

**AGENDA
BIG LAKE CITY COUNCIL
WORKSHOP**

**WEDNESDAY, MARCH 11, 2020
5:00 p.m.**

- 1) CALL TO ORDER**
- 2) ROLL CALL**
- 3) ADOPT PROPOSED AGENDA**
- 4) BUSINESS**
 - 4A. Summer Hours Discussion
 - 4B. Liquor Delivery Discussion
 - 4C. New Ideas Discussion
- 5) OTHER**
- 6) ADJOURN**

Disclaimer: This agenda has been prepared to provide information regarding an upcoming workshop of the Big Lake City Council. This document does not claim to be complete and is subject to change.



WORKSHOP ITEM

Big Lake City Council

Prepared By Clay Wilfahrt, City Administrator	Meeting Date: 3/11/2020	Item No. 4A
Item Description: Summer Hours Discussion	Reviewed By: Hanna Klimmek, Community Development Director, Deb Wegeleben, Finance Director Reviewed By: Layne Otteson, City Engineer, and Gina Wolbeck, City Clerk	

COUNCIL DIRECTION REQUESTED

Discuss City Hall Hours

BACKGROUND/DISCUSSION

Currently, the City of Big Lake maintains open hours at City Hall of 8am to 4:30pm Monday through Friday. This is the schedule on a year-round basis. Staff has discussed the possibility of moving to a “summer hours” model. In general, staff favors the idea of summer hours. This memo attempts to outline the various options as well as an analysis of the benefits and drawbacks.

Here are the options as staff sees them:

- **Status Quo** – staff can remain operating as it always has. We can continue to operate from 8am to 4:30pm Monday through Friday at City Hall. Below is a summary of the benefits and drawbacks of this arrangement.
 - **Benefits**
 - **Predictable schedule** – Residents and businesses can easily predict when we are open.
 - **Long history of providing these hours** – Residents and businesses are used to these hours.
 - **Conventional hours** – These are typical hours, and are generally used by not only many cities, but also many businesses.
 - **Drawbacks**
 - **Not open outside conventional work hours** – residents who work typical hours aren’t able to come to City Hall unless they take time off of work. Being open slightly earlier or later than conventional hours would allow those residents an opportunity to come in before or after work.
 - **Friday afternoons aren’t busy** – especially during the summer, Friday afternoons are very slow. With a very limited number of weekends with nice weather, Minnesotans tend to stretch them as long as they can, and it is rare for residents to choose Friday afternoon as a time to conduct business with the City.
- **Summer Hours** – Council could pursue some iteration of summer hours that would change the schedule for City Hall to coincide with seasonal demands. This would also allow City staff the

opportunity to slightly extend weekends, something that they are in favor of. Below is a summary of the benefits and drawbacks

- **Benefits**
 - **Aligns with demand** - As previously mentioned, summer traffic at City Hall is very slow on Friday afternoons. Adjusting hours will likely lead to better service for residents. Contractors for instance often desire to pick up permits or conduct other business prior to 8am, and opening at 7:30am would allow them to do that. Since Friday afternoons are not busy, staff believes that the negative impact of closure on Friday afternoon will be minimal.
 - **Morale** – In a recent meeting of all City-Hall staff, staff indicated a desire to move to summer hours. This would be something that would build morale of staff at no financial cost to the City.
- **Drawbacks**
 - **Adjustment** – Residents may be confused about this change of schedules. Staff believes that some residents will need to adjust to the change. There will likely be some confusion. Over time this concern would be less pronounced as residents and businesses adapted to the schedule.
 - **Friday Coverage** – Obviously the coverage on Fridays will be less if City Hall is closed. Some contractors or residents looking to conduct business may be frustrated with the inability to do so during what is conventionally considered to be normal hours of operations.

Summer Hours Options: Staff reviewed hours of a number of other Minnesota communities, and here is an idea of some of the versions of summer hours:

- **Monday-Thursday 7:30-5, F 7:30-11:30** – in this example City Hall is open 7:30-5 Monday through Thursday, and 7:30-11:30 on Friday from Memorial Day to Labor Day. Cities using the schedule include:
 - Cloquet
 - International Falls
 - Elk River
 - Warren
 - Nisswa
 - Victoria
 - St Michael (8-5 M-T, 8-2 F)
 - Otsego (year round)
 - Princeton (8-5 M-T, 8-3 F)
- **Monday-Thursday 7-5, Off on Friday** - in this example City hall is open 7:00-5:00 Monday through Thursday, and closed on Friday from Memorial Day to Labor Day except as otherwise specified. Cities using the schedule include:
 - Cromwell (year Round)
 - Zimmerman (year round)
 - Mounds View
 - Scanlon (year round)
 - Albertville (year-round)
 - Clear Lake (year round)

- **Rotating 9 hour days** – in this example, staff works out hours so that City Hall remains open during normal hours, but some staff takes hours off on Monday morning, and some take Friday afternoons off. Given the limited administrative staff at City Hall, this would be very difficult in Big Lake. Staff only found one City that uses this approach.
 - Thief River Falls
- **Status Quo** – these are some nearby cities that do not have summer hours:
 - Becker
 - Monticello
 - Buffalo
 - Rogers

Intuitively, staff believes that this switch would not only make sense from a service perspective, but also for staff morale. Many cities have already done this, with Becker, Big Lake and St. Cloud as the only Sherburne County cities to not limit Friday hours in favor of extending hours Monday through Thursday. Staff believes that the benefits of such a change will outweigh the costs. Staff recommends moving to a schedule of 7:30am-5:00pm Monday through Thursday, and 7:30am-11:30am on Fridays.

