



**MINUTES
CITY COUNCIL MEETING
November 17, 2015**

CALL TO ORDER

The meeting was called to order at 6:30 pm.

Present: Mayor: Donny Chillstrom; Council: Jahn Dyvik, Marty Schneider, and Liz Olson

Staff Present: City Administrator: Scott Weske; and City Clerk: Jeanette Moeller

Absent: Council: Kurt Kaminski

PLEDGE OF ALLEGIANCE

LONG LAKE NEWS UPDATE AND WORK SESSION REVIEW

Mayor Chillstrom offered the following updates:

- In an EDA meeting prior to the regular City Council meeting, the EDA continued working on the development of an application form template for those development projects utilizing City owned land or seeking EDA assistance. Additionally, a format for listing lease space and properties available on the City's website was discussed.
- Mayor Chillstrom thanked Dave Shaughnessy and Orono Rotary for sponsoring a commemorative service at the Long Lake Veterans Memorial on Memorial Day; and thanked all others involved in the event, including the Maple Plain VFW.
- Congratulations to Emily Stinebaugh, who recently signed a letter of intent to row for the University of Notre Dame following a ceremony held at Birch's on the Lake.
- Mayor Chillstrom encouraged shopping and dining local as often as possible.

APPROVE AGENDA

A motion was made by Schneider, seconded by Olson, to approve the Agenda as presented. Ayes: all.

CONSENT AGENDA

The Consent Agenda consisted of:

- A. Approve Minutes of November 2, 2015 City Council Work Session
- B. Approve Minutes of November 2, 2015 City Council Meeting
- C. Receive Minutes of November 12, 2015 Joint City Council, Planning Commission and EDA Meeting
- D. Approve Vendor Claims and Payroll
- E. Approve WSB Proposal to Provide Professional Engineering Services for CSAH 112 Project

A motion was made by Dyvik, seconded by Schneider, to approve the Consent Agenda as presented. Ayes: all.

OPEN CORRESPONDENCE

John Dunn, 2296 Watertown Road – Mr. Dunn owns one of the properties at which watermain service is an issue on Watertown Road. City Engineer LaBounty had previously presented options to Mr. Dunn regarding correction of the watermain issues between his and his neighbor's property; however, Mr. Dunn hasn't been contacted or learned any additional information over the last three weeks. Though he was informed survey work and a directional drilling crew would be on site at some point to learn more about overall site conditions, neither he nor his wife have observed anyone on their property. He questioned the status of the watermain discussions and asked whether he should be continuing to address further questions to the City Engineer. Council and staff commented on the status of the project currently being very preliminary at this time. Another neighborhood meeting will be held in December, followed by additional design concepts and information being presented to the City Council for further action also in December. Mr. Dunn was encouraged to keep in contact with City Administrator Weske moving forward; and to attend as many neighborhood and public meetings as possible at which design information will continue to unfold. Mr. Dunn expressed some initial concerns about the watermain design options presented to him thus far.

BUSINESS ITEMS

Going 12 for US Highway 12 Program – Captain Mike Hanson, Minnesota State Patrol

Captain Mike Hanson of the Minnesota State Patrol provided a history of the Toward Zero Deaths (TZD) initiative and the past successes of TZD programs. He announced that that in response to the number of traffic incidents on Highway 12, a new TZD program being called "Going 12 for 12" would be taking effect along the Highway 12 corridor through Long Lake and west. The program will focus on the "four E's":

Emergency Medical Services – A robust response system exists along the corridor. Working with all of the EMS providers along the highway, current standard operating procedures and plans will be examined to determine if any changes or additions can be made.

Engineering – Engineering solutions will be implemented where and when financially possible based on the strategies identified in the recent US Highway 12 Traffic Safety Audit.

Education – A public outreach and education campaign will be developed for the project to include billboards, signage, educational presentations, media involvement, and local community outreach. A kickoff media event has been scheduled for November 30 at 11:00 am, to be located at Maple Plain City Hall, that will involve representatives of agencies and cities involved in the initiative to explain the project and present information to the general public. To verify specific information for the media kickoff, Council and staff were encouraged to contact Police Chief Risvold.

Enforcement – A multi-agency high visibility enforcement effort coupling high visibility saturations with regular scheduled patrol assignments by all participating law enforcement agencies will be utilized to raise public awareness and to provide a strong visible presence along the entire corridor through Hennepin and Wright Counties. This will involve a full 12-month commitment by participating law enforcement. There will be troopers patrolling at least three days a week during the times of day when crashes have been occurring on the roadway. The hope is that a sustained law enforcement presence will help play a role in building a foundation of good driver behavior. Driver speed, alcohol impairment and distracted driving are issues on an ongoing basis.

Captain Hanson responded to Council member questions regarding ticketing or warning procedures and fines, examples of other TZD programs, when the increased enforcement is scheduled to begin,

and whether MnDOT has any plans at this time to install a divider between traffic lanes. He thanked the Council, and Council member Schneider, for the invitation to speak; and indicated he would be happy to appear in the future and present updates on driver statistics along the corridor.

Public Hearing: Consider Adoption of an Ordinance Amending City Code, Chapter 4, Alcoholic Beverages Amending Hours of Operation of Licensed Establishments; and Regulating Small Brewers, Brew Pubs, and Brewery Taprooms

Moeller reported that staff recently received an application from the city's first brew pub establishment, Birch's on the Lake, requesting approval of a Brew Pub Off-Sale Intoxicating Liquor License and Sunday Sales License that would allow them to retail their in-house made beers for purchase and consumption off the premises. With no mechanism or language currently in City Code to address this type of application, the City Attorney and staff have prepared an ordinance amending City Code Chapter 8, Alcoholic Beverages, to add language regulating and allowing the operating and licensure of small brewers, brew pubs, and brewer taprooms. Language proposed largely follows statutory language regarding the different types of establishments. The ordinance also addresses some "housekeeping" items and updates language regarding hours of sales for consistency with current statute. Moeller summarized the changes proposed by the ordinance by section:

- Section 1. Adds a definition of "malt liquor" to the overall chapter definitions.
- Section 2. Permits malt liquor in the possession of a licensed small brewer or brewer taproom to be kept for intent to sell.
- Section 3. Adds a Division 9 to the Alcoholic Beverages Chapter, declaring that a license is required for brewery, brew pub and brewery taproom operations, and providing for the operation and licensure of these types of businesses. The language prepared regarding each type of operation includes references to Minnesota Statute. This section also addresses the term "growler", which is the common terminology used to describe the type of containers required by Minnesota Statute to be used for off-sale of malt liquor by these types of establishments.
- Section 4. Allows licensees to refill permitted growlers and statute-compliant containers with malt liquor.
- Section 5. Updates allowed hours and days of sale of 3.2 percent malt liquor. Rather than specifically listing out hours (as "reading between the hours" can be complex"), this section has been simplified to say essentially "hours of sale must be consistent with Minnesota Statute and City Ordinance".
- Section 6. Updates allowed hours and days of sale of intoxicating liquor. Again, rather than specifically listing out hours, this section has been simplified to say essentially "hours of sale must be consistent with Minnesota Statute and City Ordinance".
- Section 7. States the ordinance will be effective immediately upon passage by the City Council, if adopted.

In preparing the ordinance, although cities do have the ability to opt to be more restrictive than statute, the City Attorney and staff drafted a document that aimed for consistency with Minnesota Statutes as they pertain to hours of sale and the regulation of brewery and brew pub establishments.

Following the public hearing, staff is requesting the City Council consider adoption of Ordinance No. 2015-04 as prepared.

Moeller noted that a public hearing is required to be held when making this type of amendment; notice of the public hearing was published on Saturday, October 31, 2015 in the City's official newspaper. Staff is requesting the Council hold the public hearing and consider adoption of the proposed ordinance.

Mayor Chillstrom opened the public hearing at 7:19 pm.

Dan MacDonald, 335 Russell Lane, questioned why an ordinance wouldn't simply refer to state statute rather than re-state language in statute. He also asked about the transportation of growlers.

Moeller noted that state statute allows municipalities the ability to license these types of establishments but does not dictate the full terms of doing so, hence the need to include state statute and set forth additional criteria by city ordinance.

Council member Olson added that transportation of growlers would be subject to the same laws as any other transportation of liquor.

Mayor Chillstrom closed the public hearing at 7:24 pm.

A motion was made by Olson to adopt Ordinance No. 2015-04 amending the City Code of Ordinances, Chapter 4, Alcoholic Beverages amending hours of operation of licensed establishments; and providing for the operation and licensure of small brewer, brew pub, and brewery taproom establishments.

Council and staff further discussed whether existing restaurants could qualify for brew pub or brewery licensing, and the maximums allowed to be sold per type of establishment. Clarification was offered that an existing restaurant with an on sale intoxicating liquor license could indeed apply for licensure as a brew pub, but only if they have facilities for brewing malt liquor and have already applied for and received licensure to brew from both the state and federal approving agencies. It was also noted that a brew pub would not be able to conduct any mass sales or distribution, as the licensing of a brew pub limits their production to 3,500 barrels per year, with no more than 500 barrels allowed to be sold at off-sale.

