



City Council

Special Meeting Agenda

Monday, August 31, 2026
5:00 PM or immediately following
the end of the City Council's
downtown tour (whichever is later)
Elk River City Hall

- Special meeting in Upper Town

1. CALL MEETING TO ORDER

2. PLEDGE OF ALLEGIANCE

3. CONSENT AGENDA

Considered to be routine and noncontroversial and will be approved by one motion. There will be no separate discussion of these items unless there is a request to remove the item from the consent agenda to the regular agenda.

3.1 August 3, 2026, Regular Meeting Minutes

3.2 July 20, 2026, Regular Meeting Minutes

3.3 Hire Paid On-Call Firefighters

3.4 MGT Master Services Agreement 2026-29

4. 2027 BUDGET

4.1 2027 Budget

5. MOTION TO ADJOURN



**Meeting of the City Council
Held at the Elk River City Hall
Monday, August 3, 2026**

Members Present: Mayor John Dietz, Councilmember Cory Grupa, Councilmember J. Brian Calva, Councilmember Mike Beyer, Councilmember Jennifer Wagner

Members Absent: None

Staff Present: City Administrator Cal Portner, Community Development Director Zack Carlton, and Deputy Clerk Jolene Richter

1. CALL MEETING TO ORDER

Pursuant to due call and notice thereof, the meeting was called to order at 6:30 p.m.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

3. CONSIDER AGENDA

Mayor Dietz added Item 6.2 Volunteer of the Year.

Moved by Councilmember Wagner and seconded by Councilmember Beyer to approve the agenda as amended. Motion carried 5-0.

4. CONSENT AGENDA

Moved by Councilmember Calva and seconded by Councilmember Grupa to approve the following consent items as outlined in their respective staff reports. Motion carried 5-0.

4.1 June 15, 2026, City Council Meeting Minutes

4.2 July 6, 2026, City Council Meeting Minutes

4.3 July 13, 2026, Special Budget Minutes

4.4 Check Register

4.5 Athletic Facilities Framework Plan - Phase 1 and 2 Amendment

4.6 Agreement 26-23: Temporary Fire Inspection Services Contract

4.7 Severance Agreement and Waiver of Claims

4.8 2026 City Council Goals

4.9 2026 City Mission and Vision Statement Update

4.10 Interim Fire Chief Pay

5. OPEN FORUM

No one appeared for open forum.

6. PRESENTATIONS, AWARDS, AND RECOGNITION

6.1 Heritage Preservation Commission Candidate Interview

The Council interviewed Sam Carley.

Moved by Councilmember Calva and seconded by Councilmember Grupa to appoint Sam Carley to the Heritage Preservation Commission with a term ending 2/28/27. Motion carried 5-0.

6.2 Volunteer of the Year

Mayor Dietz presented the Volunteer of the Year award to Katie (Harstad) Talbott. He highlighted the following:

- Served more than six years on the Elk River Chamber of Commerce Gala committee
- Completed the Elk River Chamber of Commerce Leadership program
- Named Elk River Chamber of Commerce Young Professional of the Year, 2022
- Active in the Otsego Lions Club in charitable and community-focused efforts
- Involved in ISD 728 Career and Technical Education program, volunteering for career-readiness events, participating in mock interviews, hosting student interns, and helping connect students to real-world experiences and opportunities
- Generously supports youth activities and community events, including athletics, dance activities, and local initiatives
- Recognized by Elk River Rotary as a Paul Harris Fellow, one of Rotary's highest honors

7. PUBLIC HEARINGS

7.1 Conditional Use Permit: Municipal Liquor Store, City of Elk River - 19417 Evans St NW

The staff report was presented.

Mayor Dietz opened the public hearing.

Marty Benson, 19383 Dodge St NW, had questions regarding the old and new liquor stores. He wondered what would happen to the old store. Mayor Dietz explained that when the new liquor store is built and operating, the old store will be for sale. Mr. Benson asked how the new store will be funded. Mayor Dietz explained that they will sell municipal bonds with payments from the Municipal Liquor Store Fund. Mr. Benson asked if they had any idea of what the old site of the liquor store will become. Mayor Dietz stated that they do not know at this point; however, it will be something commercial.

Mayor Dietz closed the public hearing.

Moved by Councilmember Grupa and seconded by Councilmember Wagner to approve the Conditional Use Permit adding liquor establishments, off-sale (municipally owned) as an allowed use in the Hillside Crossing PUD, and approving a municipally owned liquor store at 19417 Evans St. NW. Motion carried 5-0.

7.2 Conditional Use Permit: Data Center, Michael Margulies - 19178 Industrial Blvd NW

The staff report was presented. No action was needed.

8. GENERAL BUSINESS

8.1 Ordinance 26-17: Data Center Moratorium

The staff report was presented.

Mayor Dietz asked if the moratorium had to be in effect for a certain amount of time before it could be terminated. Mr. Carlton explained that it does not and stated that if the Council decided to end the moratorium at any time within the year, they could vote to do that.

Moved by Councilmember Wagner and seconded by Councilmember Calva to adopt Ordinance 26-17 establishing a one-year moratorium on the review, approval, and development of data centers in the City of Elk River. Motion carried 5-0.

8.2 Discuss Work Session Items

There were no work session items added.

9. COUNCIL LIAISON UPDATES

9.1 Council Liaison Updates

The Councilmembers provided updates as outlined in the respective advisory board's minutes.

10. MOTION TO ADJOURN REGULAR MEETING

Moved by Councilmember Beyer and seconded by Councilmember Grupa to adjourn the regular meeting of the City Council. Motion carried 5-0.

The regular meeting adjourned at 6:52 p.m. Mayor Dietz called the work session to order at 6:52 p.m.

11. WORK SESSION

11.1 Administration Offices and Cubicles

The staff report was presented.

Mr. Portner explained that it would be funded from the Building Reserve Fund and would not come out of the budget.

Mayor Dietz asked about the communications equipment. Mr. Portner explained the equipment would stay where it is and explained that the rest of the work that they do can be done at their desktops.

Councilmember Wagner asked if there was an opportunity to repurpose any of the other cubicles. Mr. Portner explained that the supply has diminished from other remodels.

The Council agreed to have staff move forward with the addition of the two cubicles in City Hall.

11.2 Home Occupations and Cottage Food Producers

The staff report was presented.

Mayor Dietz confirmed that there are 73 licensed food vendors in the area. Mr. Carlton explained that there are that many, but not necessarily all would be selling from their homes; most would be selling at places like farmers' markets.

Councilmember Calva asked why it is not allowed and what is the downside of selling out of the home. Mr. Carlton explained that retail sales in general are not allowed, and it has the potential to turn residential properties into commercial. However, he continued to explain that cottage food would have a limited scope and therefore would not be a full industry outside of a garage.

Mr. Carlton also explained that the exemption would be specific to the cottage food industry and any other retail would not be allowed.

The Council agreed to move forward with allowing cottage food producers as a home occupation.

