

LAUDERDALE CITY COUNCIL  
MEETING MINUTES  
Lauderdale City Hall  
1891 Walnut Street  
Lauderdale, MN 55113

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April 12, 2011

Mayor Dains called the City Council meeting to order at 7:30 p.m.

Councilors present: Mary Gaasch, Roxanne Grove, Denise Hawkinson, and Mayor Jeff Dains.  
Councilor absent: Lara Mac Lean.

Staff present: Heather Butkowski, City Administrator; Jim Bownik, Assistant to the City Administrator.

Mayor Dains asked for changes to the meeting agenda. There being none, **Councilor Hawkinson moved to approve the agenda. Councilor Grove seconded the motion and it passed unanimously.**

**Councilor Grove moved to approve the March 22, 2011, City Council meeting minutes. Councilor Hawkinson seconded the motion and it passed unanimously.**

**Councilor Hawkinson moved approval of the claims totaling \$80,948.63. Councilor Gaasch seconded the motion and it passed unanimously.**

Mayor Dains asked if councilors wished to remove items from the consent agenda. There being no one, **Councilor Gaasch moved the consent agenda items: 2011 HVAC and rental housing licenses and the PCIC minutes. Councilor Grove seconded the motion and it passed unanimously.**

City auditor Andrew Berg of Abdo, Eick, and Meyers addressed the Council. He reviewed the City's year-end financials. The City received an unqualified opinion, which means there were no issues found through the course of the audit. The City continues to receive one finding, as the auditor also prepares the financial statements. He indicated this is the norm in most small cities that do not have a dedicated finance department.

**Councilor Hawkinson moved to accept the 2010 audit findings and financial statements as prepared by Abdo, Eick, and Meyers. Councilor Gaasch seconded the motion and it passed unanimously.**

Paul Bilotta from Bonestroo reviewed the municipal liquor store market research with the City Council. He said the area showed a lot of promise due to positive traffic counts and little competition in the immediate area. Overall, he expected a store of 4,000-6,000 square feet would be both viable in a market sense and in relation to space that might be available for a new retail store in Lauderdale.

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*Councilor Mac Lean arrived at 8:05 p.m.*

Mayor Dains asked about the profitability of a liquor store. Paul said the state auditor's report of municipal liquor stores showed profit margins were up in 2009 over 2008 at 8.1% of sales. Using this number, the size of liquor store being discussed could generate \$150,000 in profit a year.

The Council also asked about start up costs. Bilotta said in a lease situation, the start up costs would run about \$200,000 for the coolers, shelving, security system, and initial inventory. A lease arrangement minimizes risk. The price to purchase property and construct a store has greater unknowns at this point.

The Council discussed hosting a community meeting after the legislative session but before setting the levy in September. The meeting would address the options (liquor store, taxes, consolidation) the Council is weighing to improve the long-term financial health of the City considering the volatility of state aids and credits. A date will be set at a future meeting.

State representatives Sarah Anderson and Mary Murphy asked for feedback on the upcoming state-wide redistricting. Staff drafted the response highlighting some reasons why the City would like to remain in a legislative district with Roseville versus Minneapolis or St. Paul. The Council agreed with the arguments; staff will mail the letter shortly.

Butkowski reviewed the preliminary agenda for the next meeting, which included the annual SWPPP presentation, Ione/Walnut Park signage, bike parking program, and March finances and investments.

Mayor Dains explained the Council was moving into the work session. Work sessions are a continuation of the meetings but not aired on community television.

Mayor Dains asked if anyone in attendance wished to address the Council. No one present wished to do so.

Butkowski said there was little new 2012 budget information to present as the legislature is still grappling with their budget. Until the state budget is adopted, there is some uncertainty about what level of police service the City will be able to afford the next two years. The current contract says either city must notify the other city if it does not intend to renew the contract by April 15 otherwise a new agreement must be reached by June 15. As the April 15 termination date draws near, and much remains unknown, Falcon Heights and Lauderdale staff talked about asking St. Anthony to extend the April 15 deadline to June 15. The letter presented to the Council makes the request but reserves the right to terminate the agreement if the April 15 deadline is not extended. The Council said the situation is unfortunate but they saw the need to send the letter to keep the City's options open.

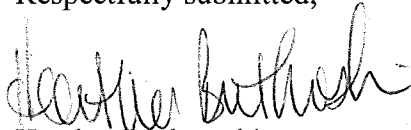
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**Councilor Hawkinson moved that the letter drafted by staff be sent to Mike Mornson at the City of St. Anthony. Councilor Grove seconded the motion and it passed unanimously.**

**There being no further business on the council agenda, Councilor Hawkinson moved to adjourn the meeting. Councilor Grove seconded the motion and it carried. The meeting adjourned at 9:00 p.m.**

Respectfully submitted,



Heather Butkowski  
City Administrator