

**CITY OF CUSTER CITY
PUBLIC HEARING – LIQUOR STORE/WATER TREATMENT PROJECT
MAY 12TH, 2009 7:00 P.M. to 8:15 P.M.**

Mayor Harold D. Stickney opened the meeting stating that he and the City Council want to hear the public's opinion on the question – "Should Custer City remain in the retail liquor business or not?" After the last public hearing where the attitude and desires of the people were so overwhelming that the City remained in the retail liquor business, I felt it was a mandate for me to see that the City Liquor Store be operated as efficiently and profitably as I could in accordance with the public's desires. The fact that the cost of building a new liquor store is coming out of profits made and saved from the operation of the retail liquor store is pertinent. The reason we want to build a new store is simply that we have outgrown our present store. If the City is to continue in the retail liquor business, we need more room for display, larger coolers, and an improved floor plan layout. Our present store has an inefficient layout that would not be able to be changed without extensive remodeling which is not cost effective. Simply put, the present building has outlived its usefulness. It also gives the Public Works Department a storage place for chemicals and an enhanced appearance by covering the Water Treatment Plant as well as giving the intersection of 16 and 385 an attractive first view.

The Finance Officer presented a history of the last public hearings, the construction bids showing the breakdown, various concerns that have been heard, and gave an overview of the Liquor Store net profit for the past five years and the amount of income for the City from the liquor operating agreements. The City owns and allows three off-sale package liquor licenses. Also presented were spreadsheets showing the revenues and expenses for the Liquor Fund, the Liquor Store, and the difference between those two. Some people voiced their concern that Government should not be in competition with private enterprise. Discussion was held on various parts of the presentation such as personnel costs, managerial costs, freight costs, depreciation, equipment purchases, selling the property, building a nice building for other purposes, private enterprise, the 10% operating agreement, beautifying the area, elections, and storage.

The meeting was attended by 28 people with 13 being directly involved with the City, 6 being County residents, and 9 left for City residents; this translates into .5% of the voting population.

ATTEST:

CITY OF CUSTER CITY

Christine Redden
Finance Officer

Harold D. Stickney
Mayor