12. MOTION TO ADJOURN

Moved by Councilmember Calva and seconded by Councilmember Grupa to adjourn the meeting of the City Council. Motion carried 5-0.

The meeting adjourned at 7:09 p.m.

Minutes prepared by Jolene Richter.

John J. Dietz, Mayor

Justin Dunford, City Clerk

DRAFT



**Meeting of the City Council
Held at the Elk River City Hall
Monday, July 20, 2026**

Members Present: Mayor John Dietz, Councilmember Cory Grupa, Councilmember J. Brian Calva, Councilmember Mike Beyer, Councilmember Jennifer Wagner

Members Absent: None

Staff Present: City Administrator Cal Portner, Senior Planner Chris Leeseberg, Business Services Director/Assistant City Administrator Joe Stremcha, Fire Chief Mark Dickinson, Fire Chief Jeff Smith, and Records Specialist Dawn Robertson

1. CALL MEETING TO ORDER

Pursuant to due call and notice thereof, the meeting was called to order at 6:07 p.m.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

3. CONSIDER AGENDA

Moved by Councilmember Wagner and seconded by Councilmember Beyer to approve the agenda. Motion carried 5-0.

4. CONSENT AGENDA

Moved by Councilmember Grupa and seconded by Councilmember Calva to approve the following consent items as outlined in their respective staff reports. Motion carried 5-0.

4.1 Check Register

4.2 City and ISD 728 Ice Facility Use Agreement for ERHS

4.3 Resolution 26-49: Plat of Oakwater Ridge Yale Street, Capstone Homes - PID 75-00959-0111

4.4 Turnout Gear Dryer Award

4.5 Northbound Liquor Special Inspections and Testing Services Agreement with Braun Intertec

4.6 Post Employment Health Care Savings Plan

4.7 Remodel of Front Reception Area of Police Department

4.8 Greater MN Business Development Public Infrastructure Grant Agreement 2026-24

4.9 Fabulous Armadillos

4.10 Northbound Liquor - Call for Sale of Bonds

5. OPEN FORUM

Toya Akinde, 230 Xenia Ave, requested that the Council consider amending the city's current zoning ordinance regarding the keeping of chickens.

6. PRESENTATIONS, AWARDS, AND RECOGNITION

6.1 City of Elk River Volunteer of the Month

Mayor Dietz presented the Volunteer of the Month award to Jim Wood. He highlighted the following:

- Member of the Three Rivers Soccer Association Board
- Served as a soccer referee for 33 years
- Field Coordinator for Three Rivers Soccer Association
- Announcer for girls' hockey games since 1993
- Announcer for boys' hockey games since 2005
- Announced over 1,300 Elk River varsity games
- Usher at church for more than 40 years

6.2 Recognize Jeff Smith for his 38 years of employment with Elk River

Chief Dickinson spoke of Jeff Smith's service to the city. He stated that Mr. Smith has been positive and professional in his roles as Fire Prevention Specialist, Fire Educator, Inspector, Fire Permitting, and countless other responsibilities. The Council wished Jeff the best in his retirement.

6.3 Retirement Recognition: Mark Dickinson

Mr. Portner commended Fire Chief Mark Dickinson for his eight years of impactful service to the city. He shared notable accomplishments, including implementing an officer training program, cultivating a strong leadership team, assisting with upgrades to Fire Station #2, and leading planning efforts for Fire Station #3 and the new Fire Station #1.

6.4 Promotion of Chad Yess to Lieutenant

Mr. Yess was sworn in as Lieutenant by Mayor Dietz.

6.5 Introduce Park and Recreation Framework Plan - ISG Consultants

Mr. Stremcha introduced the ISG consultants that will be helping to facilitate the Park and Recreation Framework Plan. Clare Roth, one of the planners for ISG, shared that they are excited to help with the planning for Elk River.

7. PUBLIC HEARINGS

7.1 Conditional Use Permit: Bluff Impacts, Randall Tesdahl - 16892 Yale St NW

The staff report was presented.

Mayor Dietz opened the Public Hearing.

Kari Ziebell, 16864 Yale St NW, had questions about the proposed pathway width allowance. She stated she would like a soil study completed to be sure there won't be more erosion.

There was discussion about previous grievances between several neighbors and Mr. Tesdahl about his use of a motor vehicle on neighboring properties. Mr. Tesdahl stated he wants to use his own property for recreation and that is why he is requesting this Conditional Use Permit.

Mayor Dietz believes that with a professional engineer designing the pathway, no further erosion is expected. The Council agreed this pathway will not affect other properties and Mr. Tesdahl will use his own property.

Moved by Councilmember Calva and seconded by Councilmember Beyer to approve the Conditional Use Permit with the following conditions to satisfy the standards set forth in Section 30-654:

- 1. The applicant shall have the pathway professionally engineered and designed to ensure long-term slope stability and minimize erosion potential.**
- 2. The pathway width shall accommodate safe access without encumbering ADA mobility requirements and shall not exceed 8 feet in width.**
- 3. The pathway shall be designed with the flattest practical grade to reduce erosion and improve accessibility.**
- 4. Existing vegetation shall be preserved to the greatest extent practicable, with only selective removal permitted as necessary for construction.**
- 5. Appropriate erosion and sediment control measures shall be installed and maintained during construction.**
- 6. Any plans, once finalized, shall be reviewed and approved by the City Environmental Department.**
- 7. A grading permit shall be obtained prior to commencement of any land-disturbing activities.**

8. **Any retaining wall exceeding four (4) feet in height shall require a separate building permit and shall be designed by a Minnesota-licensed structural engineer.**
9. **The applicant shall comply with all recommendations and requirements of the Minnesota Department of Natural Resources, if applicable.**
10. **The Conditional Use Permit shall remain subject to all applicable City Code requirements and permit conditions.**

Motion carried 5-0.

7.2 Conditional Use Permit: Motor Vehicle Repair, Uval Butuc - 18332 Joplin St NW

The staff report was presented. Mr. Leeseberg noted that business had not started, but they were storing vehicles at the proposed business site. They cleaned it up when notified they were not allowed to do so without a Conditional Use Permit.

Councilmember Grupa stated he was concerned there would be more work happening than what they were asking for in their CUP; Mayor Dietz agreed.

The business owner stated they are working with the landlord and the management group to follow restrictions and reiterated that no work has been done within the building.

Councilmember Wagner expressed the importance that they understand the CUP could be revoked if they don't abide by the conditions.

The Council was in favor of approving the CUP with a 12th condition: **Landlord must assign 8 parking spots, one vehicle per spot.**

Moved by Councilmember Wagner and seconded by Councilmember Beyer to approve the Conditional Use Permit with the following conditions to satisfy the standards set forth in Section 30-654:

1. **The Conditional Use Permit shall authorize only vehicle body work and no mechanical repair work, including engine, transmission, drivetrain, exhaust, or similar vehicle repairs, shall be conducted on the property.**
2. **All repair activities shall occur entirely within the enclosed building, and all openings in the building envelope shall be closed when repair activities are occurring.**
3. **The north side of the back parking lot shall be screened, as shown on the Staff Exhibit 7-20-2026, by a factory-finished six-foot high, 100 percent opaque fence.**
4. **The outdoor storage of operable vehicles shall be allowed only in the designated parking stalls leased to the applicant, one vehicle deep, and shall not be within any drive lanes.**
5. **No outdoor storage of inoperable (non-roadworthy vehicles), abandoned vehicles, vehicle parts, equipment, materials, or repair-related items shall be permitted.**
6. **This approval does not authorize motor vehicle sales, vehicle display for sale, or any other use not specifically approved herein.**
7. **All parking stalls on the property shall be striped in accordance with City Ordinance, Section 30-892.**

8. **The applicant and/or property owner shall ensure that any vehicle stored outside does not leak fuels or other hazardous materials onto the ground.**
9. **Paints, chemicals, or other hazardous materials shall be handled and disposed of in accordance with the Minnesota Pollution Control Agency (MPCA).**
10. **Schedule a site visit with the city building official and fire marshal to inspect the building for compliance with all state and local building codes.**
11. **The applicant and/or property owner must apply for all required commercial building, electrical, plumbing, and/or mechanical permits before any associated activities can occur.**

Motion carried 4-1 with Mayor Dietz voting No.

8. GENERAL BUSINESS

There were no General Business items.

9. MOTION TO ADJOURN REGULAR MEETING

Moved by Councilmember Beyer and seconded by Councilmember Grupa to adjourn the meeting of the City Council. Motion carried 5-0.

10. WORK SESSION

The regular meeting adjourned at 7:01 p.m. Mayor Dietz called the work session to order at 7:06 p.m.

10.1 Joint Session With Parks & Recreation Commission - PIF CIP Discussion and Framework Plan Kickoff

Pursuant to due call and notice thereof, Commissioner Stewart called the Special Parks and Recreation Meeting to order at 7:06 p.m.

Mr. Stremcha presented the updated Capital Improvement Plans (CIP) and distributed a handout detailing the park framework improvement fund, revenues, expenditures, and proposed project lists.

The Commission recommended prioritizing current financial obligations and replacing neighborhood park equipment that has reached its end of life. The Commission proposed conducting an inventory of parks and facilities to analyze usage rates and structural conditions, with the goal of deferring non-urgent maintenance. Commissioner Stewart noted that current park conditions do not meet Commission standards and emphasized the critical need for funding.

The Council and the Commission's discussion regarding funding sources included:

- **Municipal Liquor Store Revenue:** Councilmember Wagner inquired about the new liquor store timeline and when it will be operational. Mr. Stremcha is certain the Grand Opening will be before Labor Day, 2027. Councilmember Wagner stated that with that date in mind, the request for fund transfer from the liquor store would not be feasible. Councilmember Calva inquired about the allocation of proceeds from the sale of the current Northbound Liquor store building. Mr. Portner clarified that any proceeds will be added to the Liquor Fund and possibly for bond debt.

- **Budget Allocations:** Mayor Dietz expressed support for the park's large goals but stated they may take the revenue from the sale of the liquor store and apply it to the general fund to help mitigate property taxes. It was discussed that the Pavement Management Fund would pay for the replacement of the Great Northern trail at Woodland Park, freeing up budgeted money for other park improvement projects.
- **Grant Funding:** Councilmember Beyer inquired about alternative grant availability. Mr. Shelby confirmed staff is actively identifying funding gaps to attach to future grant applications.

Councilmember Wagner discussed the Active Elk River Campaign and mentioned it did a lot with the money it received from voters. She asked staff what the current need is now specifically for the Facilities Framework Plan compared to a few years ago when the campaign was active. Mr. Shelby mentioned the anticipated need for upcoming residential developments. Park programs are currently booked 80–100 percent. Staff currently need to be creative, utilizing fields and space and looking to expand hours at the YMCA. Councilmember Wagner wanted to bring attention to the Active Elk River Campaign because it was not too long ago, and asking for more money to fund this improvement plan may upset taxpayers.

Chair Stewart suggested, with community engagement, deciding what programs are in demand and, if possible, repurposing current facilities to meet those demands.

The framework plan shows Ivan Sand School moving. If it does not, the framework plan will need to be redesigned. Mr. Portner stated there would be a plan with the school district for Hale's Field.

Councilmember Beyer questioned if the proposed fields are being built for Elk River residents or is the focus to bring in tournaments for others. He wants to ensure we are planning for capacity.

Commissioner Goodwin recommended seeking contributions and partnerships with local businesses. Mr. Portner stated that selling naming rights to businesses has been a challenge. Mr. Stremcha mentioned opportunities for sponsorships on the ballfield banners. Councilmember Wagner suggested asking the larger companies and stores in Elk River. Councilmember Calva suggested gathering company leaders and presenting the city's needs to them.

Mr. Portner shared with the Council and Commission his experience with the generosity of the businesses in the city.

Commissioner Goodwin reiterated the need to be clear about the mission and vision of the Parks and Recreation Commission and stated the need to be thoughtful and clear to the residents.

Commissioner Loidolt brought to light that the Commission has not asked the Council for an increase in Park Improvement Fund allocations. They have had the same allocation for 18 years. The Commission realizes what they are asking for is a lot and may not be realistic. However, it is necessary to keep up with inflation.

ISG Group staff let the Council know they would be looking for feedback from the City Council, Parks and Recreation Commission, and residents. They will be looking at data, demographics, and trends, and what is right for Elk River when developing the framework plan. The group split in terms to complete a worksheet provided by ISG Group for 15 minutes. The group shared their team's answers and gave

their worksheets to ISG Group.

Moved by Commissioner Varty and seconded by Commissioner Goodwin to adjourn the joint session meeting at 8:25 p.m. Motion carried 7-0.

10.2 Craft Updated City Mission and Vision Statements

Mr. Portner shared the proposed Mission and Vision Statement created by Councilmember Wagner.

The Council unanimously agreed to add it to consent for approval at a future meeting.

10.3 Review and Update City Council Goals

Mr. Portner shared the current, mid-term, and future goals, highlighting several that were added to the short-term list and goals that have been crossed off due to completion or no longer relevant.

11. MOTION TO ADJOURN

Moved by Councilmember Calva and seconded by Councilmember Grupa to adjourn the meeting of the City Council. Motion carried 5-0.

The meeting adjourned at 8:35 p.m.

Minutes prepared by Dawn Robertson.

12. INFORMATION

12.1 June Financial Reports

12.2 2nd Quarter Investment Report

John J. Dietz, Mayor

Justin Dunford, City Clerk



Request for Action

To
City Council

Item Number
3.3

Meeting Date
August 31, 2026

Prepared By
Lauren Wipper, Human Resources Manager

Item Description
Hire Paid On-Call Firefighters

Reviewed by
John Kreuser
Cal Portner
Justin Dunford

Action Requested

Approve, by motion, hiring the following as paid on-call firefighters effective September 2, 2026.

