

**WAYZATA CITY COUNCIL  
WORKSHOP MEETING MINUTES  
October 21, 2014**

**5:15 PM – LAKE EFFECT**

Mayor Willcox called the workshop meeting to order at 5:15 p.m. in the Community Room at Wayzata City Hall. Council members present: Amdal, Anderson, Mullin and Tanner. Also present: City Manager Nelson and Mary deLaittre with Groundwork, the Foundation for City Building.

Ms. deLaittre introduced the components, timeline and approach for organizational development for the Lake Effect and financial considerations. The Council discussed the organization structure to carry the Lake Effect process forward, the proposed timeline and the resources required over the next 2-3 years to execute a project in the central lake front.

Council agreed to another workshop on November 18<sup>th</sup> to review the recommendations regarding moving the Lake Effect plan forward.

**6:15 PM – LIQUOR OPERATIONS BUDGET**

Mayor Willcox called the workshop meeting to order at 6:15 p.m. in the Community Room at Wayzata City Hall. Council members present: Amdal, Anderson, Mullin and Tanner. Also present: City Manager Nelson, Administrative Services Director Uram, Wayzata Bar and Grill Manager Bartley, and Wayzata Wine and Spirits Manager Maeger.

Mr. Uram reviewed a draft of the 2015 Liquor Revenue and Expenditure budgets by each operation. Currently, YTD revenues total \$4.19 million compared to the year-end budgeted amount of \$5.5 million. Mr. Uram indicated sales for the year are projected to about \$2.45 million at Wayzata Wine and Spirits (WWS) and about \$3.1 million at the Wayzata Bar and Grill (WBG).

The sales of wine and liquor in both operations are projected to be slightly under budget while beer is projected to be over budget by about \$21,000 at WWS and by \$92,000 at WBG. Food sales continue to be strong and are projected to reach \$1.7 million in 2014. For 2014, total combined revenues are expected to exceed expenditures by the budgeted amount of about \$435,000.

Mr. Uram said the 2015 budget numbers reflect an expectation that liquor and wine sales will continue to show little or no increase over 2014. Alternatively, beer and food sales are exceptionally strong and are expected to remain that way through 2015.

Mr. Uram said major changes impacting our expenditures include an increase in employee costs of about \$150,000 (minimum wage increase, additional staff, FICA on tips, work comp insurance), and \$25,000 increase in general promotions including Saviors Rewards, a \$70,000 inter-fund loan repayment, and \$100,000 increase in the cost of products for re-sale.

Mr. Uram indicated a part time in store marketing/promotions/events person has been recently hired. Over the past two months there has been a significant decline in the number of part-time employees and employment applications. WBG is currently not adequately staffed so recruitment efforts have been expanded.

1 Mr. Uram stated that the WWS and WBG is currently staffed with interim General Managers and  
2 that they have opened up recruitment for the two positions of General Managers of WWS and  
3 WBG to both internal and external candidates. The application deadline is November 12 and we  
4 expect to have the positions filled by year end.

5  
6 Mr. Uram reviewed a proposal he received from Delaney Consulting to complete an assessment  
7 of our operations. The goal of this project is to create a short and long-term "roadmap" to  
8 improve the brand's strengths with our current and future customer base. It will also provide the  
9 framework for the operations business plan. The cost of this project is \$8,490.00

10  
11 Mr. Uram reviewed the various issues that have come up with the building which need to be  
12 resolved. Mr. Uram stated that we are soliciting proposals to complete a building evaluation to  
13 gain an understanding of all the building issues that need some type of improvement. Mr. Uram  
14 expects to have this work completed within 60 days.

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16 The workshop meetings were adjourned at 6:55 p.m.

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18 Respectfully submitted,

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22 Becky Malone  
23 Deputy City Clerk