

**MINUTES OF THE
City Council Special Meeting for the City of Menan held December 13, 2016**

Presiding: Chauncey T. Haight, Mayor

Present: Chauncey T. Haight, Ron Jones, Keith Nelson, Noel Raymond, Matt Walker, Kris Meeks, Allyson Pettingill, Becky Poole, Brian Walker, Dennis Dole, Lonny Johnson, Wanda Smith & boyfriend, Alan Fullmer, Tim Hale, Leo Hancock & wife, Carol Fullmer, Dean Fullmer, Lynn Taylor, and Steve & Stephanie Jackson .

City Council Special Meeting called to order at 7:00 pm.

Mayor Haight starts the meeting with the Pledge of Allegiance.

Changing City Alcohol Ordinance to include the sale of Liquor by the drink: Before starting the review of the City Ordinance, Kris reminds the Council that the proceeding is only a Special Meeting, not a Hearing. He also would like to inform the Council of the results of the research he looked into regarding the changing of the Ordinance. He notifies the Council that per Idaho Law in Code 23-916 the State issues Liquor Licenses and then the Counties and Cities have a right to issue their own as well. In Idaho Code 23-917, any change to the Ordinance must be done by Referendum, not Ordinance. This dates back to the 1940's when the State created a whole new set of statues regarding retail sale of liquor by the drink. That section requires that there be a petition with 20% of the registered voters in the municipality having to request the change and turn the petition into the City before the election. In Idaho Code 23-920, which states the change must go through the election process. He then proceeds to explain that per Idaho Code 34-106 the change can only be placed on the ballot and voted on in November of odd years. The Council discusses these Codes with Kris. It is discussed that there is nothing the Council can do until after the November 2017 election if the Referendum is passed by the voters. Kris then reports to the Council of the further research he has conducted regarding the Council having the authority to shape the Ordinance as they see fit once the Referendum passes. Per Idaho Code 23-916, the governing authority may provide further regulations for the control of such business, or in other words a business that sells alcohol by the drink. If you then go to the Idaho Administrative Procedures Act there are further definitions on regulations for business like restaurants that serve alcohol by the drink. The ABC/ISP patrol these businesses all the time to make sure they are in compliance with all of the laws and regulations set forth by law. The Council discusses the information Kris has uncovered. It is then discussed the procedure that would have to take place with a petition to change the current ordinance. It is then discussed that there is nothing the Council can do about the issue being presented at the Special Meeting regarding the changing of the City Ordinance for the sale of alcohol by the drink per Idaho law until it is placed on the ballot in November of 2017, if petitioned to do so. Due to the information uncovered, the Mayor and Council decide to proceed with the meeting as planned and allow Leo Hancock to make his presentation.

Mayor Haight goes over the rules and procedures governing the Meeting. He asks for everyone to remain cordial and not debate. There will be a chance for all to ask questions to the presenter. There will then be a period for those in favor of the proposal to state their support. Then those who are neutral will have their comments heard, followed by those opposed to the proposal voicing their concerns. The presenter, Leo will then have a chance for rebuttal. Each resident will have 3 minutes for their statement. It is asked that all those who would wish to speak please sign in on the respective sheet with name and address. After those in attendance have had their chance to speak, Keith will present the results from the survey posted on the City website pertaining to the issue at hand.

Leo Hancock addresses the Council and the public. He starts by passing around the menus he has made up showing the name of his proposed establishment, The Teton House, and explains what his business model would be. He is looking to establish a restaurant with a nice menu that also happens to serve alcoholic beverages. He is looking to possibly start a local chain of said establishments, starting in Menan. He is looking to keep it upscale, more along the lines of restaurants such as The Rusty Lantern in Ucon, only with the option of what a Red Robin would have with the alcoholic drinks. He explains that he likes the building and the setting of Menan, which is why he is asking for the ordinance change. He also explains the reason behind the serving of alcohol is the profit it brings. He further states that it can be difficult to make a profit in the restaurant business and alcohol helps to subsidize the shortfall. Leo is asked about smoking in the building. He responds that he will not have smoking in the building, but there is a smoking area provided outside for those who choose to smoke. He is asked if he would be willing to lease the property and proceed with the restaurant only selling beer and wine until an ordinance change is possible. He responds he might, but he will have to think it over in light of the information gained at the meeting. There is discussion of what Leo's options are. It is made mention that the building has historically been a meeting place for residents, not a place where people become "sloppy drunk". It is also mentioned that Leo may need to look at the community he will be serving, most of the residents do not drink alcohol and would probably oppose any ordinance change to encourage such behavior. It is further stated that Menan is a family community and some families would be uncomfortable taking their family to eat at an establishment which serves liquor. Leo responds that all he is trying to do is open a nice place to eat and still offer all he can to his customers. He also replies that the responsibility of the owner and employees is to make the customer comfortable and make sure that the serving of alcohol is responsible as well, not to over serve. He also addresses the comment of not smoking in the building by stating

he will provide a nice area outside to smoke with heaters in the winter to accommodate his customers. Kris then reads Idaho State law which states that restaurants may not allow smoking in the building, per law. The discussion turns to the over serving of alcohol and the affects it can have on the community. Leo explains that he is very aware of that issue and will be diligent in the managing of the servers in his establishment. Leo expresses his appreciation for the time the Council has taken with his presentations and the consideration offered for his proposal.

The Mayor continues with the Special Meeting and asks for those wishing to make statements in favor of potentially changing the ordinance to include the sale of alcohol by the drink to stand and say their name and address then proceed with their statement.

Wanda Smith, 3643 E 700 N, Menan, Id, starts by stating she is in favor of the ordinance change as she currently drives to Roberts and takes her business there. She would like to be able to frequent an establishment in Menan and see the revenue stay in the City.

Dennis Doyle, He states he is favor because he would like to have a restaurant close by that he could go to.

Becky Poole of Menan is also in favor, she would also like to have an eating establishment to frequent that is close by.

The Mayor then asks if there are any in attendance that are neutral to the change.

Keith Nelson of Menan states that from a business standpoint, it might be best to build a new building right outside of the City limits, that way there wouldn't be all the regulations and hoops to jump through. He also mentions one of the biggest issues with the Watson's Bar building is the lack of parking.

Mayor Haight remarks that eventually someone will come into the City and want to do this exact thing, he states that it might be a good thing as a Council to be able to form the way the Referendum and Ordinance is written. He also expresses his opinion that the building needs to be filled, Menan doesn't need another empty building.

Ron Jones then mentions that the State is offering 2 licenses for the sale of liquor by the drink in the City of Menan, someone will come and buy a license and build outside of City limits, when that happens the City will have no control over their establishment.

The Mayor finally asks for those to come forward who would like to express their opinion against the potential changing of the Ordinance.

Lynn Taylor of Menan begins that he came to the Special meeting fully against the Ordinance change, but after listening to Leo's presentation his mindset has changed. He is not fully against what Leo is proposing after listening to his presentation and business plan. He had even brought studies showing the adverse effects of alcohol in communities. He went door to door in the City of Menan with a petition against the Ordinance change and gathered 123 signatures against said proposal. He admits to being more open to the idea after attending the meeting and listening to the presentation.

Steve Jackson of Menan admits to having the same reaction as Lynn Taylor. His initial reason for attending the Special Meeting was to oppose any change, but his opinion had changed slightly after listening to Leo. He states he is a little more excited after hearing what Leo had to say and his business plan.

Mayor Haight mentions the letters that have been sent to the Council, the letters are along the same lines, not for the change. He then mentions to Leo that there is a trend of those who hear what he wants to do are changing their minds. He further states that there are results from the City web site that Keith will now present.

Keith Nelson presents the results from Survey Monkey that was posted on the City web site. He explains the results. Those who live in the City that took the survey, approximately 42% are in favor with 57% against. While those who live outside City limits were the reverse, more were in favor than against. Keith explains the way the survey works. The Council then discusses the survey. Keith makes the comment to Leo that his opinion has changed after listening to all that Leo has presented, he would help Leo with his plans for the restaurant. He further states that he agrees with the Mayor, this Ordinance change will happen one day and he would like to be able to shape the referendum and Ordinance. The Council addresses Leo and advises that with some education about what his business plan is, the opinion of the public would more than likely change to be in favor changing the Ordinance, just like those in attendance.

Council Special meeting ends at 8:33 pm.

Allyson Pettingill, City Clerk/Treasurer