

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, August 1, 2022, 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	John Carlson	Present
Council Member Ward V	Sara Miller	Excused
City Administrator	Dave Cziok	Present
Assistant City Administrator	Joyce Spreiter	Present
Operations Engineer	Mike Geers	Present
Assistant City Attorney	Rebecca Rue	Present
City Engineer	Chuck DeWolf	Present
Independent Review	Amy Wilde	Present
KLFD	Tim Bergstrom	Present

B. PLEDGE OF ALLEGIANCE

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 Minutes – July 18, 2022

B. FINANCIAL REPORTS TO APPROVE:

- 1. Electronic and Wire Transfer Report

C. CLAIMS TO AUTHORIZE FOR PAYMENT:

- 1. Computer List of Bills for \$1,121,250.82

D. OTHER PAYMENTS: None.

E. ORDINANCES – SECOND READINGS: None.

F. LICENSES:

- 1. Lawful Gambling Permit – Meeker County Ducks Unlimited –

**CITY OF LITCHFIELD
 RESOLUTION NO. 22-8-139
 LAWFUL GAMBLING PERMIT FOR
 AN EXEMPT ORGANIZATION MN 0280 SC DUCKS UNLIMITED**

WHEREAS, an application for a lawful gambling license exemption was considered from the MN 0280 SC Ducks Unlimited,

NOW, THEREFORE, BE IT RESOLVED to approve the application for an Exemption from a Lawful Gambling license for MN 0280 SC Ducks Unlimited on September 22, 2022 at Eagles Club 389 CSAH 34, Litchfield, and to direct submittal of a copy of this resolution with their application to the State Gambling Control Division.

Resolution No. 22-8-139– Cont’d.

Adopted by the City Council this 1st day of August, 2022.

Attest:

ASSISTANT CITY ADMINISTRATOR

Approved:

MAYOR

G. OTHER ROUTINE MATTERS:

1. Employment Offer –

**CITY OF LITCHFIELD
RESOLUTION NO. 22-8-138
EMPLOYMENT OFFER FOR
PART-TIME POSITIONS**

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

WHEREAS, the funds to fill these positions were approved in the 2022 Budget; and

WHEREAS, the supervisors will adjust the wage schedule for 2022 part-time employees to fill these positions, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Litchfield to offer 2022 part-time employment with the City of Litchfield, to the following:

<u>Department</u>	<u>Re-Hires</u>	<u>New Hires</u>
<i>Liquor Store</i>		Susan Barker
<i>Streets</i>		Ayden Cziok

Adopted by the City Council this 1st day of August, 2022.

Attest:

ASSISTANT CITY ADMINISTRATOR

Approved:

MAYOR

2. Temporary Street Closure Application – American Legion Post 104

H. COMMUNICATIONS:

1. Minutes & Reports:

- a. Litchfield Library Board – July 26, 2022
- b. Heritage Preservation Commission – July 25, 2022
- c. Finance Committee – July 18, 2022
- d. Housing Committee – July 28, 2022

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

**CITY OF LITCHFIELD
RESOLUTION NO. 22-8-143
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 1st day of August, 2022.

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 –

A. LITCHFIELD ROTARY – AED Donation –

Mark Nicholson, representing Litchfield Rotary, addressed the Council with a proposal to donate an outdoor AED Smart Monitored Cabinet to the City for placement in Legion Memorial Park. Mr. Nicholson thanked the City for partnering with the Litchfield Rotary on many successful projects including the splash pad and canopy in Memorial Park along with the Prairie Park shelter and berm. He shared that Litchfield Rotary would like to provide for the purchase and installation of the AED unit in the amount of \$7,195. While Litchfield Rotary is providing for the first outdoor AED unit, Litchfield Rotary hopes it will not be the last one with the possibility of other organizations donating units in the future. Mark Nicholson shared there will be ongoing costs for the City to include electric, monitoring, and batteries and the outdoor unit needs to be temperature controlled. Council Member Dingmann inquired about monitoring in the event the door is open. Based on information provided to Litchfield Rotary, Mark Nicholson responded there haven't been problems with vandalism. He shared that when the door is open an alarm is set off and a picture taken. Council Member Mathwig asked if the AED unit was connected or could be physically removed from the cabinet. Nicholson said the AED unit can be physically removed. Council Member Allen inquired about the annual monitoring costs in which Nicholson responded the costs were per unit.

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

**CITY OF LITCHFIELD
RESOLUTION NO. 22-8-144
ACCEPTING LITCHFIELD ROTARY DONATION
OUTDOOR AED SMART MONITORED CABINET**

WHEREAS, the City has partnered with the Litchfield Rotary on several successful projects including the splash pad and canopy in Legion Memorial Park and the Prairie Park shelter and berm; and

WHEREAS, the Litchfield Rotary wishes to donate an outdoor AED Smart Monitored Cabinet to be placed in Legion Memorial Park; and

Resolution No. 22-8-144– Cont’d.

WHEREAS, ongoing costs for the City include electric, monitoring, and batteries,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Litchfield hereby accepts the donation from the Litchfield Rotary Club for the AED Smart Monitored Cabinet and the installation in Legion Memorial Park.

Adopted by the City Council this 1st day of August, 2022.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR

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

V. COMMISSION RECOMMENDATIONS –

1. CERTIFICATE OF APPROPRIATENESS – By Brennan Rosenow – 201 N. Sibley Ave. –

Council Member Kotelnicki provided the findings and recommendations of the Heritage Preservation Commission.

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

**CITY OF LITCHFIELD
RESOLUTION NO. 22-8-140
GRANT CERTIFICATE OF APPROPRIATENESS
TO BRENNAN ROSENOW
FOR PROPERTY LOCATED AT 201 NORTH SIBLEY AVENUE**

WHEREAS, the Litchfield Heritage Preservation Commission held a hearing on Monday, July 25, 2022, to consider a Certificate of Appropriateness Application request by Brennan Rosenow, for property located at 201 North Sibley Avenue, and

WHEREAS, the Litchfield Heritage Preservation Commission has recommended that this Certificate of Appropriateness Application be granted, based upon the summation of the checklist, as follows, and be referred to the City Council for final action, and

WHEREAS, the Certificate of Appropriateness would allow the removal of skylights and rebuilding of roof underneath and covering with EPDM like rest of building, replacement of rubber roof, and replacement of front door with aluminum storefront door with full glass, and

WHEREAS, the Certificate of Appropriateness would allow the property to be used as it was historically or given a new use that requires minimal changes to its distinctive features, spaces, or spatial relationships, and

WHEREAS, the Certificate of Appropriateness would allow the property’s historic character to be retained and preserved, and

WHEREAS, the Certificate of Appropriateness would allow the property to be recognized as a physical record of its time, place and use, and

WHEREAS, the changes to the property that have acquired historic significance in their own right will be retained and preserved, and

Resolution No. 22-8-140– Cont’d.

WHEREAS, distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize the property will be preserved, and

WHEREAS, new additions and adjacent or related new construction will be undertaken in such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment will be unimpaired,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Litchfield that the request for a Certificate of Appropriateness be granted to Brennan Rosenow, for property located at 201 North Sibley Avenue.

Adopted by the City Council on this 1st day of August, 2022.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR

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

- 2. CERTIFICATE OF APPROPRIATENESS - By Brennan Rosenow – 205 N. Sibley Ave. –

Council Member Kotelnicki provided the findings and recommendations of the Heritage Preservation Commission.

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

**CITY OF LITCHFIELD
RESOLUTION NO. 22-8-141
GRANT CERTIFICATE OF APPROPRIATENESS
TO BRENNAN ROSENOW
FOR PROPERTY LOCATED AT 205 NORTH SIBLEY AVENUE**

WHEREAS, the Litchfield Heritage Preservation Commission held a hearing on Monday, July 25, 2022, to consider a Certificate of Appropriateness Application request by Brennan Rosenow, for property located at 205 North Sibley Avenue, and

WHEREAS, the Litchfield Heritage Preservation Commission has recommended that this Certificate of Appropriateness Application be granted, based upon the summation of the checklist, as follows, and be referred to the City Council for final action, and

WHEREAS, the Certificate of Appropriateness would allow the replacement of front door with full window, aluminum, storefront style door and replacement of back door with quarter window, steel gray door with steel frame, and

WHEREAS, the Certificate of Appropriateness would allow the property to be used as it was historically or given a new use that requires minimal changes to its distinctive features, spaces, or spatial relationships, and

WHEREAS, the Certificate of Appropriateness would allow the property’s historic character to be retained and preserved, and

WHEREAS, the Certificate of Appropriateness would allow the property to be recognized as a physical record of its time, place and use, and

Resolution No. 22-8-141– Cont’d.

WHEREAS, the changes to the property that have acquired historic significance in their own right will be retained and preserved, and

WHEREAS, new additions, exterior alterations, or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property, and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Litchfield that the request for a Certificate of Appropriateness be granted to Brennan Rosenow, for property located at 205 North Sibley Avenue.

Adopted by the City Council on this 1st day of August, 2022.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR

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

- 3. CERTIFICATE OF APPROPRIATENESS – By American Legion Post – 222 N. Sibley Ave. –

Council Member Kotelnicki provided the findings and recommendations of the Heritage Preservation Commission.

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

**CITY OF LITCHFIELD
RESOLUTION NO. 22-8-142
GRANT CERTIFICATE OF APPROPRIATENESS
TO AMERICAN LEGION POST
FOR PROPERTY LOCATED AT 222 NORTH SIBLEY AVENUE**

WHEREAS, the Litchfield Heritage Preservation Commission held a hearing on Monday, July 25, 2022, to consider a Certificate of Appropriateness Application request by American Legion Post, for property located at 222 North Sibley Avenue, and

WHEREAS, the Litchfield Heritage Preservation Commission has recommended that this Certificate of Appropriateness Application be granted, based upon the summation of the checklist, as follows, and be referred to the City Council for final action, and

WHEREAS, the Certificate of Appropriateness would allow the replacement of rear addition roof with rubber membrane roof not visible to public, repairing, replacement, and repointing of brick as necessary on east, north, and west facades, and removal of cement in alley near basement and rerouting of water to storm sewer, and

WHEREAS, the Certificate of Appropriateness would allow the property to be used as it was historically or given a new use that requires minimal changes to its distinctive features, spaces, or spatial relationships, and

WHEREAS, the Certificate of Appropriateness would allow the property’s historic character to be retained and preserved, and

WHEREAS, the Certificate of Appropriateness would allow the property to be recognized as a physical record of its time, place and use, and

Resolution No. 22-8-142– Cont’d.

WHEREAS, distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize the property will be preserved, and

WHEREAS, deteriorated historic features will be repaired rather than replaced, and

WHEREAS, chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible, and

WHEREAS, archeological resources will be protected and preserved in place, and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Litchfield that the request for a Certificate of Appropriateness be granted to American Legion Post, for property located at 222 North Sibley Avenue with the condition that paint removal is per NPS guidelines and that the north façade “John’s Hardware” sign is not to be removed.

Adopted by the City Council on this 1st day of August, 2022.

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. HOUSING COMMITTEE –

1. TIF Application –

City Administrator Cziok reported that the Housing Committee reviewed a preapplication for Tax Increment Financing assistance from Dave Tysk. He discussed the process including engaging Ehlers to complete the required TIF analysis. He shared the Housing Committee discussed a number of topics with access to the development being a concern and the need to focus on having 7th Street run from County Highway 34 to Cottonwood Avenue.

Mayor Johnson discussed the addition of the 7th Street requirements for the developer and the purpose of accounting for both pedestrians and vehicles. City Administrator Cziok provided clarification to Council Member Mathwig in that there would be access to the development from Cottonwood Avenue. Council Member Kotelnicki inquired as to the date of the TIF policy and if it was compared to current law. City Administrator Cziok responded that nothing substantial had changed when compared.