Council members also noted they had recalled Mr. Greene of Birch's on the Lake previously stating he would not be pursuing an off-sale brew pub license as he felt bottling beer for later consumption negatively impacted the flavor of brewed beer.

Moeller stated that though the applicant was not available to stay for the full discussion, in conversations with him she was aware their interest in pursuing an off-sale license was due to customer interest and demand.

Motion seconded by Schneider. Ayes: all.

Resolution Establishing Small Brewer, Brew Pub, and Brewer Taproom License Fees

Moeller indicated that with the adoption of the ordinance amending City Code to add language regulating and allowing the operating and licensure of small brewers, brew pubs, and brewer taprooms, a license fee structure for the new licenses would need to be established by resolution. Staff researched license fees charged by a variety of metropolitan area cities who have a process in place for licensing breweries and brew pubs – including Maple Grove, Minnetonka, St Louis Park,

Golden Valley, St Paul, Big Lake, and Brooklyn Center – to develop recommendations regarding a rate structure.

Staff is recommending the Council consider adoption of a resolution establishing the following license fees, to be included in the City Fee Schedule:

Small Brewer, Off-Sale Intoxicating License	\$200.00
Small Brewer, Off-Sale Intoxicating License (Sunday Sales)	\$200.00
Brew Pub, Off-Sale Intoxicating License	\$200.00
Brew Pub, Off-Sale Intoxicating License (Sunday Sales)	\$200.00
Brewer Taproom License	\$600.00
Brewer Taproom License (Sunday Sales)	\$200.00

The draft resolution and proposed fee schedule have been reviewed and approved by the City Attorney.

Moeller provided examples of other cities liquor licensing rates. Though the Council considered raising the proposed off-sale rates for brew pub and small brewer licenses, Moeller noted that the City Attorney's recommendation was to consider adoption of fees in line with area licensing practices. The lower rates for both brew pub and small brewer licenses charged by other cities is likely reflective of the reduced quantity of off-sale allowed by those types of licenses in comparison to brewer taproom licensing.

A motion was made by Olson, seconded by Dyvik, to adopt Resolution No. 2015-50 establishing small brewer, brew pub, and brewer taproom license fees for inclusion in the City Fee Schedule. Ayes: all.

Approve Brew Pub Off-Sale Intoxicating Liquor Licenses for Birch's on the Lake

Moeller indicated that in July 2015 the City Council approved issuance of an On Sale Intoxicating Liquor License and Sunday Sales Liquor Licenses to Birch's Brewhouse, LLC doing business as Birch's on the Lake.

Owner Brennan Greene is now making application for a Brew Pub Off-Sale Intoxicating Liquor License to allow Birch's on the Lake to retail their in-house brewed beers for consumption off the premises, or "off-sale". A thorough background investigation of Mr. Greene was completed at the end of June 2015 by the Wayzata Police Department as required by City Ordinance during consideration of the restaurant's current liquor licenses, with a review of recent history completed upon receipt of the current off-sale application. The Wayzata Police Department has no objection to issuance of the licenses requested.

Staff would recommend approval of the requested liquor licenses contingent upon receipt of a Certificate of Liability Insurance reflecting liquor liability coverage and payment in full of applicable license fees pro-rated for the remainder of 2015.

A motion was made by Olson, seconded by Schneider, to adopt Resolution No. 2015-51 approving issuance of a Brew Pub Off-Sale Intoxicating Liquor License and Sunday Sales for Birch's Brewhouse, LLC doing business as Birch's on the Lake, with contingencies. Ayes: all.

OTHER BUSINESS

CSAH 112 Open House – Council member Dyvik stated that a CSAH 112 Project Public Open House will be held on November 18 at Lake Community Bank. Council and staff discussed various aspects of the latest design plans, including a fence planned for installation along the trail in the vicinity of the lake, and changes in access and parking impacting some businesses in town.

Comprehensive Plan Training Follow Up – As a follow up to the recent Comprehensive Plan training work session held November 12, Council member Olson suggested the Council consider directing the Planning Commission to begin discussing how to proceed with Comprehensive Plan updates with an eye towards evaluating current zoning and approaching future zoning creatively. Council members discussed the unrealistic housing goals included in these types of plans for a fully developed community, and the unfortunate expense of updating the Comprehensive Plan as required. Council members expressed an interest in seeing “mother-in-law” accessory dwellings be allowed and addressed in zoning; and discussion was held regarding interest by the baby boomer generation in downsizing to townhome style living.

ADJOURN

Hearing no objection, Mayor Chillstrom adjourned the meeting by general consent at 8:00 pm.

Respectfully submitted,

Jeanette Moeller
City Clerk