701-31 at the Litchfield Municipal Airport is accepted.
2. That the Mayor and Assistant City Administrator are authorized to execute this Agreement and any amendments on behalf of the City of Litchfield.

Adopted by the City Council this 8th day of September, 2020.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR

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

G. DOWNTOWN PUNCH LIST –

Council Member Kotelnicki inquired about punch list items remaining concerning the Downtown reconstruction project. She expressed concerns about the intersection at Highway 12 and 34 with the removal of the temporary traffic light. She asked about the status of painting the lights. Assistant City Engineer Chuck DeWolf said that issue is being reviewed. Council Member Kotelnicki inquired about the scoring on the curbside, the 2’ of sidewalk. DeWolf responded that was also being reviewed. Kotelnicki also expressed concern about the concrete color. No formal action was taken.

IX. ADDITIONAL ITEMS – None.

X. ANNOUNCEMENTS – None.

XI. ADJOURNMENT –

The City Council meeting adjourned at 6:56 p.m. by unanimous consent.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR