



LAKE CITY POLICE DEPARTMENT

PUBLIC SAFETY BOARD Meeting Agenda Wednesday, November 7, 2012 4:30 p.m. 2nd Floor Conference Room

1. Approval of Minutes of Special Meeting of August 27, 2012
2. Request for extension of service year-round – 2:00 a.m. on-sale intoxicating liquor
3. Discussion on extension of service Christmas Eve – 2:00 a.m. on-sale intoxicating liquor
4. Request to rescind record of alcohol ordinance compliance checks – Ordinance 498
5. Discussion on ways for Hospitality Services to work with City services to deter alcohol sales to minors
6. Discussion on placement of additional crosswalks:
Lyon and 8th
Prairie and Lyon
10th and Lyon
7. Discussion on Police Department relocation and building plans
8. Current fee schedule
9. Clearance rates: July 48.14%; August 41.17%; September 19.04%
10. Budget Report
11. Board Comments/Miscellaneous

Gary J Majchrzak
Chief of Police

**Lake City Public Safety Board
Special Meeting
Monday, August 27, 2012 5:00 p.m.
City Hall Council Chambers**

Members Present: Duane King, Cindy McGrath, Dale Nibbe
Members Absent: Chair Elwood Gnotke, Board member Rev David Badgley
Others Present: Chief Gary Majchrzak, Administrative Assistant Kathy Holst
Fire Chief Todd Hubbard, Eric Brunkow, Tracy Brunkow
Members Excused: Chair Elwood Gnotke

Acting Chair Duane King called the meeting to order at 5:03 p.m. with a quorum present.

APPROVAL OF MINUTES OF REGULAR MEETING OF AUGUST 1, 2012

King stated that with reference to Board Comments/Miscellaneous on page 2 of the Minutes, the suggestion to add a heading to the Minutes listing "Members Excused" was made by Gnotke rather than King. He requested that the minutes be amended accordingly.

MOTION BY MCGRATH TO APPROVE THE MINUTES OF THE REGULAR MEETING OF AUGUST 1, 2012. NIBBE SECONDED. MOTION CARRIED 3-0-0.

REQUEST FOR CLOSURE OF 100 BLOCK OF EAST CENTER STREET SEPTEMBER 11th THROUGH THE 14th FOR RENOVATION PROJECT AT BRONK'S BAR AND GRILL

Chief Majchrzak advised that the owners of Bronk's Bar and Grill have secured the services of the Food Network Restaurant Impossible team to renovate the interior of their restaurant. The 100 block of East Center Street would need to be closed off to accommodate large tents to shelter building material, television equipment, furniture, and personnel. Construction is anticipated to start September 11th with a Grand Re-Opening the evening of September 13th. Tents and equipment would be picked up no later than noon on September 14th. Majchrzak indicated that the block would be open for pedestrian traffic only.

MOTION BY MCGRATH RECOMMENDING CLOSURE OF THE 100 BLOCK OF EAST CENTER STREET FROM SEPTEMBER 11TH THROUGH 12:00 NOON ON THE 14TH FOR RENOVATION OF THE INTERIOR OF BRONK'S BAR AND GRILL BY THE FOOD NETWORK RESTAURANT IMPOSSIBLE TEAM, AND THAT ANY SIGNAGE EXPENSE FOR THE PROJECT WOULD BE BORNE BY BRONK'S OR RESTAURANT IMPOSSIBLE. NIBBE SECONDED. MOTION CARRIED 3-0-0.

Fire Chief Todd Hubbard said he wanted to make sure those businesses in the closed off area could be accessed in case of fire or emergency. Majchrzak said standard barricades would be used to block the street and he would coordinate the street closure with the renovation team to make sure a lane could be opened, if necessary. Hubbard stated he was okay with that.

Tracy Brunkow advised that the renovation project will air on the Food Network's Restaurant Impossible in December or January.

ADJOURNMENT

**MOVED BY MCGRATH AND SECONDED BY NIBBE TO ADJOURN AT 5:10 P.M.
MOTION CARRIED 3-0-0.**

Duane King, Acting Chairperson

<p>CITY OF LAKE CITY REQUEST FOR PSB ACTION</p> <p>MEETING DATE: November 7, 2012</p>	<p>Agenda Item Description: Allow on-sale liquor establishments in Lake City to stay open until 2:00 a.m. as allowed per State Statute.</p> <p>Attachments: Yes <input checked="" type="checkbox"/> No _____ If yes, list: Current Mn. Statute</p> <p>Consent Agenda?: Yes _____ No _____</p>	<p>CITY COUNCIL ACTION</p> <p><input type="checkbox"/> Approved <input type="checkbox"/> Denied <input type="checkbox"/> Amended <input type="checkbox"/> Tabled</p> <hr/> <p>Roll call vote: Beckman __, Peters, __ Spence __ Dunbar __, Waltman, __, Powers __, Gartner __</p>
<p>Originating Department: Police</p>	<p>Board/Commission/Committee Action:</p>	
<p>Action Requested: Motion _____ seconded _____ to approve on-sale liquor establishments in Lake City to stay open until 2:00 a.m. as allowed per State Statute.</p>		
<p>Introduction/ Background/Justification/Key/Legal Issues: Owners or managers of several on-sale liquor establishments are interested in increasing their hours of service until 2:00 a.m. in order to generate more revenue and compete with other liquor establishments.</p> <p>Minnesota State Statute does allow a municipality to have an ordinance which would allow that municipality to extend their hours of service to 2:00 a.m. To allow this extension, Lake City's current ordinance (498) would have to be amended. The purchase of a license to remain open an additional hour comes with a fee to be paid by the establishment to the State.</p> <p>A check was done with law enforcement agencies in both Goodhue and Wabasha Counties which currently allow the 2:00 a.m. closing. Agencies that did respond back advised that problems that linked back to persons coming out from the bars have not necessarily increased; They just manifest an hour later. Therefore, an extension of bar closing would have to be met with an extension of police coverage, at least an hour more than it currently is.</p>		
<p>Budgetary/Fiscal Impact: Some schedule shifting could be done, but the incidents occurring later in the morning hours may increase time an officer(s) may spend on related calls. This may result in additional overtime having to be paid out.</p>		
<p>Alternatives:</p> <ol style="list-style-type: none"> 1. Do not approve/adopt 2. Table for more information 		
<p>Reviewed By:</p>		
<p>Preparer: Gary Majchrzak, Chief of Police</p>		

340A.504 HOURS AND DAYS OF SALE.

