

COMMITTEE ASSIGNMENTS

CHAIR

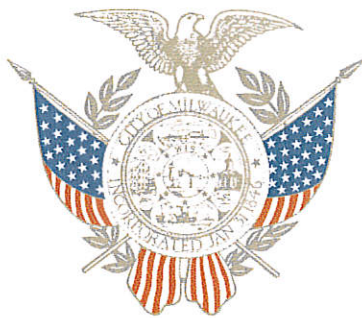
- Licenses Committee

VICE CHAIR

- Community and Economic Development Committee

MEMBER

- Steering and Rules Committee



TONY ZIELINSKI
ALDERMAN, 14TH DISTRICT

November 1, 2017

To the Honorable, the Common Council

Dear Members:

Re: Common Council File Number 170624

Attached are the written objections to file number 170624, Motion relating to the recommendations of the Licenses Committee relative to licenses, relating to the recommendation of:

Renewal, with a ten (10) day suspension, based upon applicant and aldermanic testimony of the Food Dealer Retail and Weights & Measures license(s) for John Breedlove for the premises located at 6410 N 76th St. ("Sav-A-Lot #8014") in the 9th aldermanic district.

This matter will be heard by the full Council at its Tuesday, November 7, 2017 meeting. Pursuant to City Ordinances, a roll call vote will be taken to confirm that all members have read the attached statements and materials.

Respectfully,

A handwritten signature in black ink that reads "Tony Zielinski".

Tony Zielinski, Chair
Licenses Committee

cc: All Council Members
City Attorney's Office
Common Council/City Clerk – License Division
CCF 170624



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November 1, 2017

To: All Members of the Milwaukee Common Council

From: Joseph L. Olson, on behalf of Moran Foods, LLC

Re: Moran Foods, LLC d/b/a Save A Lot's Response to Licenses Committee's Report
Recommending Renewal with a 10-Day Suspension

To Whom It May Concern,

This response addresses the Licenses Committee's Report, produced following the Committee's October 24th hearing regarding Moran Food, LLC d/b/a Save A Lot's application to renew its Food Dealer Retail and Weights & Measures licenses for its grocery store, located at 6410 N. 76th Street.

Background

On October 24, 2017, the Committee held a hearing to consider Save A Lot's application to renew the licenses for its grocery store located at 6410 N. 76th Street. Alderwoman Chantia Lewis, in whose district Save A Lot operates, testified. The Committee questioned counsel and Darrell Mowen, the District Manager of Save A Lot, about the concerns raised by Alderwoman Lewis.

After considering the testimony of Alderwoman Lewis and Mr. Mowen and the comments of counsel, the Committee voted to recommend to the Common Council that Save A Lot's licenses be renewed subject to a 10-day suspension. The Committee's comments suggested the suspension would provide Save A Lot the time needed to address the concerns identified by Alderwoman Lewis. For the reasons set forth below, Save A Lot is requesting that the Common Council renew the licenses without a suspension.

Discussion

The Committee identified four central issues with Save A Lot's premises, operation, and management. Specifically, the Committee based its recommendation on (1) the general condition and appearance of the store; (2) the presence of errant shopping carts in the neighborhood; (3) spoiled produce stocked on shelves; and (4) Save A Lot's failure to respond to the concerns expressed by Alderwoman Lewis.

All Members of the Milwaukee Common Council

November 1, 2017

Page 2

At the outset, Save A Lot appreciates, understands, and shares the concerns the Committee identified. It recognizes that there were problems with the status and management of its store. Save A Lot is committed to being a good corporate citizen and wants to add value to the community. Accordingly, Save A Lot began addressing the concerns raised by Alderwoman Lewis and found by the Committee immediately after the hearing. Significant progress has already been made and Save A Lot was able to meet with Alderwoman Lewis to at the store on October 31st to show her the progress and explain Save A Lot's remaining plan of action. It is Save A Lot's belief that a suspension is not necessary to finish the work and hopes that Alderwoman Lewis and the Council as a whole agree.

1. General Store Conditions

Save A Lot has already invested substantial effort and money into cleaning up its building and premises. As stated in the Committee's report, this store was, until recently, owned and operated by a licensee. However, due to dissatisfaction with that licensee's performance, the store has been taken over by corporate management.

With this new management has come a desire and ability to make swift change. Under corporate direction, the store now has access to increased financial resources necessary to address the Committee's concern. Furthermore, changes have been made to the leadership of this Save A Lot store to ensure the concerns of any City Official are quickly and effectively addressed.

With regards to physical condition of the store, since the hearing on October 24th, Save A Lot has:

- Stripped and waxed the floor;
- Repainted areas throughout the store that had become worn or discolored;
- Repainted various portions of the exterior of the store;
- Replaced numerous ceiling tiles;
- Removed damaged window decals;
- Replaced broken threshold guards at the entryway;
- Repaired, replaced, and painted worn floor molding;
- Cleaned, repaired and polished metal trim on various fixtures throughout the store.

Save A Lot has also:

- Identified approximately 300 worn or damaged floor tiles that will be replaced. The tiles are already ordered and will be installed as soon as they are delivered to the store.

All Members of the Milwaukee Common Council

November 1, 2017

Page 3

- Designed a cart corral system that will help to keep the shopping carts which are now stored inside the store looking neat and tidy.

