

City of Cromwell, Carlton County, MN
Special Council Meeting Minutes
May 6, 2013 – 12:00pm

A special meeting of the City Council of the City of Cromwell was held on May 6, 2013 at 12:00 pm at the Cromwell Park Pavilion. The purpose of the meeting was to discuss dram shop insurance for the Cromwell Municipal Liquor Store as well as preliminary employee allegations.

The meeting was called to order at 12:00 pm by Mayor Clark.

Present: Mayor: Samuel A Clark
Council Members: Warren Peters, Tom Borglund, Lisa Lund, Ray Lally

Absent:

Employees: Jenny Clark (Clerk-Treasurer)

Others Present: Carl Brandt, Town and Country Insurance Agency

Public: None

1. Dram Shop Insurance

- A. Carl Brandt presented two options and quotes he has received for the city's Dram Shop (Liquor Liability) Insurance. Due to the recent claim, he was only able to obtain two quotes, one with Northfield Insurance Company and one with the League of MN Cities. Carl presented the pros and cons of each. Although the LMC quote is more expensive, Carl stated the biggest advantage with the LMC is that they will not cancel or drop us if there are any future claims, where as other insurance companies may and more than likely would. He also stated the LMC is more lenient with what they consider the "premise" and would allow for a smoking area outside of the bar where the other company considers the premise "within the four walls" of the building.
- B. The LMC also offers the option of purchasing Excess Liability coverage to increase the amount of coverage the liquor store would have, whereas the other insurance company does not offer this.
- C. Discussion by council on pros and cons of each.

Motion by Ray Lally, seconded by Tom Borglund to go with the League of MN Cities for Liquor Liability coverage as well as purchase the Excess Liability coverage, effective 5/6/13. Motion carried unanimously.

Motion was made by Ray Lally, seconded by Warren Peters to recess the meeting until 6:00 pm May 6, 2013 at the Cromwell Park Pavilion. Motion carried unanimously.

Motion by Warren Peters, seconded by Tom Borglund to reconvene the meeting at 6:00 pm that was recessed May 6, 2013, at the Cromwell Park Pavilion. Motion carried unanimously.

Motion by Warren Peters, seconded by Ray Lally to close the meeting for preliminary consideration of allegations against an employee. Motion carried unanimously.

Present: Mayor: Samuel A Clark
Council Members: Warren Peters, Tom Borglund, Lisa Lund, Ray Lally

Employees: Jenny Clark (Clerk-Treasurer) ; Paul Lampi (Bar Manager)

Others Present: Frank Yetka, City Attorney ; Hugh Heinecke, City Auditor

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Discussion during the closed session was regarding an internal investigation.

ADJOURN

Motion was made by Ray Lally, seconded by Warren Peters to adjourn the meeting at 9:15 pm. Motion carried unanimously.

Mayor Samuel A. Clark

ATTEST:

City Clerk-Treasurer Jenny Clark