Subdivision 1. **3.2 percent malt liquor.** No sale of 3.2 percent malt liquor may be made between 2:00 a.m. and 8:00 a.m. on the days of Monday through Saturday, nor between 2:00 a.m. and 10:00 a.m. on Sunday.

Subd. 2. **Intoxicating liquor; on-sale.** No sale of intoxicating liquor for consumption on the licensed premises may be made:

- (1) between 2:00 a.m. and 8:00 a.m. on the days of Monday through Saturday;
- (2) after 2:00 a.m. on Sundays, except as provided by subdivision 3.

Subd. 2a. **Certain dispensing exempt.** Where a hotel possessing an on-sale intoxicating liquor license places containers of intoxicating liquor in cabinets in hotel rooms for the use of guests staying in those hotel rooms, and a charge is made for withdrawals from those cabinets, the dispensing of intoxicating liquor from those cabinets does not constitute a sale for purposes of subdivision 2.

Subd. 3. **Intoxicating liquor; Sunday sales; on-sale.** (a) A restaurant, club, bowling center, or hotel with a seating capacity for at least 30 persons and which holds an on-sale intoxicating liquor license may sell intoxicating liquor for consumption on the premises in conjunction with the sale of food between the hours of 10:00 a.m. on Sundays and 2:00 a.m. on Mondays.

(b) An establishment serving intoxicating liquor on Sundays must obtain a Sunday license. The license must be issued by the governing body of the municipality for a period of one year, and the fee for the license may not exceed \$200.

(c) A city may issue a Sunday intoxicating liquor license only if authorized to do so by the voters of the city voting on the question at a general or special election. A county may issue a Sunday intoxicating liquor license in a town only if authorized to do so by the voters of the town as provided in paragraph (d). A county may issue a Sunday intoxicating liquor license in unorganized territory only if authorized to do so by the voters of the election precinct that contains the licensed premises, voting on the question at a general or special election.

(d) An election conducted in a town on the question of the issuance by the county of Sunday sales licenses to establishments located in the town must be held on the day of the annual election of town officers.

(e) Voter approval is not required for licenses issued by the Metropolitan Airports Commission or common carrier licenses issued by the commissioner. Common carriers serving intoxicating liquor on Sunday must obtain a Sunday license from the commissioner at an annual fee of \$75, plus \$30 for each duplicate.

Subd. 4. **Intoxicating liquor; off-sale.** No sale of intoxicating liquor may be made by an off-sale licensee:

- (1) on Sundays;
- (2) before 8:00 a.m. or after 10:00 p.m. on Monday through Saturday;
- (3) on Thanksgiving Day;
- (4) on Christmas Day, December 25; or
- (5) after 8:00 p.m. on Christmas Eve, December 24.

Subd. 5. **Bottle clubs.** No establishment licensed under section 340A.414, may permit a person to consume or display intoxicating liquor, and no person may consume or display intoxicating liquor between 1:00 a.m. and 12:00 noon on Sundays, and between 1:00 a.m. and 8:00 a.m. on Monday through Saturday.

Subd. 6. **Municipalities may limit hours.** A municipality may further limit the hours of on and off sales of alcoholic beverages, provided that further restricted on-sale hours for intoxicating liquor must apply equally to on-sale hours of 3.2 percent malt liquor. A city may not permit the sale of alcoholic beverages during hours when the sale is prohibited by this section.

Subd. 7. **Sales after 1:00 a.m.; permit fee.** (a) No licensee may sell intoxicating liquor or 3.2 percent malt liquor on-sale between the hours of 1:00 a.m. and 2:00 a.m. unless the licensee has obtained a permit from the commissioner. Application for the permit must be on a form the commissioner prescribes. Permits are effective for one year from date of issuance. For retailers of intoxicating liquor, the fee for the permit is based on the licensee's gross receipts from on-sales of alcoholic beverages in the 12 months prior to the month in which the permit is issued, and is at the following rates:

- (1) up to \$100,000 in gross receipts, \$300;
- (2) over \$100,000 but not over \$500,000 in gross receipts, \$750; and
- (3) over \$500,000 in gross receipts, \$1,000.

For a licensed retailer of intoxicating liquor who did not sell intoxicating liquor at on-sale for a full 12 months prior to the month in which the permit is issued, the fee is \$200. For a retailer of 3.2 percent malt liquor, the fee is \$200.

(b) The commissioner shall deposit all permit fees received under this subdivision in the alcohol enforcement account in the special revenue fund.

(c) Notwithstanding any law to the contrary, the commissioner of revenue may furnish to the commissioner the information necessary to administer and enforce this subdivision.

