The City Council held a Public Hearing as required by Minnesota State Statute 340A.602 on the question of whether to continue to operate the municipal liquor store. The Report of operations of the Walnut Grove Bar & Grill has shown a net loss in two of three consecutive years.

2013: $15,274 Loss *remodeled
2014: $711 profit
2015: $4123 Loss

Present: Greg Hansen, Todd Harrington, Jeff Harnack and Leonard McLaughlin.
Absent: Xiong Yang

Also present: Michael Zeug, Debra Johnson, Dave Hoyt, Dave Herder, Gary Sykora, John Doubler, Donald E. Johnson, David Hansen, Anna Nackerud, Andy Foster, Becky Foster, Dillon Robinson, Adrian Kletscher, Tom Merchant

Mayor Greg Hansen presided at the meeting.

The liquor report was presented by the City Clerk. The Bar & Grill shows the depreciation as an expense each year which has resulted in showing a net loss two of the last three years. The depreciation amount is approximately $22,000 per year. In addition, there were higher repair expenses in 2015 than normal, and the state changed the reporting of the retirement which also affected the bottom line. State increases in the minimum wage has also contributed to higher expenses. A survey of drink prices at other local establishments also shows that the Bar & Grill’s prices should probably be adjusted. The City received three emails/letters from residents supporting the continued operation of the Bar & Grill. The residents in attendance also expressed their desire in keeping the Bar & Grill open and supported the idea of adjusting pricing to increase the profit. Debra Johnson also presented information about some of the reasons the Bar & Grill has shown a decline in sales. Many area establishments have reopened in the last year resulting in a loss of sales for the Bar & Grill. Also, there is no longer the Happy Hour crowd that used to frequent the Bar.

Motion by Leonard McLaughlin, second by Todd Harrington to continue to operate the Municipal Liquor Store (Walnut Grove Bar & Grill) with changes made to operations and pricing that will be determined and voted upon at the next Council Meeting. All voted in favor, motion carried.

Discussion was held on the memorial being put at the City Park for Leo Thorsness and the option of changing the park name to the Leo Thorsness Memorial Park. Leo Thorsness is a Medal of Honor recipient and was born and raised in Walnut Grove. Motion by Leonard McLaughlin, second by Jeff Harnack to approve the Resolution changing the name of the City Park to the Leo Thorsness Memorial Park. All voted in favor, motion carried.

Discussion was held on the Alley construction on the backside of the new lots in the Park Place Second Addition. Greg received a scaled back option for the alley for approximately $4700 plus the cost of the culvert. This would include 6” of pit run gravel and 6” of class V gravel, along with landscaping along the alley sides to direct water flow. There may possibly be the option of using some of the clay from the basement dig at the Hansen property and reduce the amount of pit gravel needed. Motion by Todd Harrington, second by Jeff Harnack to approve going forward with the updated quote from Jared Maas. Harrington, Harnack & Hansen voted in favor, McLaughlin voted against. Motion carried by majority vote.

Andy Foster presented the council with an offer to purchase parcel #94-568-0740 located at 451 9th Street for $100. The city purchased this property at the forfeited tax auction with the intent of cleaning it up and selling it. The Council was in agreement that this property has no value for it to be kept and maintained by the City. Motion by Jeff Harnack, second by Todd Harrington to accept the offer by Andy Foster for the purchase. All voted in favor, motion carried.

Brief discussion was held on the grant information for the Fire Department. They did not receive grants from the DNR or FEMA. The fire department will be applying for another grant and will be bringing the information to the next council meeting.
Discussion was held on the second city cleanup for 2016. Dumpsters will be delivered Sept. 23 and Tom will begin picking up items the following Monday. Chief Zeug will visit with properties that need to take advantage of the opportunity to clean up their yards.

Discussion was held on the property on 6th Street that has received complaints for the condition of the building and the property. The clerk has sent a letter giving them 30 days to get the yard cleaned up and the building boarded up to prevent animals from harboring in it.

The preliminary 2017 budget was discussed. The Council has determined they would like to keep the general levy the same as it was for 2016. Motion by Todd Harrington, second by Leonard McLaughlin to approve the resolution setting the preliminary 2017 general levy at $224,000. All voted in favor, motion carried.

Land use permits were reviewed for Jacob & Sophie Jenniges for an addition to be added to their house and for Gregg and Robyn Hansen for a new build at 181 Washington Street. Motion by Leonard McLaughlin, second by Todd Harrington to approve the Land use permits. All voted in favor, motion carried.

The Police report was presented by Chief Zeug. Discussion was held on the residential complaint regarding the speeding cars. Zeug had received a call out for the event in question and had handled the issues prior to the council meeting. The City received payment of $625.32 for police training reimbursement from the state.

Motion by Leonard McLaughlin, second by Todd Harrington to approve claims 38099-38159. All voted in favor, motion carried.

Motion by Leonard McLaughlin, second Todd Harrington by to approve the Minutes for the August 8, 2016 Meeting. All voted in favor, motion carried.

Motion by Todd Harrington, second by Jeff Harnack to adjourn. All voted in favor, motion carried.

Paula McGarvey
Clerk-Treasurer