

MINUTES
MUNICIPAL OFF-SALE RETAIL LIQUOR BOARD

MAY 7, 2014

The meeting was called to order by Vice Chairperson, Steve Vaske at 6:36 p.m. Members present were Bill Ludwig, Liquor Store Manager; Jennifer Welling, Administrative Assistant/Zoning Specialist; Reed Ringstad (7:00 p.m.), Sue Hecht, and Jeff Thompson. Also present were Corey Gerads, Alliance Building Corp.; John Derichs, Nathan Derichs, and three others representing Derichs Properties, Inc.

LIQUOR STORE LOCATION

Derichs Properties, Inc. presented a proposal and outlined the following:

- Derichs Properties, Inc. would lease to Paynesville Liquor and Jack's C Store
- Three part proposal
 - Building layout
 - Lease
 - Why it makes sense and why it would work
- Building to be built on two lots
- Two signs – one being digital
- 5 fuel islands
- Trash enclosure
- Loading dock with a shared space
- Lease to include:
 - Price
 - Signage – no banners, no clutter
 - Any changes to current layout would be at the City's cost
 - Hours of operation
- Why will this work:
 - Larger cooler
 - New
 - Partners
 - Loading dock
 - Storage
 - Location
 - Increase traffic
 - Jack's is committed
- Financial – land price, odd shaped lot, privately funded, privately developed, and would continue development in the area
- Environmental – energy efficient building, LED lighting, state of the art
- History of Jack's Oil

The Board discussed:

- The lease amount the City currently pays
- The square footage rate others pay
- Other costs the store would incur
- Location

- Liquor stores are a destination

It was asked if the Liquor Store was built on a City owned lot does the store pay for the lot?

Motion was made by Hecht that the Liquor Board cannot justify a move to a new location at \$22.00 per square foot and recommend such to the City Council. Seconded by Ringstad and unanimously carried.

CONSENT AGENDA

There were no minutes available for approval.

Motion was made by Thompson to approve the Consent Agenda. Seconded by Welling and unanimously carried.

MAY PROMOTIONS

Ludwig reported on the promotions for May.

AUGUST MEETING

The August meeting will be held on August 12, 2014 at 6:15 p.m. at City Hal.

SALES & PURCHASING REPORT

Ludwig reported that the sales year to date have been good; however, the beer margins are down due to the store not receiving credit on some out of date beer yet and that Coors Light's price increased during the City's sale. To date the City has sold \$12,000.00 in tobacco.

WINE CLUB

56 persons attended the April Wine Club with 83 bottles sold. The next Wine Club will be held Thursday, May 15, 2014 at 7:00 p.m. at Ron & Judy's. The featured vendor is Gallo.

OPEN HOUSE/CUSTOMER APPRECIATION DAY

The Open House/Customer Appreciation Day will be held on Friday, May 23, 2014 with tastings, drawings, and specials. All 24 pack cans of beer will be \$16.99.

2014 LIQUOR STORE GOALS

Possible goals were discussed including staffing, margins, discounts, and customer service.

2014 TOWN & COUNTRY DAYS PARADE

The Board consented to not participate in the parade.

SIGN/BILLBOARD

Ludwig has heard no response from the sign company.

BEER CAMP

Beer Camp will be held on June 6, 2014 from 6:00 p.m. – 8:30 p.m. at the American Legion.

LADIES NIGHT OUT

Ludwig reported this year's Ladies Night Out was quiet compared to past years.

INFORMATIONAL

A Special Joint Liquor Board Meeting & Budget & Finance Meeting will be held Thursday, May 8, 2014 at 6:30 p.m. at City Hall to discuss the proposed New Liquor Store Location.

The City Council Meeting will be held on Monday, May 12, 2014 at 6:00 p.m. at City Hall - with guests on the agenda at 7:00 p.m. to discuss the proposed New Liquor Store Location

There being no further business, the meeting was adjourned at 8:54 p.m.