History: 1985 c 139 s 1; 1985 c 305 art 7 s 4; 1Sp1985 c 16 art 2 s 3 subd 1; 1987 c 5 s 4; 1987 c 152 art 1 s 1; 1988 c 420 s 1; 1989 c 49 s 3-5; 1990 c 554 s 14; 1991 c 249 s 21,22,31; 1992 c 513 art 3 s 60; 1994 c 611 s 26; 1997 c 129 art 1 s 8; 2002 c 318 s 2; 2003 c 126 s 10-12; 1Sp2003 c 19 art 2 s 59,79; 2005 c 131 s 8-10; 2005 c 136 art 8 s 18,19; 2006 c 210 s 13

Gary J. Majchrzak

From: Polla, Carl (DPS) <carl.polla@state.mn.us>
Sent: Thursday, November 01, 2012 9:29 AM
To: Gary J. Majchrzak
Subject: Re: question on on-sale/local bar

You are correct. The state only restricts off sales on Christmas

Mike Polla
Sent from my iPad

On Oct 31, 2012, at 12:31 PM, "Gary J. Majchrzak" <gjmajchrzak@lakecitypd.org> wrote:

Hello Mr. Polla,

I was approached by a local bar owner who wanted to request to keep his bar open on Christmas Eve until 1 a.m. (we have no bars in town yet that have requested the 2:00 a.m. closing license). He advised me that currently he closes at 8:00 pm. on Christmas Eve in order to satisfy the state statute.

In reviewing the s.s. I can only find in 340A504 a mandatory closing time at 8 p.m. for off-sale licensees. Our current ordinance does not appear to restrict on-sale licensees either.

Can you advise me if I have the correct interpretation of this?

Thank you,

Gary J Majchrzak
Chief of Police
Lake City Police Department
209 S High, PO Box 448
Lake City MN 55041
Phone: 651-345-3344
Fax: 651-345-3345

<p style="text-align: center;">CITY OF LAKE CITY REQUEST FOR PSB ACTION</p> <p style="text-align: center;">MEETING DATE: November 7, 2012</p>	<p>Agenda Item Description: Request to rescind records of alcohol compliance checks recently completed per ordinance 498.</p> <p>Attachments: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If yes, list: - Ordinance 498</p> <p style="text-align: right;">Consent Agenda?: Yes <input type="checkbox"/> No <input type="checkbox"/></p>	<p style="text-align: center;">CITY COUNCIL ACTION</p> <p style="text-align: center;"> <input type="checkbox"/> Approved <input type="checkbox"/> Denied <input type="checkbox"/> Amended <input type="checkbox"/> Tabled </p> <hr/> <p>Roll call vote: Beckman __, Peters, __ Spence __ Dunbar __, Waltman, __, Powers __, Gartner __</p>
Originating Department: Police	Board/Commission/Committee Action:	
<p>Action Requested: Motion _____ seconded _____ to rescind records of alcohol compliance checks recently completed per ordinance 498.</p>		
<p>Introduction/ Background/Justification/Key/Legal Issues: Owners or managers of several on-sale liquor establishments in Lake City would like to see records of the recently-done alcohol compliance checks rescinded. Reasons for this request are expected to be forthcoming from those who appear.</p> <p>Our Ordinance 498 addresses the need to maintain and continue collecting this data. Requirements of Section 23 Suspension and Revocation (B) (2) (a), (b), (c) and (d) show the direct necessity of maintaining this information from year to year, for purposes of properly dispensing suspensions and revocations.</p> <p>Furthermore, Section 24 Penalties (B) (1), (2) and (3) also make keeping compliance failure information necessary, in order to track how all businesses currently do from year to year. This will enable an accurate method to increase levels of fines from year to year, should an establishment continually violate the ordinance.</p>		
Budgetary/Fiscal Impact: None		
<p>Alternatives:</p> <ol style="list-style-type: none"> 1. Do not approve/adopt 2. Table for more information 		
Reviewed By:		
Preparer: Gary Majchrzak, Chief of Police		

ORDINANCE NO. 498
AN ORDINANCE REGULATING
THE POSSESSION, SALE AND CONSUMPTION
OF INTOXICATING AND 3.2 PERCENT MALT LIQUOR
WITHIN THE CITY OF LAKE CITY, MINNESOTA

THE CITY COUNCIL OF THE CITY OF LAKE CITY, MINNESOTA DOES ORDAIN:

SECTION 1. ADOPTION OF STATE LAW BY REFERENCE.

The provisions of M.S. Ch. § 340A, with reference to the definition of terms, conditions of operation, restrictions on consumption, provisions relating to sales, hours of sale, and all other matters pertaining to the retail sale, distribution, and consumption of intoxicating liquor and 3.2 percent malt liquor are hereby adopted by reference and are made a part of this Ordinance as if set out in full. It is the intention of the City Council of the City of Lake City that all future amendments to M.S. Ch. § 340A shall be hereby adopted by reference as if they had been in existence at the time this Ordinance is adopted.

SECTION 2. CITY MAY BE MORE RESTRICTIVE THAN STATE LAW.

The City Council of Lake City is authorized by the provisions of M.S. § 340A.509, as it may be amended, to impose, and has imposed in this ordinance, additional restrictions on the sale and possession of alcoholic beverages within its limits beyond those contained in M.S. Ch. § 340A.

SECTION 3. DEFINITIONS.

The definitions contained in M.S. § 340A.101, as may be amended, are hereby adopted with additional language for the purposes of this ordinance as follows:

RESTAURANT. An eating facility, other than a hotel, under the control of a single proprietor or manager, where meals are regularly prepared on the premises, where full waitress/waiter table service is provided, where a customer orders food from printed menus and where the main food course is served and consumed while seated at a single location. To be a restaurant as defined by this section, an establishment shall have a license from the state as required and must meet the definition of either a "small establishment," "medium establishment" or "large establishment" as defined in M.S. § 157.16, subd. 3d, as it may be amended. An establishment which serves prepackaged food that receives heat treatment and is served in the package or frozen pizza that is heated and served shall not be considered to be a restaurant for purposes of this ordinance unless it meets the statutory definitions of a "small establishment", "medium establishment" or "large establishment".

SECTION 4. NUDITY ON THE PREMISES OF LICENSED ESTABLISHMENTS PROHIBITED.

(A) It is in the best interests of the public health, safety, and general welfare of the people of the city that nudity shall be prohibited on the premises of any establishment licensed under this ordinance. This is to protect and assist the owners, operators, and employees of the establishment, as well as patrons and the public in general, from harm stemming from the physical immediacy and combination of alcohol, nudity, and sex. It is specifically intended to prevent any endorsement of sexual harassment or activities likely to lead to criminal conduct, including but not limited to prostitution, sexual assault, or disorderly conduct.