Maximo Cerase
Michael Freeman
Robert Mulbah
Dylan Peters
Amanda Plude

Background/Discussion

We went to market in April to recruit firefighters for this year's academy. We received 24 applications and reviewed each one for response time requirements. Each completed an interview, firefighter agility test, background, physical and psychological assessment. We recommend the above candidates for the position of on-call firefighter.

Financial Impact

These are budgeted positions.

Mission/Policy/Goal

The Elk River Mission Statement.

Attachments

None

The Elk River Vision

A resilient, welcoming, and thriving community that leads through innovation, meaningful engagement, exceptional service, and responsible planning for future generations.



Request for Action

To
City Council

Item Number
3.4

Meeting Date
August 31, 2026

Prepared By
Cal Portner, City Administrator

Item Description
MGT Master Services Agreement 2026-29

Reviewed by
Justin Dunford

Action Requested

Approve, by motion, the master services agreement with MGT Impact Solutions, LLC for the recruitment of a new fire chief.

Background/Discussion

Chief Dickinson retired effective July 31, 2026. The city attempted an in-house recruitment and was unable to identify a suitable candidate. At the August 17, 2026, Regular Council Meeting, the Council discussed engaging the executive search firm used for the successful police chief search in 2024.

Financial Impact

The costs of the services will be covered by the current vacant personnel costs in the Fire Department. The proposal cost is not to exceed \$26,000.

Mission/Policy/Goal

Elk River Mission Statement

Attachments

1. Elk River, MN - Fire Chief Recruitment Proposal 8-14-26
2. City of Elk River-Recruitment MSA -8.20.2026

The Elk River Vision

A resilient, welcoming, and thriving community that leads through innovation, meaningful engagement, exceptional service, and responsible planning for future generations.



Proposal

AUG 14, 2026

Fire Chief Executive Recruitment

City of Elk River, MN

Submitted by:

MICHELE MORAWSKI
CLIENT SERVICES MANAGER

224.415.3791

MMORAWSKI@MGT.US

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Cover Letter

Aug 14, 2026

Calvin Portner, City Administrator
City of Elk River
13065 Orono Parkway
Elk River, MN 55330



Dear Mr. Portner:

As the nation's leading provider of executive recruitment and selection solutions, MGT Impact Solutions, LLC (MGT) is uniquely well qualified to partner with the City of Elk River ("City") to exceed all your expectations on this Fire Chief recruitment project.

HOW CAN WE SUPPORT YOU?

Elk River has built a respected fire service with a strong commitment to its residents, regional partners, and the firefighters who serve them, creating a meaningful foundation for its next chapter. MGT will help the City identify a Fire Chief who can honor that tradition while bringing the vision, organizational leadership, and community focus necessary to navigate growth, evolving regional partnerships, and the changing demands of modern fire and emergency services. Our goal is to help Elk River select a leader who will strengthen its people, advance operational excellence, and ensure the department remains prepared to serve a growing community well into the future. Following are the keys to our successful methodology:

- **Industry Leadership:** With over 1,500 completed executive recruitment engagements in 46 states and a diverse range of communities, we're a proven leader in local government recruitment. Over 40% of our clients are repeat customers, and 94% rate our performance as **Outstanding**.
- **Subject Matter Expertise:** Our team includes former local government leaders, human resources experts, and industry veterans, ensuring that we understand the specific challenges and opportunities in government, education, and nonprofit sectors. We leverage our deep understanding of organizational culture and sector-specific needs to identify top-tier candidates who align with our clients' goals.
- **Top Talent, Guaranteed:** We use advanced recruitment strategies, including social media outreach and video interviews, to thoroughly vet candidates. Our Recruitment Brochures showcase in-depth knowledge of your community, and we conduct extensive reference checks and background searches to ensure we recommend the best fit.
- **True Partnership:** From start to finish, we collaborate closely with you. You'll have full access to candidate resumes, and we'll offer honest assessments to ensure the perfect match. Whether evaluating internal candidates or exploring non-traditional talent, we're committed to your complete satisfaction.
- **Flexible Solutions:** We offer customizable recruitment services to suit any budget, from Full Executive Searches to Limited Scope and Virtual Recruitments. Our proposal outlines the service scope that best meets your needs.



COVER LETTER

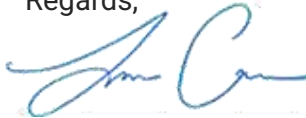
Our comprehensive and tailored executive recruitment services are designed to meet the unique needs of your organization. With a proven track record, a focus on quality, and a commitment to partnership, we ensure that every step of the process is handled with expertise and care. Whether you're seeking top-tier talent, exploring non-traditional candidates, or working within a specific budget, we are here to deliver the best fit for your organization. We look forward to working with you to find the ideal candidate who will drive success and elevate your community's leadership.

MGT CONTACT INFORMATION

MGT HEADQUARTERS	MGT Impact Solutions, LLC 4320 West Kennedy Boulevard Tampa, Florida 33609 FEIN: 81-0890071 www.mgt.us
PROPOSAL CONTACT	Michele Morawski, Client Services Manager 224.415.3791 mmorawski@mgt.us

The following proposal has been tailored to your specifications and provides a detailed plan of how we will partner with you to meet your objectives. Thank you for the opportunity to present our qualifications to the City of Elk River. Should you have questions on any aspect of this proposal, please contact **Michele Morawski** at **224.415.3791** or **mmorawski@mgt.us**.

Regards,



Lawrence Cowan, Chief Operations Officer for Revenue Operations
Authorized to bind the firm



Firm Profile

Impacting communities for good.

MGT brings **50 years** of experience driving positive social change and performance in education, government, nonprofits, and critical infrastructure/private industries through **assisting clients to strengthen their foundation, change systematically, and enable resiliencies for long-lasting change**. Since inception, MGT has significantly grown in size and capacity – working with state and local governments and education partners. Today, we bring a team of over **1,200 professionals** who offer in-depth market knowledge and understanding so we can hit the ground running.

MGT is a privately held, employee-owned and financially stable limited liability company with a deep roster of staff and a commitment to serving the public. Our clients care about addressing the world’s most-pressing problems, and so do we. Their “why” is our why.

What sets us apart is our ability to customize and offer individualized support but also the resources of a larger infrastructure to enable flexibility in impacting to-scale. Throughout our history, MGT has successfully delivered more than **30,000 projects** through a thoughtful balance of balancing the “immediate” needs while changing systems to plan for future resilience and success.

MGT | FIRST LOOK

Name: MGT Impact Solutions, LLC (MGT)
Locations: Headquarters in Tampa, FL; branch offices nationwide.
Cooperative Contracts:
ASC 20-7359, 24-7484
OMNIA LS4612
Sourcewell 060624MGT
TIPS 220601, 220802, 230105
TXShare 2024-019
Structure: Privately held, employee-owned, client-driven Limited Liability Company.
Lines of Business: Strategy and Implementation, Performance and Operations, IT Infrastructure, and Cyber Security and Resilience for public sector and commercial companies.