Council Member Mathwig reported that the Planning Commission had approved of the site plan. He shared that the townhomes are in the way of extending 7th Street and that is why 7th Street was left untouched. He inquired if the site plan needed to be readdressed. City Administrator Cziok responded that the City would continue to work with the developer on extension of 7th Street from County Highway 34 to Cottonwood Avenue as part of the process.

Dave Tysk, Litchfield Opportunity Zone, Inc., reported that the site plan will need to have substantial changes. He shared the impacts to the development, along with financial impacts, with City street requirements versus private road requirements. He expressed concern about the feasibility. City Administrator Cziok said that City staff has strong recommendations to do it right, adding that the City would be subsidizing the development. He responded to Council Member Kotelnicki’s inquiry that the timeline is 3-6 months.

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

**CITY OF LITCHFIELD
RESOLUTION NO. 22-8-145
APPROVING PREAPPLICATION FOR
TAX INCREMENT FINANCING ASSISTANCE –
LITCHFIELD OPPORTUNITY ZONE, INC.**

WHEREAS, the City received a preapplication for Tax Increment Financing assistance from Litchfield Opportunity Zone, Inc.; and

WHEREAS, the Housing Committee reviewed said request with access to the development and the impact on traffic, safety, and convenience of both future and existing residents being a concern,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Litchfield hereby approves the preapplication for Tax Increment Financing assistance from Litchfield Opportunity Zone, Inc. and authorizes administration to proceed with engaging Ehlers to complete the required TIF analysis and scheduling the public hearing,

BE IT FURTHER RESOLVED that the Housing Committee continue to work with the developer on the extension of 7th Street from County Highway 34 to Cottonwood Avenue as part of the process.

Adopted by the City Council this 1st day of August, 2022.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

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

2. Housing Study –

City Administrator Cziok reported that the Housing Committee discussed and recommends participating in a housing study with Meeker County again.

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

**CITY OF LITCHFIELD
RESOLUTION NO. 22-8-146
AUTHORIZE PARTICIPATING IN HOUSING STUDY WITH MEEKER COUNTY**

WHEREAS, the City partnered with Meeker County on a housing study completed in 2016, and

WHEREAS, both the City and Meeker County are looking to update the housing study; and

WHEREAS, several housing advisors and the Housing Committee are working to find a consultant to complete a new housing study; and

WHEREAS, the expenses will be shared per capita,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Litchfield hereby approves participating in the housing study to be coordinated by Meeker County.

Adopted by the City Council on this 1st day of August, 2022.

Resolution No. 22-8-146– Cont’d.

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. OVERLAY PROJECT –

City Engineer DeWolf provided the bid results for the overlay project. He reported that the bids came in 10% higher as a result of pavement costs and relating to volatile conditions.

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

**CITY OF LITCHFIELD
RESOLUTION NO. 22-8-147
ACCEPTING BIDS ON 2022 STREET OVERLAY IMPROVEMENTS**

WHEREAS, pursuant to an advertisement for bids for the 2022 Street Overlay Improvements, bids were received on Tuesday, July 26, 2022, were opened and tabulated according to law and held over until Monday, August 1, 2022, and the following bids were received complying with the advertisement:

	<u>Net Bid</u>
Mid-Minnesota Hot Mix Annandale, MN	\$846,376.85
OMG Midwest Inc. dba Minnesota Paving & Materials Rogers, MN	\$857,516.50
Duininck, Inc. Prinsburg, MN	\$872,142.45
Knife River Corporation Sauk Rapids, MN	\$925,156.00

AND WHEREAS, it appears that Mid-Minnesota Hot-Mix is the lowest responsible bidder,

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

1. To give a conditional award to Mid-Minnesota Hot-Mix, MN conditioned on final review of the bid documents by the City’s staff, for the 2022 Street Overlay Improvements.
2. The Mayor and Assistant City Administrator are hereby authorized and directed to enter into a contract with Mid-Minnesota Hot-Mix, MN in the name of the City of Litchfield for the 2022 Street Overlay Improvements according to specifications on file on the office of the Assistant City Administrator.