(B) It shall be unlawful for any licensee to permit or allow any person or persons to remain on the licensed premises when the person does not have his or her buttocks, anus, breasts, and genitals covered with a non-transparent material. It shall be unlawful for any person to be on the licensed premises when the person does not have his or her buttocks, anus, breasts, and genitals covered with a non-transparent material.

(C) A violation of this section is a misdemeanor punishable as provided by law, and shall constitute justification for revocation or suspension of any license issued under this ordinance, in addition to the imposition of a civil penalty.

SECTION 5. CONSUMPTION IN PUBLIC PLACES.

No person shall consume intoxicating liquor or 3.2 percent malt liquor on any public street, sidewalk, parking lot or alley.

SECTION 6. RAFFLES, SILENT AUCTIONS AND FUND RAISING EVENTS FOR CHARITABLE PURPOSES OF WINE, BEER OR INTOXICATING LIQUORS

No person shall conduct a silent auction, raffle or other fund raising event pursuant to Minn. Stat. § 340A.707 as amended with prizes or awards of wine, beer or intoxicating liquors without notifying the city clerk in writing of the event at least ten (10) days prior to the occurrence of the event. The event holder shall provide the city with the following information: the person or organization holding the event, the day, time and location of the event, type of fund raising event (silent auction, raffle or otherwise), type and amount of wine, beer, intoxicating liquor to be awarded as prizes, and the charitable purposes to which the event proceeds will be donated.

SECTION 7. NUMBER OF LICENSES WHICH MAY BE ISSUED.

Minnesota State Statute § 340A.413 establishes the number of On Sale Liquor Licenses allowed by a municipality. The City Council has the full discretion, and is not required to issue the full number of licenses that it has available. The City Council is authorized, by Minnesota State Statute § 340A.413 to establish the maximum number of Off Sale Liquor Licenses issued.

SECTION 8. TERM AND EXPIRATION OF LICENSES.

Each license shall be issued for a maximum period of one year. All licenses, except temporary licenses, shall expire on June 30 of each year unless another date is provided by ordinance. All licenses shall expire on the same date. Temporary licenses shall expire according to their terms. Consumption and display permits issued by the Commissioner of Public Safety, and the accompanying city consent to the permit, shall expire on June 30 of each year.

SECTION 9. KINDS OF LIQUOR LICENSES.

The City Council is authorized to issue the following licenses and permits (subject to any maximum number specified in Section 7 of this ordinance):

(A) 3.2 percent malt liquor on-sale licenses, which may be issued only to golf courses, restaurants, hotels, clubs, bowling centers, and establishments used exclusively for the sale of 3.2 percent malt liquor with the incidental sale of tobacco and soft drinks.

(B) 3.2 percent malt liquor off-sale licenses.

(C) Temporary 3.2 percent malt liquor licenses which may be issued only to a club, charitable, religious, or nonprofit organization.

(D) Off-sale intoxicating liquor licenses, which may be issued only to exclusive liquor stores or drug stores that have an off-sale license which was first issued on or before May 1, 1994. The fee for an off-sale intoxicating liquor license established by the Council under Section 10 shall not exceed \$200 or a greater amount which may be permitted by M.S. § 340A.408, subd. 3, as it may be amended.

(E) On-sale intoxicating liquor licenses, which may be issued to the following establishments as defined by M.S. § 340A.101, as it may be amended, and this ordinance: hotels, restaurants, bowling centers, theaters, clubs or congressionally chartered veterans organizations, theaters and exclusive liquor stores. Club licenses may be issued only with the approval of the Commissioner of Public Safety. The fee for club licenses established by the Council under Section 10 of this ordinance shall not exceed the amounts provided for in M.S. § 340A.408, subd. 2b, as it may be amended. The Council may in its sound discretion authorize a retail on-sale licensee to dispense intoxicating liquor off the licensed premises at a

community festival held within the city under the provisions of M.S. § 340A.404, subd. 4b, as it may be amended. The Council may in its sound discretion authorize a retail on-sale licensee to dispense intoxicating liquor off the licensed premises at any convention, banquet, conference, meeting, or social affair conducted on the premises of a sports, convention, or cultural facility owned by the city, under the provisions of M.S. § 340A.404, subd. 4a, as it may be amended; however, the licensee is prohibited from dispensing intoxicating liquor to any person attending or participating in an amateur athletic event being held on the premises.

(F) Sunday on-sale intoxicating liquor licenses, only after authorization to do so by voter approval at a general or special election as provided by M.S. § 340A.504, subd. 3, as it may be amended. Sunday on-sale intoxicating liquor licenses may be issued only to a restaurant as defined in Section 3 of this ordinance, club, bowling center, or hotel which has a seating capacity of at least thirty (30) persons, which holds an on-sale intoxicating liquor license, and which serves liquor only in conjunction with the service of food. The maximum fee for this license, which shall be established by the Council under the provisions of Section 10 of this ordinance, shall not exceed \$200, or the maximum amount provided by M.S. § 340A.504, subd. 3c, as it may be amended.

(G) Combination on-sale/off-sale intoxicating liquor licenses if the city has a population less than 10,000.

(H) Temporary on-sale intoxicating liquor licenses, with the approval of the Commissioner of Public Safety, which may be issued only in connection with a social event sponsored by a club, charitable, religious, or other nonprofit corporation that has existed for at least three (3) years. No license shall be for longer than four (4) consecutive days, and the city shall issue no more than twelve (12) days worth of temporary licenses to any one organization in one calendar year.

