

## **Dawson City Council Minutes**

**November 15, 2016**

**5:30 p.m.**

The Dawson City Council met in regular session on Tuesday, November 15, 2016, at 5:30 p.m. in the City Council Chambers.

Councilpersons present: Steve Tufto, Becky Bothun, Dave Lien, Heather Myers and J.T. Schacherer.

Councilpersons absent: Jeff Olson.

Others present: Mayor Merlin Ellefson, Interim City Manager Tami Schuelke-Sampson, Interim City Clerk Treasurer Kristi Kvaal, Payroll/Utility Clerk Jill Kemen, City Attorney Rick Stulz, Liquor Store Manager Garney Jager, Fire Chief Brian Hersom and Mayor-elect Randy Tensen.

Declaring a quorum present Mayor Ellefson called the meeting to order and the group repeated the Pledge of Allegiance to the Flag.

Mayor Ellefson asked for approval of the agenda with no changes. On motion by Councilman Schacherer seconded by Councilman Lien to approve the agenda with no changes. Voting in favor: Tufto, Bothun, Lien, Myers and Schacherer; voting against: none; absent: Olson. Motion carries.

On motion by Councilman Schacherer seconded by Councilwoman Myers to approve the November 1<sup>st</sup> Council Meeting Minutes. Voting in favor: Tufto, Bothun, Lien, Myers and Schacherer; voting against: none; absent: Olson. Motion carries.

Mayor Ellefson opened the 10 minute public forum. Fire Chief Brian Hersom informed the Council that the Fire Department voted to sell their old rescue rig during their November 14 meeting. The vehicle is an old ambulance and is no longer used by the department. It will be sold as is. He asked whether or not the Council had any objections to this decision. Discussion. On motion by Councilman Tufto seconded by Councilwoman Bothun to approve the sale of the rescue rig by the Dawson Fire Department. Voting in favor: Tufto, Bothun, Lien, Myers and Schacherer; voting against: none; absent: Olson. Motion carries.

Brian also informed the Council that the home located at 712 Pine Street may be able to be burned following an inspection. They hope for a favorable wind direction the day of the burn. He also asked whether or not a permit is needed to install seepage tile around a residential home within the City, to which Merlin replied no.

Merlin then took an opportunity to congratulate Councilman Tufto and Mayor-elect Tensen on their newly appointed positions, and thanked outgoing Councilmembers Heather Myers and J.T. Schacherer for their years of service.

Mayor Ellefson updated the Council on the Liquor Committee Meeting that was held Thursday, November 10. The Liquor Store has shown an accrual method loss for the past two years. He stated that in years past the City was able to use excess funds from the Liquor Store, but that it hasn't shown the same profits recently. Merlin stated that the City needed to make a decision regarding the future of the Liquor Store. Attorney Stulz explained that the City has two options. Option one would be for the Council to decide to discontinue operations on its own and then wind down the store within 30 months. The second option would be to have the public vote on whether or not to keep the Liquor Store a municipal or sell to a private party. Garney asked if the public could vote to keep it open, to which Rick replied yes. Discussion. Councilman Schacherer referenced a recent Star Tribune article which talked about the state of City-owned liquor stores through the State of Minnesota. He stated he felt the matter should be resolved by a city-wide vote, and expressed concern that a privately-owned business might not donate as much to community projects. On motion by Councilman Schacherer to bring the matter to a public vote.

Garney asked to address the Council and presented information detailing the transfers and donations the Liquor Store has been responsible for since 1975. He pointed out two recent fundraisers which helped to raise \$10,000 for the Dawson-Boyd Football Field Renovation and \$5,000 for the JMHS Oncology Suite. He stated he feels the decision is too big for just the Council to decide, and recommended taking the matter to the voters right away. He would also like to have the chance to present information to the voters regarding the positive aspects of having a city-owned liquor store and how the community benefits from the various fundraising activities. Merlin commended Garney for the job he has done running the Liquor Store, but indicated that it has gotten to a point that the City needs to make a decision regarding its future. Garney reiterated that he would like to see the decision go to a public vote. Councilman Lien stated that at this point the City still holds a few cards regarding any potential sale of the Liquor Store, and he would like the City to look at any potential buyers. Attorney Stulz indicated that the City could start the wind down process and allow time for Garney to gather and present his information to the public. Councilman Lien indicated that if the decision goes to a public vote, and the results indicate a desire to sell the Liquor Store, that the City could lose leverage toward any potential sale of the business. Councilman Schacherer stated that a public vote could go either way, and recommended starting a wind down with the intention of having a vote. Councilman Tufto indicated that the losses are not that substantial, but understands that this is all part of the process.