These repairs and upgrades have already had a dramatic effect on the appearance of the store. Once completed the store will once again be a pleasant, clean, and safe place for the community to shop for groceries.

2. Shopping Carts

The presence of Save A Lot's shopping carts throughout the neighborhood has created an issue not only for the community, but also for Save A Lot. The store recognizes that it must do more to ensure that its carts do not end up all over town. To address this issue, Save A Lot has taken steps not only to improve the cart security system it already utilizes, but also to install new measures recommended by the Committee.

Save A Lot currently has an electronic system installed to prevent customers from leaving the store's premises with their carts. Wires embedded beneath the perimeter of the parking lot create an invisible barrier around the store's premises. The system recognizes when a Save A Lot cart crosses the barrier, and trips a locking mechanism installed on the cart's wheels, rendering them inoperable.

However, this locking mechanism was originally installed only on the cart's *front* wheels. Therefore, a determined customer could push down on the back of the cart to get the locked front wheels off the ground, and continue on their way. Compounding matters, this past summer the electronic system failed. Save A Lot called out representatives of Gatekeeper (the company who installs and maintains the system) to investigate and repair the system. Gatekeeper replaced over 600 feet of the subsurface radio wiring to make the system operational. Save A Lot also moved the locking mechanisms to the rear wheels of the carts.

At the hearing, the Committee asked whether Save A Lot had considered utilizing the cart management system used by Aldi stores whereby customers must deposit a quarter to release a cart and can only get their deposit back upon returning the cart. Save A Lot is pleased to inform the Council that Save A Lot will install the quarter cart system at all three of its Milwaukee stores. The components for the store in question arrived on October 31st and system should be installed and operational by November 3rd. This investment should resolve the shopping cart issue.



All Members of the Milwaukee Common Council
November 1, 2017
Page 4

3. Spoiled Produce

Having spoiled fruits and vegetables on the shelves is unacceptable. Frankly it is bad for business. Upon learning of the issue, district and regional managers reviewed the situation at this store and determined that a change in leadership and additional training were appropriate.

In response, Save A Lot has taken two concrete steps. First, Save A Lot has hired a new Produce Manager, who will oversee the meat and produce departments to ensure only fresh products remain on the shelves. Second, corporate management has scheduled a storewide training of proper meat and produce management, which will begin November 6, 2017. Together, these steps will prevent spoiled produce from reaching Save A Lot's customers.

4. Timely Responses to Alderperson Concerns

At the hearing, Save A Lot's corporate representative, Darrell Mowen, expressed his sincere embarrassment at the store's lack of responsiveness to Alderwoman Lewis's concerns. Save A Lot desires to be a productive and responsible member of this community; active communication with community leaders such as Alderwoman Lewis is a necessary part of a healthy relationship with the community.

Immediately after the hearing, Mr. Mowen requested the opportunity to meet with Alderwoman Lewis. A meeting was scheduled for October 31st at the store. The meeting was attended by Alderwoman Lewis, and the following representatives of Save A Lot: Regional Director Mike Jessen, Regional Director Ron Munson and Save A Lot's Attorney Joe Olson. Mr. Jessen is the new regional manager for the area including Milwaukee. Mr. Munson is the immediate past regional manager. (Mr. Mowen, the district manager, was unable to attend due to a death in his family). At the meeting Alderperson Lewis was able to walk the store to see the work that has already been done, was informed of the full action plan, and was able to meet the new store manager Kendall Jackson and the new Produce Manager.

Under official policy, Save A Lot store managers are required to notify their district manager immediately whenever a governmental official, alderpersons included, visits the store. Save A Lot's former store manager clearly did not follow that protocol with regard to Alderwoman Lewis' concerns. In response, he has been terminated, and has been replaced with Mr. Jackson. Mr. Jackson is an experienced Store Manager and also serves as a Training Manager. In that role, Mr. Jackson trains new and current store managers to ensure they are following company policies, including the policy related to contacts with City Officials.

At the meeting with Alderwoman Lewis, Save A Lot was also able to share with Ms. Lewis Save A Lot's ongoing partnership with Hunger Task Force. Each week Save A Lot identifies



All Members of the Milwaukee Common Council
November 1, 2017
Page 5

nonsalable but eatable items in the Store. Those items are donated to Hunger Task Force to help meet the needs of community. Moreover, Save A Lot is participating in the House of Peace/ St. Ben's Holiday Food Box program. Through this program, Save A Lot makes available specific food items identified by House of Peace for purchase (at a steeply discounted price) and donation by Save A Lot customers.

Conclusion

Save A Lot takes seriously the concerns raised by Alderwoman Lewis and found by the Committee. Save A Lot has taken immediate steps to correct those problems. Much of that work is already done and nearly all of it will be completed by the date of the Common Council meeting on November 7th. Save A Lot is committed to open communication with City Officials and has taken action, including replacing store management, to ensure that the lines of communication remain open. It is Save A Lot's belief that a 10 day suspension is not necessary to remediate these concerns. Moreover it is Save A Lot's hope that its quick and effective response will testify to Save A Lot's commitment to being a good corporate citizen and a community asset. Save A Lot is asking the Common Council to renew its licenses without a suspension in order to allow Save A Lot to remain open so it can continue to serve the community.

Sincerely,

MICHAEL BEST & FRIEDRICH LLP

A handwritten signature in black ink, appearing to read 'J. Olson', written over the typed name 'Joseph L. Olson'.

Joseph L. Olson