(I) On-sale wine licenses, with the approval of the Commissioner of Public Safety to: theaters, restaurants that have facilities for seating at least twenty five (25) guests at one time and meet the criteria of M.S. § 340A.404, subd. 5, as it may be amended, and which meet the definition of restaurant in section 3; to licensed bed and breakfast facilities which meet the criteria in M.S. § 340A.401, subd. 1, as it may be amended and to theaters that meet the criteria of M.S. § 340A.404(b), as it may be amended. The fee for an on-sale wine license established by the Council under the provisions of Section 10 of this ordinance, shall not exceed one-half of the license fee charged for an on-sale intoxicating liquor license. The holder of an on-sale wine license who also holds an on-sale 3.2 percent malt liquor license is authorized to sell malt liquor with a content over 3.2 percent (strong beer) without an additional license.

(J) One day consumption and display permits with the approval of the Commissioner of Public Safety to a nonprofit organization in conjunction with a social activity in the city sponsored by the organization.

(K) Approval of the issuance of a consumption and display permit must first be obtained from the Commissioner of Public Safety. The maximum amount of the additional fee which may be imposed by the Council on a person who has been issued a consumption and display permit under the provisions of Section 10 of this ordinance shall not exceed \$300, or the maximum amount permitted by M.S. § 340A.414, subd. 6, as it may be amended. Consumption and display permits shall expire on June 30 of each year.

(L) Culinary class limited on-sale licenses may be issued to a business establishment not otherwise eligible for an on-sale intoxicating liquor license that, as part of its business, conducts culinary or cooking classes for which payment is made by each participant or advance reservation required. The license authorizes the licensee to furnish to each participant in each class, at no additional cost to the participant, up to a maximum of six (6) ounces of wine or twelve (12) ounces of intoxicating malt liquor, during and as part of the class, for consumption on the licensed premises only.

(M) Temporary off-sale wine licenses, with the approval of the Commission of Public Safety, may be issued for the off-sale of wine at an auction. A license issued under this subdivision authorizes the sale

of only vintage wine of a brand and vintage that is not commonly being offered for sale by any wholesaler in Minnesota. The license may authorize the off-sale of wine for not more than three (3) consecutive days provided not more than six hundred (600) cases of wine are sold at any auction. The licenses are subject to the terms, including license fee, imposed by Section 10.

(N) Brew pub on-sale intoxicating liquor or on-sale 3.2 percent malt liquor licenses, with the approval of the Commissioner of Public Safety, may be issued to brewers who operate a restaurant in their place of manufacture and who meet the criteria established at M.S. §340A.301 subd. 6(d) and 7(b), as it may be amended. Sales under this license at on-sale may not exceed 3,500 barrels per year. If a brew pub licensed under this section possesses a license for off-sale under Section 9 (O) below, the brew pub's total combined retail sales at on-sale or off-sale may not exceed 3,500 barrels per year, provided that off-sales may not total more than 500 barrels.

(O) Brewer off-sale intoxicating liquor licenses, with the approval of the Commissioner of Public Safety, may be issued to a brewer that is a licensee under Section 9 (N) above or that produces fewer than 3,500 barrels of malt liquor in a year and otherwise meets the criteria established at M.S. § 340A.301 subd. 6(d) and 7(b), as it may be amended. Off-sale of malt liquor shall be limited to the legal hours for off-sale at exclusive liquor stores in the city. Malt liquor sold off-sale must be removed from the premises before the applicable off-sale closing time at exclusive liquor stores. All malt liquor sold under this license shall be packaged in the manner required by M.S. § 340A.301 subd. 7, as it may be amended. Sales under this license may not exceed 500 barrels per year. If a brewer licensed under this section possesses a license under Section 9 (N) above, the brewer's total retail sales at on-sale or off-sale may not exceed 3,500 barrels per year, provided that off-sales may not total more than 500 barrels.

(P) Brewer temporary on-sale intoxicating liquor licenses may be issued, with the approval of the Commissioner of Public Safety, to brewers who manufacture fewer than 3,500 barrels of malt liquor in a year for the on-sale of intoxicating liquor in connection with a social event within the municipality sponsored by the brewer.

SECTION 10. LICENSE FEES; PRO RATA.

(A) A refund of a pro rata share of an annual license fee may occur only if authorized by M.S. §340A.408, subd. 5, as may be amended.

(B) Off-sale intoxicating liquor license fees may be reduced by the amount specified in M.S. §340A.408 if at the time of initial application or renewal, the licensee:

(1) Has a private vendor which is approved by the city train all employees within sixty (60) days of hire, and annually thereafter, in laws pertaining to the sale alcohol, the rules for identification checks, and the responsibilities of establishments serving intoxicating liquors;

(2) Posts a policy requiring identification checks for all persons appearing to be thirty (30) years old or less; and

(3) Establishes a written cash award and incentive program to award employees who catch underage drinkers, and a written penalty program to punish employees in the event of a failed compliance check.

Failure to abide by the provisions herein may result in suspension of the license until the conditions of the fee reduction are met and may result in suspension and/or revocation of the license pursuant to Section 23 of this ordinance.

SECTION 11. COUNCIL DISCRETION TO GRANT OR DENY A LICENSE.

The City Council, in its sound discretion, may either grant or deny the application for any license or for the transfer or renewal of any license. No applicant has a right to a license under this ordinance.

SECTION 12. APPLICATION FOR LICENSE.

(A) *Form.* Every application for a license issued under this ordinance shall be filed on a form provided by the city. Every application shall state the name of the applicant, the applicant's age, representations as to the applicant's character, with references as the Council may require, the type of license applied for, the name of the business in connection with which the proposed license will operate and its location, a description of the premises, whether the applicant is owner and operator of the business, how long the applicant has been in that business at that place, and other information as the City Council may require. An application for an on-sale intoxicating liquor license shall be in the form prescribed by the Commissioner of Public Safety and shall also contain the information required in this section. False statements in the application may be grounds for denial of the license requested.