Staff would like Council's feedback on possibly making this change.

FINANCIAL IMPACT

None

ALTERNATIVES

1. Direct staff to proceed with one of the options
2. Direct staff to modify and bring back a new option
3. Remain with the existing schedule

ATTACHMENTS

N/A



WORKSHOP ITEM

Big Lake City Council

Prepared By Greg Zurbey, Liquor Manager	Meeting Date: 3/11/2020	Item No. 4B
Item Description: Liquor Delivery Discussion	Reviewed By: Clay Wilfahrt, City Administrator	
	Reviewed By: Deb Wegeleben, Finance Director	

COUNCIL DIRECTION REQUESTED

Staff is looking for feedback on the concept of Lake Liquors offering the delivery of liquor.

BACKGROUND/DISCUSSION

The idea of Lake Liquor delivering goods was brought up at a recent Council meeting. The idea of pick-up and delivery services are growing within the retail industry. The subject has many factors involved. A few that staff feels should be looked at are:

- 1) What would be the boundaries or delivery areas and how will they be decided? Use zip code, phone number, city limits... Does the population support the idea?
- 2) Vehicle expenditure. Purchase from existing City fleet or an outside purchase.
- 3) Staff requirements. Would more staff be added, or attempt use current staff and expand shifts?
- 4) Budget for marketing. The current budget is \$12,000 per year.
- 5) Charge for the service. What would be the minimum delivery amount or fee for the service?
- 6) What days and times would the delivery be offered?
- 7) What would be the policy in the case of poor weather or road conditions?
- 8) Staff safety and liability concerns.
- 9) Is there a need? Would the net profits increase enough to cover the higher customer acquisition cost?

Staff found three Municipal stores that currently offer delivery. Information that staff was able to obtain for each is as follows:

Edina

- o Minimum purchase of \$35, pre-tax for free delivery
- o Delivery hours are Monday-Friday 3pm to 8pm. Saturday from noon to 8pm. Sundays from noon to 5pm.
- o Deliveries are subject to a two hour window.
- o Age verification will take place at the time of ordering and delivery.
- o They received an unused City vehicle at no cost.
- o Delivery drivers and system management positions were added.
- o They allocated 25% of their annual marketing budget, an estimated \$25,000 for 2020.

Lakeville

- o Minimum purchase is \$50 with a \$5.99 delivery fee. No fee if the order is over \$100.
- o Delivery hours are 12pm-7pm Wednesday-Saturday. 12pm-5pm on Sundays.
- o Deliveries are subject to a two hour window.

- 24 hour notice is requested, less than 24 hours' notice is subject to availability.
- Someone over 21 years of age must be able to sign for product upon delivery.
- Orders are paid in full with a credit card in advance.
- Vehicle used is owned by the Lakeville Liquor Store. The purchase cost was unavailable.
- No extra staff added. Weddings and events are majority of customers and sales.
- No marketing information was given.

Wayzata

- Minimum purchase is \$50. No fee for delivery.
- Delivery hours are Monday-Saturday 11am-7pm.
- 24 hour notice requested, less than 24 hours is subject to availability.
- Order must be paid in full prior to delivery.
- Someone 21 or older must sign for the product upon delivery.
- They spent \$18,000 on a new vehicle.
- Advertising is \$3,000 per quarter. \$12,000 per year.
- No information on staffing changes. Wayzata has been offering delivery for over 4 years.

Staff is looking for direction as to if they should proceed and gather more information on the topic of liquor delivery. If directed, staff would move forward to create a plan appropriate for the Big Lake community.

FINANCIAL IMPACT

Possible positive impacts:

- Increased sales and profits.
- Increased customer base.

Possible negative impacts:

- Increased labor cost.
- The cost of a vehicle.
- The allocation of the marketing budget.
- Customers simply use service instead of coming into the store.
- There is no increase in sales.
- There is an increase in sales but not in profits due to increased overhead.

ALTERNATIVES

- 1) Develop and implement a delivery plan for Lake Liquors.
- 2) Research and gather more information and return to Council.
- 3) Continue current business model.

ATTACHMENTS

N/A



WORKSHOP ITEM

Big Lake City Council

Prepared By Clay Wilfahrt, City Administrator	Meeting Date 3/11/2020	Item No. 4C
Item Description New Ideas Discussion	Reviewed By: N/A	
	Reviewed By: N/A	

COUNCIL DIRECTION REQUESTED

None

BACKGROUND/DISCUSSION

This item is dedicated for City Council Members to bring up any ideas/projects that they would like to discuss during the Workshop.

FINANCIAL IMPACT

None

ALTERNATIVES

None

ATTACHMENTS

None