Merlin asked Attorney Stulz about the time line for the wind down process and asked how soon the matter needed to come before a public vote. Attorney Stulz stated that the City would need to come up with a strategic plan, but recommended by either next spring or summer. Garney expressed concern that if the City began the wind down process that the end result would be to sell the store. Merlin asked Attorney Stulz about the City's options concerning the status of the Liquor Store. Attorney Stulz replied to either wind down or a public vote. Either way the Council has to take action. Merlin asked what would happen if no action was taken, to which Attorney Stulz replied that the State auditors would shut the doors. Garney asked if a public vote could be

done by the end of the year, to which Attorney Stulz replied that it would need to be done immediately. Councilman Tufto asked about starting the wind down in 2017 with the option of a public vote. Councilwoman Bothun asked if that would be the only thing on the ballot. Attorney Stulz explained that it could be done by mail with ballots and envelopes, similar to what was previously done in Boyd.

Councilman Schacherer modified his previous motion to include the addition of a wind down process for the Liquor Store beginning January 1, 2017, with the intention of holding a public vote mid-year. The motion was seconded by Councilman Tufto. Voting in favor: Tufto, Bothun, Lien, Myers and Schacherer; voting against: none; absent: Olson. Motion carries. Merlin then inquired as to whether or not Garney could increase his buying power by consolidating with other area liquor stores, to which Garney replied I already do.

Councilman Schacherer addressed his concerns regarding street lights, indicating there are some areas in Dawson that are not well-lit. He suggested contacting Ottertail Power to have a study completed to determine if additional street lights should be added as a matter of public safety. Discussion. Councilman Tufto asked if there were grants available for additional lighting. Councilman Lien added that in some instances rebates were offered. He recommended talking to Ottertail Power and perhaps budgeting for additional street lights in the future. Councilman Tufto added that the school recently added some additional lighting. Tami stated that she will contact Ottertail Power regarding the matter.

On motion by Councilman Lien seconded by Councilwoman Bothun to approve the closing of City Office on November 25. Voting in favor: Tufto, Bothun, Lien, Myers and Schacherer; voting against: none; absent: Olson. Motion carries.

Whereupon, Mayor Ellefson closed the meeting to allow for the Public Hearing on Unpaid Utility Services, Mowing and Tree Removal. Hearing no public comment, Mayor Ellefson closed the public hearing.

On motion by Councilman Lien seconded by Councilwoman Myers to approve the Resolution Canvassing Returns of City Council Election for November 8, 2016, General Election. Voting in favor: Tufto, Bothun, Lien, Myers and Schacherer; voting against: none; absent: Olson. Motion carries.

On motion by Councilwoman Bothun seconded by Councilwoman Myers to approve the three Resolutions to Assess Unpaid Utility Services, Mowing and Tree Removal. Voting in favor: Tufto, Bothun, Lien, Myers and Schacherer; voting against: none; absent: Olson. Motion carries.

Interim City Manager Tami Schuelke-Sampson's Report:

1. Tami informed the Council that she had met with Kristyn Wicht and Vicky Strand concerning the new website. The Chamber Board conducted an email vote approving a joint website, with the City paying 60% and the Chamber 40% of the cost each year.
2. Tami reminded everyone of the Truth & Taxation Meeting, which will be held at the first Council meeting in December at 6:00 p.m.
3. The home at 712 Pine Street has been determined to contain asbestos, which will need to be removed before demolition at a cost of \$2,400, with an additional \$700 for the actual testing.

On motion by Councilman Lien seconded by Councilman Tufto to adjourn the meeting. Motion carries and the meeting adjourned at 6:05 p.m.

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Interim City Clerk Treasurer Kristi Kvaal

Mayor Merlin Ellefson