(B) *Financial responsibility.* Prior to the issuance of any license under this ordinance, the applicant shall demonstrate proof of financial responsibility as defined in M.S. §340A.409, as it may be amended, and liability under M.S. §340A.801, as it may be amended. This proof shall be filed with the city and the Commissioner of Public Safety. Any liability insurance policy filed as proof of financial responsibility under this section shall conform to M.S. §340A.409, as it may be amended. Operation of a business which is required to be licensed by this ordinance without having on file with the city at all times effective proof of financial responsibility shall be cause for revocation of the license.

SECTION 13. DESCRIPTION OF PREMISES.

The application shall describe with specificity the compact and contiguous premises within which liquor may be dispensed and consumed. The description may not include any parking lot or sidewalk.

SECTION 14. APPLICATIONS FOR RENEWAL.

At least ninety (90) days before a license issued under this ordinance is to be renewed, an application for renewal shall be filed with the city. The decision whether or not to renew a license shall rest within the sound discretion of the City Council. No licensee has a right to have the license renewed.

SECTION 15. TRANSFER OF LICENSE.

Liquor licenses are non-transferable.

SECTION 16. INVESTIGATION.

(A) *Preliminary background and financial investigation.* On an initial application for a license, an application for transfer of a license, or an application for renewal of a license, the city shall conduct a preliminary background and financial investigation of the applicant, or it may contract with the Commissioner of Public Safety to perform such an investigation. In addition to the license fee, the applicant shall submit with the application, an investigation fee of five hundred dollars (\$500) for the cost of the preliminary investigation. If the actual cost of the investigation is less than five hundred dollars (\$500), the unused balance shall be returned to the applicant. The results of the preliminary investigation shall be sent to the Commissioner of Public Safety if the application is for an on-sale intoxicating liquor license or an on-sale wine license.

(B) *Comprehensive background and financial investigation.* In the sound discretion of the City Council, if the results of a preliminary investigation warrant a more comprehensive background and financial investigation, the City Council may either conduct the investigation itself or contract with the Commissioner of Public Safety to perform such an investigation. The investigation fee for this comprehensive background and financial investigation shall be paid by the applicant in the amount of five hundred dollars (\$500) if the investigation is to be conducted within the state, and ten thousand dollars (\$10,000) if the investigation is required outside of the state. The unused balance of the fee shall be returned to the applicant whether or not the application is denied. The fee shall be paid in advance of any investigation and the amount actually expended on the investigation shall not be refundable in the event the application is denied. The results of the comprehensive investigation shall be sent to the Commissioner of Public Safety if the application is for an on-sale intoxicating liquor license or an on-sale wine license.

SECTION 17. HEARING AND ISSUANCE.

The City Council shall investigate all facts set out in the application and not investigated in the preliminary or comprehensive background and financial investigations. Opportunity shall be given to any person to be heard for or against the granting of the license. After the investigation and hearing, the Council shall grant or deny the application. No license shall become effective until the proof of financial security has been approved by the Commissioner of Public Safety.

SECTION 18. RESTRICTIONS ON ISSUANCE.

(A) Each license shall be issued only to the applicant(s) for the premises described in the application.

(B) Not more than one license shall be directly or indirectly issued within the city to any one person.

(C) No license shall be granted or renewed for operation on any premises on which taxes, assessments, utility charges, service charges, or other financial claims of the city are delinquent and unpaid.

(D) No license shall be issued for any place or any business ineligible for a license under state law.

(E) No license shall be issued to any person who is not a resident of the state. If the applicant is a corporation, all of the shareholders shall be residents of the state. The provisions of this division shall not apply to any license existing on the effective date of this ordinance or to the renewal of an existing license.

(F) No license shall be granted within five hundred (500) feet of any school or church. The distance is to be measured from the closest side of the church to the closest side of the structure on the premises within which liquor is to be sold.

SECTION 19. CONDITIONS OF LICENSE.

The failure of a licensee to meet any one of the conditions of the license specified below shall result in a suspension of the license until the condition is met.

(A) Within ninety (90) days after employment, every person selling or serving liquor in an establishment which has an on-sale license shall receive training regarding the selling or serving of liquor to customers. The training shall be provided by an organization approved by the City Council. Proof of training shall be provided by the licensee to the City Clerk's office.

(B) Every licensee shall be responsible for the conduct of the place of business and the conditions of sobriety and order in it. The act of any employee on the licensed premises shall be deemed to be the act of the licensee as well, and the licensee shall be liable to all penalties provided by this ordinance and the law equally with the employee.

(C) Every licensee shall allow any peace officer, health officer, city employee, or any other person designated by the City Council to conduct compliance checks and to otherwise enter, inspect, and search the premises of the licensee during business hours and after business hours during the time when customers remain on the premises without a warrant.

(D) No on-sale establishment shall display liquor to the public during hours when the sale of liquor is prohibited.

(E) Compliance with financial responsibility requirements of state law and of this ordinance shall be a continuing condition of any license.

(F) Failure to abide by the conditions of Section 10(B) of this ordinance and statutory guidelines if the off-sale intoxicating liquor licensee has received a fee reduction.

SECTION 20. HOURS AND DAYS OF SALE.

(A) The hours of operation and days of sale shall be those set by M.S. §340A.504, as it may be amended from time to time, except that the City Council may, by resolution or ordinance, provide for more restrictive hours than state law allows.

(B) No person shall consume nor shall any on-sale licensee permit any consumption of intoxicating liquor or 3.2 percent malt liquor in an on-sale licensed premises more than thirty (30) minutes after the time when a sale can legally occur.

(C) No on-sale licensee shall permit any glass, bottle, or other container containing intoxicating liquor or 3.2 percent malt liquor to remain upon any table, bar, stool, or other place where customers are served, more than thirty (30) minutes after the time when a sale can legally occur.

(D) No person, other than the licensee and any employee, shall remain on the on-sale licensed premises more than thirty (30) minutes after the time when a sale can legally occur.

(E) Any violation of any condition of this section may be grounds for revocation or suspension of the license.