Markets we serve:

- Higher Education
- Prek-12
- Government
- Nonprofits
- Commercial Industries

 **50**
years
 **1,200**
consultants
 **30,000**
projects

Specialized technology and advisory solutions for society’s most mission-critical challenges.



Our Commitment

MGT embraces the most complex challenges on the leadership agenda, with deep commitment, agility, and local expertise to make a measurable and profound impact. Simply stated, **we are impacting communities for good.**



DEFINED BY IMPACT

Making a profound impact on society is at the heart of who we are and what we do. The City of Elk River should be proud to make a difference in the lives of the citizens in your community, and we are proud to work with you toward this goal. Our team empowers organizations through innovations in people, processes, and technology to lift and strengthen your solutions.

+ People



We believe in the power of connecting people and ideas to solve mission-critical, complex challenges to foster trusted partnerships with clients, for life.

+ Purpose



We are led by a singular purpose—to offer partnerships and design solutions that provide enduring opportunities for individual prosperity and community well-being.

+ Performance



We partner with our clients to advance learning outcomes, manage technology networks, reduce operational costs, improve workflows, and engineer resilient IT infrastructure.



Education State & Local Government Enterprise & Critical Industries

Technology Solutions

We provide engineering expertise to modernize and manage IT infrastructure and ensure technology implementation is properly designed, integrated, optimized, and maintained. MGT delivers end-to-end solutions tailored to your unique needs, spanning managed services, cybersecurity, physical security, network infrastructure, cloud and data, SaaS offerings, and communications.

As your trusted advisors, we partner with you to develop strategic technology architectures and/or assist you in quickly procuring and installing equipment for immediate needs or to resolve an IT issue.

Advisory Solutions

We empower organizations to make data-informed decisions by unlocking and organizing critical information—financial and operational—to support strategic, evidence-based planning.

With that insight, we partner with clients to develop tailored strategies and actionable road maps that drive meaningful outcomes.

Our expertise spans data, talent, processes, and technology—optimizing each to achieve measurable impact with efficiency. From PMO support to workforce placement and development, we work alongside our clients to implement solutions and deliver results that matter.

Beyond the Project: Comprehensive People Solutions

We support clients in addressing their most mission-critical human capital needs, with specialized expertise in executive recruitment, staffing solutions, and human resources consulting. With over 1,250 clients, 3,100 completed projects, and a 93% client satisfaction rate, MGT delivers tailored solutions to help organizations attract top talent, meet urgent short- or long-term staffing demands, support critical IT project staffing needs, and strengthen their workforce strategies.

To schedule a complimentary consultation, contact:
Senior Vice President Joellen Cademartori, MGT's head of Human Capital, at jcademartori@mgt.us.



MGT's Differentiator: Full Suite of Services

Cyber & Network Solutions

Our Cyber Security and Network Security Solutions team offers a deep technical engineering bench of seasoned, certified experts, working in the "security trenches" in complex IT environments. For the Managed Detection and Response (MDR) solution, our Security Operations Center (SOC) doesn't sleep so our clients can. Our flagship, best-in-class managed firewall services are unparalleled. We detect, respond, and recover from cyber incidents proactively and harden our clients' security posture.

 **100 in-house certified engineers**
24x7 NOC and SOC

Human Capital Solutions

Our experts are former local government and school leaders who understand the challenges facing today's public sector organizations. We offer consulting, recruiting, and staffing solutions that include a full suite of human resources and management studies; executive recruitment services; and interim, managed, and outsourced staffing options. Our experts can assess your organizational culture, permanent and temporary staffing needs, and evaluate your systems and structures, all to maximize efficiency and effectiveness.

 **1,725+ interim employees placed**
1,500+ executive recruitments
500+ consulting studies
In 48 states!

Education Solutions

We create recommendations for our educational clients that are reliable, actionable, and based on proven research and a thorough understanding of each district or system's program needs and long-term goals. Our team is led by former state education commissioners, district superintendents, school board members, principals, and teachers. Our partnerships have allowed clients to reinvest hundreds of millions of dollars back into the classroom.

 **50 million students served**
38 state DOEs as clients

Financial Solutions

Public agencies face increasing pressure to improve effectiveness and efficiency, while operating in a transparent and sustainable manner. We partner with government organizations, school districts, higher education institutions, and not-for-profits to help them achieve long-term success.

 **50+ years of trusted relationships**
Proprietary software

Economic Mobility Solutions

We help public sector clients address issues and challenges related to policies and practices which adversely impact economic mobility. We are one of the largest providers of disparity studies and other solutions designed to increase equitable and inclusive organizational outcomes.

 **225 disparity studies**
Assessments, training, & audits

Public Affairs Solutions

Our team of former nationwide leaders in policy development and education leadership partner with our clients to provide business advisory and public opinion architecture solutions which lift up and evolve education ecosystems and impacts public policy programs.

 **Global clientele**
Staff are former policy makers



Project Team

The success of a consulting engagement is founded on the qualifications of the project team and the way in which it is structured and managed.

MGT employs a team of professionals with backgrounds in local government and the not-for-profit sector. With the City’s staffing needs in mind and due to the significance of this recruitment, we have assigned our highly knowledgeable and experienced consultant, Jon Fehlman. He will act as your Recruitment Lead and the primary point of contact for this project. All Recruitment Leads are supported by Director of Executive Recruitment, a Recruitment Coordinator, and Reference Specialist. Depending on availability at the time a contract is awarded, MGT reserves the right to assign another Recruitment Lead to ensure the recruitment is completed within an appropriate time frame. Staff biographies are located in **Appendix A**.

Recruitment Lead & Main Point of Contact

	JON FEHLMAN Senior Consultant 707.536.8228 JFehlman@mgt.us	Chief (Ret.) Jon Fehlman is a seasoned public safety professional with more than 40 years of experience in law enforcement and emergency management, including service as a Chief of Police and leadership roles supporting executive recruitment and assessment for public safety organizations across the country.
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Director | Recruitment Support

	YOLANDA HOWZE Director, Executive Recruitment 314.304.2889 YHowze@mgt.us	Yolanda Howze is a well-regarded human resources professional with more than 25 years of leadership experience in public sector human resources, primarily in municipal government.
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Project Executive

	CHARLENE STEVENS Vice President, Human Capital Solutions 320.262.0303 CStevens@mgt.us	Charlene leads MGT’s Executive Recruitment practice and has over 25 years of leadership and recruitment experience in public sector management.
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Project Approach & Methodology

A detailed plan specifically designed for you.

Project Understanding

A typical recruitment and selection process requires a significant investment of time and effort. A substantial portion of this involves administrative tasks such as advertisement placement, reference checks, and candidate due diligence.

We believe our experience and ability to professionally administer your recruitment will provide you with a diverse pool of highly qualified candidates for your position search.



Success Stories

"The coordination by the consultant helped to alleviate the workload of internal staff. Consultant was willing to customize the process based on the City's needs."

