

THE LINKING LETTER

by Anne Scheck

December 21, 2016

Preface: Two issues that were addressed at the most recent City Council were further discussed this week: the MINET debt payment was revisited by the MINET finance committee and draft ordinances for marijuana regulations were addressed in a work session Monday night, which included the Independence City Council and Panning Commission.

Question: *Did any new information come out of these meetings?*

-- MINET FINANCE COMMITTEE. MINET will be unable to pay back borrowed money without expanding its operation and selling the company won't solve the debt problem. That was one observation made today as members of the MINET finance committee discussed the fiscal challenges that lie ahead for the company.

Much of the money that's owed wouldn't be cleared off in a sale, and "we'd be stuck with it," noted Ken Day, a committee member who will be sworn in as an Independence City Councilor in January. MINET will have to do "something different" – specifically, generate new business, he said.

Currently, the company is profitable due to an 83% penetration rate in the two cities it serves. However, "bad decisions were made in the past and we are still paying for that," said committee member Ben Meyer. "Because of this 'living in the past' there's not an appreciation of the current situation," agreed Buzz Brazeau, who chaired the session.

Future decisions need to focus on whether to grow the company to meet these financial milestones or settle on the plan for debt repayment, suggested Don Patten, general manager of MINET. The former option will mean that some funds will have to be allocated to deal with "antiquated equipment," he added. The regular Board Meeting will be held Thursday, Dec 22 at 7:30 am at the Henry Hill Educational Center, 750 S. 5th Street.

-- MARIJUANA. Regulations for marijuana by ordinances that would institute new business license requirements and land-use rules appeared to divide city staff and residents, as the specter of litigation was highlighted as a reason for adopting standards that some citizens found less restrictive than desired. The threat of

lawsuits has been cited repeatedly during the ordinance-formulating process. However, a discussion that appeared to be touching on the possible reasons for this risk was cut short by City Manager David Clyne, who recommended instead that councilors receive a legal opinion on the issue by Laura Sommers, the city's consulting attorney.

Mr. Clyne, who was heard outside the session making a recommendation to a local marijuana-retail business owner to bring her lawyer to a future meeting, later explained that she had stopped him in the corridor as he exited to get a glass of water. He was attempting to discourage this individual's threatened litigation "by suggesting that her attorney present his position to Council as well before taking a more costly approach," he explained in an email.

Councilors who were told -- by email -- of this hallway conversation have not commented, although one called the fact that the exchange came to light "a positive thing." The final 2016 City Council meeting will be held Tuesday, Dec. 27, at 7:30 am.