SECTION 21. MINORS ON PREMISES.

(A) No person under the age of eighteen (18) years shall be employed in any rooms constituting the place in which intoxicating liquors or 3.2 percent malt liquor are sold at retail on sale, except that persons under the age of eighteen (18) may be employed as musicians or perform the duties of a bus person, host, or dishwashing services in places defined as a restaurant, hotel, motel or other multi-purpose building serving food in rooms in which intoxicating liquors or 3.2 percent malt liquor are sold at retail on sale.

(B) No person under the age of twenty-one (21) years may enter a licensed establishment except to work, consume meals on premises that qualify as a restaurant, or attend social functions that are held in a portion of the premises where liquor is not sold.

SECTION 22. RESTRICTIONS ON PURCHASE AND CONSUMPTION.

No person shall mix or prepare liquor for consumption in any public place of business unless it has a license to sell on-sale, or a permit from the Commissioner of Public Safety under the provisions of M.S. §340A.414, as amended, and no person shall consume liquor in any such place.

SECTION 23. SUSPENSION AND REVOCATION.

(A) The City Council shall either revoke, or suspend any license for a period not to exceed sixty (60) days upon finding that the licensee has failed to comply with any applicable statute, regulation, or provision of this ordinance. Except in cases of lapse of proof of financial responsibility, no suspension or revocation shall take effect until the licensee has been afforded an opportunity for a hearing. The City Council may act as the hearing body under that act, or it may contract with the Office of Hearing Examiners for a hearing officer.

(B) The following are the minimum periods of suspension or revocation which shall be imposed by the City Council for violations of the provisions of this ordinance or M.S. Ch. 340A, as it may be amended or any rules promulgated under that chapter as they may be amended:

(1) The license shall be revoked for the commission of a felony related to the licensed activity, sale of alcoholic beverages while the license is under suspension, sale of intoxicating liquor where the only license is for 3.2 percent malt liquor, or violation of Section 4.

(2) The license shall be suspended by the City Council after a finding under division (A) that the licensee has failed to comply with any applicable statute, rule, or provision of this ordinance for at least the minimum periods as follows:

(a) For the first violation within any three-year period, at least one day suspension in addition to any criminal or civil penalties which may be imposed.

(b) For a second violation within any three-year period, at least three consecutive days suspension in addition to any criminal or civil penalties which may be imposed.

(c) For the third violation within any three-year period, at least seven consecutive days suspension in addition to any criminal or civil penalties which may be imposed.

(d) For a fourth violation within any three-year period, the license shall be revoked.

(3) The City Council shall select the day or days during which the license will be suspended.

(C) Lapse of required proof of financial responsibility shall affect an immediate suspension of any license issued pursuant to this ordinance or state law without further action of the Council. Notice of cancellation or lapse of a current liquor liability policy shall also constitute notice to the licensee of the impending suspension of the license. The holder of a license who has received notice of lapse of required insurance or of suspension or revocation of a license may request a hearing thereon and, if a request is made in writing to the Clerk, a hearing before the City Council shall be granted within ten (10) days. Any suspension under this division (B) shall continue until the City Council determines that the financial responsibility requirements of state law and this ordinance have again been met.

(D) The provisions of Section 30 pertaining to administrative penalty may be imposed in addition to or in lieu of any suspension or revocation under this ordinance.

SECTION 24. PENALTIES.

(A) Any person violating the provisions of this ordinance or any rules promulgated under M.S. Ch. 340A as may be amended, shall be guilty of a misdemeanor and upon conviction shall be punished as provided by law.

(B) The City Council shall impose a civil penalty of up to \$2,000 for each violation of M.S. Ch. 340A, as it may be amended, and of this ordinance. Conviction of a violation in a court of law is not required in order for the City Council to impose the civil penalty. A hearing shall not be required to be held before the penalty is imposed, but the City Council shall hold a hearing on the proposed violation and the proposed penalty and hear any person who wishes to speak. Non-payment of the penalty is grounds for suspension or revocation of the license. The following is the minimum schedule of presumptive civil penalties which shall be imposed in addition to any suspension unless the license is revoked:

(1) For the first violation within any three-year period, \$500.

(2) For the second violation within any three-year period, \$1,000.

(3) For the third and subsequent violations within any three-year period, \$2,000.

(C) The term "violation" as used in Section 23 includes any and all violations of the provisions in this section, or of M.S. Ch. 340A, as it may be amended from time to time or any rules promulgated under that chapter as they may be amended from time to time. The number of violations shall be determined on the basis of the history of violations for the preceding three-year period. Revocation shall occur within sixty (60) days following a violation for which revocation is imposed.

SECTION 25. EFFECTIVE DATE

This ordinance shall become effective on the date of its publication.

Passed by the City Council of the City of Lake City this _____, day of February, 2011.

Mayor Jerry Dunbar

Attested: _____

Kari Schreck, City Clerk

CITY OF LAKE CITY
DETAIL REVENUES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2012

FUND 101 - GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET AMOUNT	VARIANCE	% OF BUDGET
<u>POLICE REVENUES</u>					
101-34110-33162	POLICE DONATIONS	.00	5.00	.00 (5.00)	0
101-34110-33321	POLICE COPIES	117.65	909.40	500.00 (409.40)	181.88
101-34110-33328	POLICE KENNELS FOOD & CARE	20.00	80.00	400.00 320.00	20.0
101-34110-33342	POLICE COPS GRANT	.00	34,092.00	30,000.00 (4,092.00)	113.64
101-34110-33354	POLICE STATE AID	.00	5,667.17	70,000.00 64,332.83	8.10
101-34110-33370	POLICE - ADMINISTRATIVE FINES	.00	.00	5,000.00 5,000.00	0
101-34110-33371	POLICE FINES-PARKING	170.00	1,925.00	5,500.00 3,575.00	35.00
101-34110-33372	POLICE FINES-COURT	2,213.03	16,411.97	15,000.00 (1,411.97)	109.41
101-34110-33377	POLICE FORFEITURE FUNDS	.00	250.00	.00 (250.00)	0
101-34110-33524	POLICE MISCELLANEOUS	(2,694.68)	7,522.84	.00 (7,522.84)	0
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	TOTAL POLICE REVENUES	(174.00)	66,863.38	126,400.00 59,536.62	52.90
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	TOTAL FUND REVENUE	(174.00)	66,863.38	126,400.00 59,536.62	52.90

CITY OF LAKE CITY
DETAIL EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2012

FUND 101 - GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET AMOUNT	VARIANCE	% OF BUDGET
<u>POLICE</u>					
101-44110-100 POLICE SALARIES-REGULAR	51,148.61	486,894.91	704,000.00	(217,105.09)	69.16
101-44110-110 POLICE SALARIES-OVETIME	1,566.38	13,125.80	27,000.00	(13,874.20)	48.61
101-44110-120 POLICE SALARIES-TEMPORARY	1,005.74	14,663.28	28,000.00	(13,336.72)	52.37
101-44110-140 POLICE PERA	7,223.69	68,219.55	103,000.00	(34,780.45)	66.23
101-44110-150 POLICE FICA	1,014.80	10,426.85	16,000.00	(5,573.15)	65.17
101-44110-160 POLICE GROUP HEALTH INSURANCE	11,846.99	101,510.20	150,000.00	(48,489.80)	67.67
101-44110-170 POLICE LONGEVITY	.00	5,075.20	6,575.00	(1,499.80)	77.19
PERSONNEL	73,806.21	699,915.79	1,034,575.00	(334,659.21)	67.65
101-44110-210 POLICE OPERATING SUPPLIES	2,706.31	24,826.67	30,000.00	(5,173.33)	82.76
101-44110-220 POLICE MAINT & REPAIR	596.04	4,953.15	17,000.00	(12,046.85)	29.14
101-44110-230 POLICE TOOLS/EQUIP	.00	359.63	300.00	59.63	119.88
101-44110-240 POLICE BOOKS/PERIODICALS	.00	.00	300.00	(300.00)	0
101-44110-270 POLICE UNIFORM	229.50	10,664.57	11,000.00	(335.43)	96.85
SUPPLIES	3,531.85	40,804.02	58,600.00	(17,795.98)	69.63
101-44110-300 POLICE PROFESSIONAL SERVICES	.00	2,118.62	2,200.00	(81.38)	96.30
101-44110-310 POLICE COMMUNICATION	974.06	7,038.76	10,500.00	(3,461.24)	67.04
101-44110-320 POLICE TRAVEL, CONF, SCHOOL	225.00	13,776.67	18,426.84	(4,650.17)	74.76
101-44110-340 POLICE PRINTING/PUBLISHING	47.00	270.34	500.00	(229.66)	54.07
101-44110-380 POLICE RENTAL	.00	70.00	200.00	(130.00)	35.00
101-44110-390 POLICE CONTRACTUAL	1,187.97	7,516.86	14,800.00	(7,283.14)	50.79
101-44110-400 POLICE MISCELLANEOUS	314.43	982.53	1,200.00	(217.47)	81.88
101-44110-900 POLICE PROJECTS/PROGRAMS	.00	677.74	2,500.00	(1,822.26)	27.11
OTHER SERVICES	2,748.46	32,451.52	50,326.84	(17,875.32)	64.48
101-44110-530 POLICE CAPITAL OUTAY-MACH/EQUI	635.50	31,043.39	50,046.00	(19,002.61)	62.03
CAPITAL	635.50	31,043.39	50,046.00	(19,002.61)	62.03
TOTAL POLICE	80,722.02	804,214.72	1,193,547.84	(389,333.12)	67.38

ANIMAL CONTROL

CITY OF LAKE CITY
DETAIL EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2012

FUND 101 - GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET AMOUNT	VARIANCE	% OF BUDGET
101-44196-100 ANIMAL CONTROL SALARIES-REGULA	364.41	2,858.66	3,900.00	(1,041.34)	73.30
101-44196-140 ANIMAL CONT EMPYR CONT P E R A	26.43	207.32	283.00	(75.68)	73.26
101-44196-160 ANIMAL CONTROL FICA	25.67	200.19	300.00	(99.81)	66.73
101-44196-160 ANIMAL CONTROL-GROUP HEALTH IN	88.49	739.15	1,000.00	(260.85)	73.92
PERSONNEL	505.00	4,005.32	5,483.00	(1,477.68)	73.05
101-44196-210 ANIMAL CONTROL OPERATING SUPPL	.00	81.36	250.00	(168.64)	32.54
101-44196-220 ANIMAL CONTROL MAINT & REPAIR	.00	.00	100.00	(100.00)	0
101-44196-230 ANIMAL CONTROL TOOLS/EQUIP	.00	.00	50.00	(50.00)	0
SUPPLIES	.00	81.36	400.00	(318.64)	20.34
101-44196-320 ANIMAL CONTROL TRAVEL, CONF, S	.00	.00	300.00	(300.00)	0
101-44196-340 ANIMAL CONTROL PRINTING/PUBLIS	.00	.00	75.00	(75.00)	0
101-44196-390 ANIMAL CONTROL CONTRACTUAL	.00	.00	400.00	(400.00)	0
101-44196-400 ANIMAL CONTROL MISCELLANEOUS	.00	.00	50.00	(50.00)	0
OTHER SERVICES	.00	.00	825.00	(825.00)	0
TOTAL ANIMAL CONTROL	505.00	4,086.68	6,708.00	(2,621.32)	60.92
TOTAL FUND EXPENDITURES	81,227.02	808,301.40	1,200,255.84	(391,954.44)	67.34
NET REVENUES OVER EXPENDITURES	(81,401.02)	(741,438.02)	(1,073,855.84)	451,491.06	69.04-