Leading Elk River's Fire Department requires more than technical fire-service expertise; it requires the ability to engage a diverse workforce, strengthen recruitment and retention, manage regional relationships, and translate community growth into effective public-safety strategies. MGT will tailor its search and assessment process to evaluate candidates' leadership judgment, workforce development capabilities, operational management, emergency preparedness, and ability to build trust across employees, elected officials, partner communities, and residents. By assessing candidates against both the department's current operating environment and Elk River's future needs, we will help the City identify a Fire Chief capable of strengthening the organization today while preparing it for tomorrow.

Our clients are informed of the progress of their recruitment throughout the entire process. We are always available by mobile phone or email should you have a question or need information about the recruitment.

Proposed Work Plan

PHASE 1 – POSITION ASSESSMENT, ANNOUNCEMENT, & BROCHURE

Activities

MGT treats each executive recruitment as a transparent partnership with our client. We believe in engaging with stakeholders early in each recruitment process to fully understand the challenges and opportunities inherent in the position. Understanding the organizational culture is critical to successful recruitment. We gain this insight and information through meetings (one on one and in small groups), surveys, and a review of relevant information. This information is reflected in a polished marketing piece that showcases the organization and the area it serves.



INFORMATION GATHERING

- One-on-one or group interviews with stakeholders identified by the City.
- Community forums (in-person or via video) can be used to gather input and feedback.
- Surveys can be used for department personnel and/or the community to gather feedback.
- Conversations/interviews with department heads.

A combination of the items listed above can be used to fully understand community and organizational needs and expectations for the position (this proposal includes 12 hours of meetings – additional meetings can be added for a fee of \$225/hour plus actual expenses if incurred). One organizational survey is included. A separate Community Survey with detailed analytics can be conducted for \$3,500. Community Forums are conducted as an optional service.

Development of a **POSITION ANNOUNCEMENT** to be placed on websites and social media.

Development of a thorough **RECRUITMENT BROCHURE** for City review and approval.

Agreement on a detailed **RECRUITMENT TIMETABLE** – a typical recruitment takes between 90 to 120 days from the time you sign the contract to the appointment of the finalist candidate.

PHASE 2 – ADVERTISING, CANDIDATE RECRUITMENT, & OUTREACH

Activities

We make extensive use of social media as well as traditional outreach methods to ensure a diverse and highly qualified pool of candidates. Our website is well known in the local government industry – we typically have 17,000+ visits monthly to our website and career center. Additionally, our weekly jobs listings are sent to over 8,000 subscribers.

Phase 2 will include the following:

- MGT consultants will personally identify and contact potential candidates.
- Develop a database of potential candidates from across the country unique to the position and to the City, focusing on:
 - Leadership and management skills.
 - Size of organization.
 - Experience in addressing challenges and opportunities also outlined in Phase 1.
 - The database will range from several hundred to thousands of names. An email campaign will be sent to each potential candidate.
- Placement of the Position Announcement:
 - Public sector online Career Centers.
 - **Social media:** LinkedIn (posted on MGT Executives LinkedIn news feeds to reach over 50,000 connections), Facebook, and Instagram.
 - MGT will provide the City with a list of advertising options for approval.



PHASE 3 – CANDIDATE EVALUATION & SCREENING

Activities

Phase 3 will include the following steps:

- Review and evaluation of candidates' credentials with consideration to the criteria outlined in the Recruitment Brochure.
- Candidates will be narrowed down to those that meet the qualification criteria.
- Candidate evaluation process:
 - Completion of a questionnaire explaining prior work experience.
 - Live Video Interview (45 minutes to 1 hour) conducted by consultant with each finalist candidate.
 - Internet/Social Media search conducted on each finalist candidate.

All resumes will be acknowledged and inquiries from candidates will be personally handled by MGT, ensuring the City's process is professional and well regarded by all who participate.

PHASE 4 – PRESENTATION OF RECOMMENDED CANDIDATES

Activities

Phase 4 will include the following steps:

- MGT will prepare a Recruitment Report presenting the credentials of those candidates most qualified for the position.
- MGT will provide an electronic recruitment portfolio which contains the candidates' materials along with a "mini" resume for each candidate so that credentials are presented in a uniform way.
- The City will receive a log of all applicants and may review resumes if requested.
- Report will arrive in advance of the Recruitment Report Presentation.

MGT will meet with the City to review the recruitment report and provide additional information on the candidates.

PHASE 5 – INTERVIEWING PROCESS & BACKGROUND SCREENING

Activities

Phase 5 will include MGT completing the following steps:

- Develop the first and second round interview questions for City review and comment.
- Coordinate candidate travel and accommodations.
- Provide City with an electronic file that includes:
 - Candidates' credentials.
 - Set of questions with room for interviewers to make notes.
 - Evaluation sheets to assist interviewers in assessing the candidate's skills and abilities.



Background screening will be conducted and references provided by the candidate are contacted.

MGT BACKGROUND SCREENING

- | | |
|---|---|
| <ul style="list-style-type: none"> ✓ Social Security Trace & Verification ✓ US Federal Criminal Search ✓ Verified Enhanced National Criminal Search <ul style="list-style-type: none"> – National Sex Offender Registry – Most Wanted Lists: Federal Bureau of Investigation (FBI), Drug Enforcement Agency (DEA), Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), Interpol – Office of Foreign Assets Control (OFAC) Terrorist Database Search – Office of the Inspector General (OIG), General Services Administration (GSA), System for Award Management (SAM), Food and Drug Administration (FDA) – All felonies and misdemeanors reported to the National Database | <ul style="list-style-type: none"> ✓ County/Statewide Criminal Search ✓ Civil Search ✓ Bankruptcy, Liens, and Judgements ✓ Motor Vehicle Record ✓ Education Verification – All Degrees Earned <p>Optional: Credit Report – Transunion with score (based on position and state laws)</p> <p>Optional:</p> <ul style="list-style-type: none"> – Professional License Verification – Drug Screen – Employment Verification |
|---|---|

MGT will work with you to develop an interview schedule for the candidates and coordinate travel and accommodations. MGT consultants will be present for all the interviews, serving as a resource and facilitator.

MGT will coordinate a 2-Step Interview process. The first-round interviews typically include four to six candidates. The second-round interviews typically include two or three candidates. MGT will supply interview questions and an evaluation form.

In addition to a structured interview, the schedule can incorporate:

- Tour of City facilities.
- Interviews with senior staff.

PHASE 6 – APPOINTMENT OF CANDIDATE

Activities

- MGT will assist you as much as requested with the salary and benefit negotiations and drafting of an employment agreement, if appropriate.
- MGT will notify all applicants of the final appointment, providing professional background information on the successful candidate.



Project Timeline

Based on our experience in conducting similar projects, we anticipate the proposed project can be completed within 14 weeks of project initiation as illustrated in **Exhibit 1**.