Adopted by the City Council this 1st day of August, 2022.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR

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

B. LITTLE TO NO TAX IMPACT GOAL –

City Administrator Cziok explained that discussions are theoretical at this point concerning the little to no tax impact goal relating the Litchfield Area Recreation Center (LARC). He discussed the need for concessions on future spending. He reported that as administration prepares the 2023 budget, there are decisions to be made relating to keeping the LARC from impacting taxes. Cziok provided options for the Council to consider to accomplish the little to no tax impact goal. The first option would include more budget (impacts) and less (spending) cash; issuing more debt resulting in less operational flexibility. Option two for consideration would be balancing the impacts with both budgeting and cash. Lastly, consideration of using more cash and less budget impacts allowing for more flexibility in operation but resulting in potential restraints on projects.

Mayor Johnson prefers balancing between budget and cash. Council Member Allen said we owe it to the community to have little to no tax impacts. Council Member Carlson inquired as to what administration is comfortable with. City Administrator Cziok responded that he prefers a combination of cash, less budget and increased debt resulting in a lower future levy. Upon inquiry from Council Member Carlson, City Administrator Cziok responded that none of the information provided includes additional help from the State of Minnesota. Council Member Kotelnicki agreed with Council Member Allen and inquired as to interest rate issues and bond rating impacts. City Administrator Cziok responded that he doesn’t know the bond rating will be affected on any one of the options. He shared that the interest rates used are higher numbers with the rate inflated. Council Member Dingmann agreed with both Council Members Allen and Kotelnicki. He said the one half percent sales tax referendum to be considered needs to stress little to no tax impacts. Council Member Mathwig agreed.

It was moved by Council Member Mathwig, seconded by Council Member Dingmann, to support an aggressive balanced approach to little to no impact to taxes relating to the Litchfield Area Recreation Center (LARC). Upon roll call vote, all members present voted aye, whereupon the motion carried.

C. CITY HALL HOURS –

Council Member Kotelnicki explained that she had prepared the memo, included in this agenda packet, on May 18, 2022 the day after the Council meeting since she wasn’t happy with how she voted on the issue relating to city hall hours. She doesn’t think the Council gave benefits to all of the employees. She acknowledged retention and recruitment benefits. She suggested vacations in increments being offered to all employees in order to take off early and acknowledged union contract impacts. She recommended her concerns be addressed with the Personnel Committee. City Administrator Cziok responded with clarifications. He explained that the City already accepts vacation in increments. He is sensitive to the comments in the memo relating to gender and other inequities mentioned. Cziok shared that it is offensive and inaccurate. Lastly, he reported on the comments concerning department inequities. He explained that every department has the flexibility to set schedules and outlined department schedules. Council Member Dingmann shared that he hasn’t had complaints and feels fortunate with the staff the City has.

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

**CITY OF LITCHFIELD
RESOLUTION NO. 22-8-148
AUTHORIZING CITY HALL TO CLOSE AT 3PM ON FRIDAYS
FROM MEMORIAL DAY TO LABOR DAY PERMANENTLY**

WHEREAS, administration has evaluated employee retention strategies based upon employee turnovers recently; and

WHEREAS, City Hall staff hours have been from 8:00am to 4:30pm Monday-Friday weekly; and

WHEREAS, the City Hall doors are currently locked at 3pm on Fridays; and

WHEREAS, administration requested consideration to allow staff to close down City Hall at 3pm on Fridays from Memorial Day to Labor Day; and

WHEREAS, the Council adopted Resolution No. 22-5-82 authorizing said schedule; and

WHEREAS, City Hall staff is still required to put in 40 hours per week; and

WHEREAS, the Council was asked to reconsider the request,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Litchfield hereby authorizes City Hall to close down City Hall at 3pm on Fridays from Memorial Day to Labor Day permanently.

Adopted by the City Council this 1st day of August, 2022.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

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

IX. ADDITIONAL ITEMS – None.

X. ANNOUNCEMENTS –

XI. ADJOURNMENT –

The City Council meeting adjourned at 6:27 p.m. by unanimous consent.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR