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Minneapolis
City of Lakes

Regulatory Services Department

Licenses & Consumer Services Division

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February 11, 2005

In the Matter of
Shaw's Bar & Grill, Inc.
Colleen & Mike Shaw
1528 University Ave. NE

Findings of Fact, Conclusions and Recommendations

This matter came before the Department at a Technical Advisory Committee hearing on Wednesday, February 9, 2005 at 2:30 p.m. in Room 1-C, Minneapolis City Hall. Appearing on behalf of the business were Mike and Colleen Shaw. Appearing for the City were Sgt. Travis Glampe, Police Licensing Unit; License Inspector Angie Hugen; and James Moncur and Ricardo Cervantes, Deputy Directors of Licenses and Consumer Services. Based on information presented at the hearing, the Department makes the following findings of facts:

FINDINGS OF FACT

1. That prior to or on November 1, 2004, the business was informed during their renewal application that Liquor Liability Insurance was required for the business to continue operating after December 31, 2004 at midnight.
2. That on December 31, 2004, no liquor liability insurance was faxed in to the Licenses Office showing proof of coverage.
3. That on December 31, 2004 at approximately 6:30 pm, Sgt. Glampe and Sgt. Carpenter entered Shaw's Bar & Grill to inspect their lawful gambling operation. At that time, Sgt. Glampe informed them of the lack of proof of insurance coverage. He also discussed possible actions including fines and closure that could occur if they operated past midnight without proof of this coverage.
4. That on January 1, 2005 at approximately 00:10 am, Sgt. Glampe and Officer Hendrickson entered Shaw's Bar and observed them serving alcohol to customers.
5. That on January 4, 2005, it was discovered that CFG Insurance Services had e-mailed proof of liquor liability insurance to Carol Stejskal, Customer Service Representative on December 30, 2004 at 4:38 pm. The office was closed for the year at this time and Ms. Stejskal was not present to receive the coverage proof.

CONCLUSIONS

1. The owners failed to provide proof of Liquor Liability Insurance prior to their old coverage expiring which is in violation of Minneapolis Ordinance 362.150 and MN Statute 340A.409.

RECOMENDATIONS

The Department acknowledges the business's interest to resolve the issues at 1528 University Ave. NE. Due to the willingness of all to bring the property into compliance with all ordinances, the Department makes the following recommendations:

1. That CFG Insurance Services will submit a letter indicating that proof of liquor liability insurance will be submitted to Licenses by December 15, 2005. The letter will also indicate that the coverage period will run from January 1 to January 1 each year and will be submitted by December 15 each year. This letter will be submitted by March 11, 2005.
2. That if CFG Insurance Services is unwilling to submit such a letter, the business will submit a letter by March 11, 2005 stating that they will change insurance carriers by December 15, 2005. The new carrier must agree that the coverage period will run from January 1 to January 1 starting in 2006 and that they will submit proof of coverage by December 15 each year
3. The owners shall be assessed a fine of $400 of which $200 will be stayed for a period of 1 year from the date of this agreement being signed. The remaining amount of $200 is due upon the signing of this agreement. If letters are not submitted by March 11, 2005, the stayed portion of the fine will be immediately due.
4. If liquor liability insurance coverage is not submitted properly and on time by December 15, 2005, the stayed portion of the fine will be immediately due in addition to any other fine assessed for failure to produce coverage for 2006.

I have read the above report and recommendations. I agree with the report and I agree with the above noted recommendations. I understand that failure on my part to adhere to this agreement with the Department may be cause for further suspension, revocation, or denial of my On-Sale Liquor Class B with Sunday Sales & Tobacco licenses. I understand that this report must be accepted by the Minneapolis City Council and signed by the Mayor. I also understand that future violations may put my license in jeopardy.

Michael Lee Shaw 2/11/05

Signature Date

MICHAEL LEE SHAW

Printed Name

- Angela L. Hugen 2-11-05

Signature-Witness Inspector Date