Exhibit 1. Proposed Schedule

WORK PLAN TASKS	WEEK													
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Phase 1: Position Assessment, Position Announcement, & Brochure	■	■												
Phase 2: Advertising, Candidate Recruitment, & Outreach			■	■	■	■								
Phase 3: Candidate Evaluation & Screening							■	■	■					
Phase 4: Presentation of Recommended Candidates										■				
Phase 5: Interviewing Process & Background Screening											■	■		
Phase 6: Appointment of Candidate													■	■

Commitment to Diverse, Highly Qualified Applicant Pool

MGT is a national leader in consulting, strategic planning, and organizational transformation that helps public-sector organizations strengthen inclusive, representative workplaces. In executive recruitment, we are intentional about building diverse, highly qualified candidate pools by expanding outreach beyond traditional channels and applying structured, job-related evaluation practices to support a fair, consistent, and merit-based selection process.

MGT is also a pioneering firm in disparity research. Since 1990, we have completed more than 230 disparity studies for public agencies to help strengthen procurement operations, improve accountability, and expand participation among historically underrepresented groups, including minority- and women-owned businesses. By analyzing policies, practices, and programs, our clients are better positioned to improve access to economic opportunity and develop stronger business and workforce pipelines in communities that have faced longstanding barriers.

We actively support organizations that advance broader representation in local government through volunteer engagement and financial contributions. Partners include the National Forum for Black Public Administrators, the Local Government Hispanic Network, the League of Women in Government, and CivicPride. Our team has presented on inclusive leadership at ICMA and state conferences, and staff participate in relevant professional development, including implicit-bias training. We also provide curated learning resources at mgt.us.

MGT has partnered with i4x, the consulting arm of the National Forum for Black Public Administrators, to support recruitment and selection efforts in multiple cities. This collaboration reinforces our focus on broad outreach and selection processes that help clients identify leaders who can effectively serve their communities.



Cost Proposal

*Defined by Impact. Driven by People.
Dedicated to the Community.*

We take pride in customizing our client's needs — and we will work with you to ensure our fees are aligned with your expectations and budget.

Full Scope Recruitment

Summary of Costs	Price
Recruitment Fee	\$22,000
Recruitment Expenses (not to exceed) Expenses include candidate due diligence efforts on presented candidates and background screenings for up to four finalists.	\$2,000
Advertising <i>*Advertising costs over \$2,000 will be placed only with client approval. If less than \$2,000, client is only billed for actual cost.</i>	\$2,000*
TOTAL:	\$26,000**

***Consultant travel expenses are not included in the price proposal. If the consultant is requested to travel to the client, travel costs will be estimated at time of request. Only actual expenses will be billed to the City for reimbursement.*

Possible in-person meetings could include:

- Recruitment brochure interview process
- Presentation of recommended candidates
- Interview Process

Any additional consultant visits requested by the City (beyond the three visits listed above) will be billed at \$225/hour. The additional visits may also result in an increase in the travel expenses billed.

*This fee does not include travel and accommodation for candidates interviewed.

RECOMMENDED OPTIONAL SERVICE

Our Classification and Compensation team can conduct a review and analysis of the job description, qualifications, and classification, and provide comparable insights using reliable compensation and job data sources. This analysis helps ensure the position's skill requirements and salary range are aligned with the broader market. **Cost: \$900**



Payment for Fees & Services

- **1st Invoice:** Contract Award (40% of the Recruitment Fee).
- **2nd Invoice:** Presentation of Candidates (40% of the Recruitment Fee & expenses incurred to date).
- **Final Invoice:** Completion of Recruitment (20% of the Recruitment Fee plus all remaining expenses).

Proposal pricing is valid for 90 days. Payment of invoices is due within 30 days of receipt.

Our Guarantee – Full Scope Recruitment

MGT will present well-qualified candidates and support the client through selection and appointment. Because top candidates move quickly, the client agrees to provide timely direction and decisions. If the client does not respond to multiple written requests for decisions and/or guidance within six weeks of (i) delivery of the candidate slate for interviews or (ii) completion of finalist interviews, MGT may, at its discretion, terminate the engagement and invoice for services performed and expenses incurred to date.

If the client rejects a slate of qualified candidates and/or does not negotiate in good faith to finalize an offer, and instead elects to re-advertise the position, MGT reserves the right to assess additional consulting fees commensurate with the incremental scope and work requested.

Upon appointment of a candidate, MGT provides the following guarantee: should the selected and appointed candidate, at the request of the City or the employee's own determination, leave the employ of the City within the first 12 months of appointment, we will, if desired, conduct one additional recruitment for the cost of expenses, including advertising and consultant travel. To enact the guarantee, the City:

1. Must request the replacement search within 30 days of the candidate's departure.
2. Must provide documentation of (i) regular onboarding meetings with the governing body (or designee) and (ii) formal evaluations at six months and one year, including the candidate self-evaluation, hiring authority input, and a written evaluation summary provided to the candidate.

HIRING OF ADDITIONAL CANDIDATES

If the City hires more than one candidate introduced by MGT as a result of this recruitment process during the subsequent 12-month period, an additional placement fee equivalent to 50% of the recruitment fee will apply for each additional hire. The guarantee stated above will only apply to the initial candidate hired by the City.



Optional Recruitment Services

The Nation's Recruitment Leader.

Having a solid plan in place is the only way to reach your long-term vision and goals, and we want to see you thrive. Our variety of services can be personalized to make the most of your strengths and give you an extra layer of support where you need it. We offer the following additional service offerings:

FACILITATED PERFORMANCE EVALUATION

As a service to the City, we offer the option of providing you with a proposal for a 360° performance evaluation for the appointed position at six months and one year into their employment. This evaluation will include seeking feedback from both elected officials and department directors, along with any other stakeholder the City feels would be relevant and beneficial. This input will be obtained on a confidential basis with comments known only to the consultant. If you are interested in this option, MGT will prepare a proposal for this service.

LEADERSHIP/PERSONALITY TESTING

MGT has experience working with a wide variety of leadership and personality assessment tools, depending on the qualities and experiences the City is seeking in their candidates. These include but are not limited to Luminaspark, Caliper, DISC, and others. Depending on the evaluation type, selected fees will vary.

RECORDED ONE-WAY VIDEO INTERVIEW OF CANDIDATES

Candidates we recommend for your consideration can complete a one-way video interview with three to five questions that will be recorded and which you can review electronically at your convenience. This can occur prior to making your decision on which candidates to invite for an interview at an additional cost.



Optional Assessment Center

Qualified Assessors to Identify Your Needs.

If requested, as part of the selection process MGT will perform an Assessment Center for candidates selected for interviews. An Assessment Center is a useful tool for identifying and evaluating the strengths, areas for improvement, skills, and abilities of the candidates. MGT consultants will prepare all the related documents and scoring sheets for any three of the following exercises to be completed on the day of the Assessment Center:

- In-Basket Exercise
- Written/Oral Presentation Exercise
- Leaderless Group Exercise
- Structured Interview
- Budget Analysis Exercise
- Personnel Issues Exercise
- Other exercise of the City's choosing

Optional Assessment Center Fee: **\$9,500***

**The fee assumes the Assessment Center will be held on one day and be limited to no more than five candidates. For each additional day to accommodate more than five candidates, the fee increases by \$1,500.*

The fee includes the preparation of the Assessment Center material and a written report outlining the findings of the Assessment Center as reported by the Assessors. We will assist the City in selecting three professionals from outside the organization to serve as Assessors in evaluating each candidate's strengths and weaknesses. The City will be responsible for paying a \$1,200 stipend to each Assessor for a one-day assessment center, and \$1,800 per Assessor for a two-day assessment center (plus reimbursement of any transportation or other travel expenses).

The fee does not include lodging, travel, and meal expenses for the MGT facilitator(s) to be on-site for the Assessment Center. Actual expenses will be billed in addition to the fee. If the City chooses to add the Assessment Center option, the fees and expenses for this will be billed separately.



Human Capital Consulting

MGT partners with public sector and nonprofit clients to address mission-critical human capital challenges through integrated staffing solutions and HR consulting. Our tailored approach helps organizations attract top talent, respond to urgent staffing needs, support complex IT initiatives, and strengthen long-term workforce strategy.

To schedule a complimentary consultation, contact MGT's head of Human Capital:
Joellen Cademartori, Senior Vice President | jcademartori@mgt.us

MGT STAFFING SOLUTIONS

Flexible staffing support to bridge workforce gaps and sustain operations. We serve cities, counties, school districts, and nonprofits with professionals across management, finance, IT, public safety, education, and more. We connect clients to skilled talent quickly through short-term assignments, longer-term placements, and outsourced arrangements to maintain continuity and stability.

CLASSIFICATION & COMPENSATION STUDIES

Classification and compensation expertise supported by current market salary and benefits data. We provide practical recommendations to guide workforce decisions and keep compensation competitive and equitable.

ORGANIZATIONAL & STAFFING REVIEWS

Assessment of organizational structure, workforce allocation, and operating dynamics to identify improvement opportunities. Data-driven insights help streamline processes, optimize and forecast staffing levels, and improve productivity.

LEADERSHIP DEVELOPMENT TRAINING

Leadership development for public sector supervisors, including an 8-week online supervisory course. We also offer tailored trainings and assessments to strengthen core leadership capabilities at every level.

HUMAN RESOURCES AUDITS AND ASSESSMENTS

Support that blends strategy and implementation, including strategic planning, change management, HR audits, staffing analysis, and policy review and development. This work strengthens compliance, aligns resources, and builds long-term organizational capacity.

EMPLOYEE ENGAGEMENT SURVEYS

Engagement surveys and workplace climate assessments, delivered with our University of North Carolina–Chapel Hill partner, to measure morale and identify actionable improvements.

SUCCESSION PLANNING

Succession strategies that build leadership continuity by aligning competencies with development opportunities and strengthening talent pipelines for near-term stability and long-term adaptability.



Appendix A. Consultant Biographies

Biographies of our proposed consultants are provided on the following pages.



Jon Fehlman

Senior Consultant



Jon Fehlman, a seasoned Senior Consultant with MGT, brings over 40 years of distinguished experience in law enforcement and emergency management. Since joining MGT, Jon has been instrumental in consulting across various domains, including law enforcement, public safety, emergency management services, and 9-1-1 communications centers. He has spearheaded over 25 recruitments for police chiefs, public safety, and communications directors, along with conducting numerous assessment centers and staff studies. Jon's expertise extends to classification and compensation studies, where he has contributed to over 50 projects, reflecting his comprehensive understanding of organizational dynamics.

A sought-after speaker and trainer, Jon collaborates with the FBI Law Enforcement Executive Development Association (FBI LEEDA) to empower law enforcement professionals nationwide. He also serves on the advisory board of the Institute for American Police Reform (IAPR), offering invaluable insights into policing laws and policies, leadership development, and community partnerships. With extensive experience in critical incidents and a profound commitment to mental health advocacy, Jon's impactful contributions have earned him numerous accolades and commendations throughout his illustrious career.

Areas of Expertise

- Classification & Compensation Studies
- Recruitment and Assessment
- Law Enforcement and Public Safety
- Leadership Development
- Policing Laws and Policies

Education

- M.S., Emergency Management, California State University, Long Beach
- B.S., Workforce Education and Development, Southern Illinois University, Carbondale

Professional Development & Speaking Engagements

- FBI Law Enforcement Executive Development Association, Instructor/Consultant
- FBI National Academy (Class 245), Executive Development
- Graduate Certificate in Leadership (University of Virginia)
- National Internal Affairs Investigators Association Conference 2023 Presenter: Internal Affairs Role in Fostering and Maintaining Agency Leadership
- FEMA Courses in Emergency Management, Homeland Security Terrorism Liaison

Memberships & Affiliations

FBI Law Enforcement Executive Development Association
 FBI National Academy Alumni Association
 International Association of Chiefs of Police
 National Sheriffs Association
 American Society for Training and Development
 National Association of Field Training Officers
 National Alliance on Mental Illness
 United Against Sexual Assault
 Southern Illinois University Alumni Association
 California State University Long Beach Alumni Association
 Leadership Santa Rosa Alumni Association
 Washington Association of Sheriffs & Police Chiefs
 California Association of Hostage Negotiators
 California Narcotics Officer Association

Professional Experience

MGT Impact Solutions, LLC, Senior Consultant, 2020-Present
 Thatcher Lewis Leadership Consulting Services, 2000-Present
 City of Bainbridge Island, Chief of Police, 2008-2012
 City of Santa Rosa, Lieutenant, 2006-2008; Sergeant, 2000-2006;
 Police Officer, 1996-2008
 City of Laguna Beach, Police Officer, 1985-1996



Yolanda Howze, MPA

Director



Yolanda Howze is a well-regarded human resources professional with more than 20 years of leadership experience in public sector human resources, primarily in municipal government. At MGT, Yolanda serves as a Director with the firm's public sector executive recruitment team, leading projects across local government, nonprofit, K-12, and higher education clients. She brings deep expertise in executive search, classification and compensation systems, and human capital strategy, providing clients with comprehensive, tailored recruitment and HR solutions.

Prior to joining MGT, Yolanda held senior leadership roles in local government including Assistant to the City Manager/Director of Human Resources in Missouri and Director of Human Resources in Texas. She also served as a Director of Executive Search and Senior Consultant with national consulting firms, managing large-scale executive recruitment projects and advising clients on HR operations and organizational design and classification and compensation strategies. A recognized thought leader, Yolanda is a frequent speaker and author on HR topics and was honored by the Texas Municipal Human Resources Association (TMHRA) as Human Resources Professional of the Year.

Areas of Expertise

- Executive Recruitment & Human Capital Strategy
- Classification, Compensation & Total Rewards
- Organizational Development, Training & Performance Management
- HRIS, Process Improvement & Change Management
- Employee Relations, Risk & Emergency Management

Education

- M.A., Public Administration & Policy Analysis, Southern Illinois University Edwardsville
- B.A., Psychology and Organizational Leadership, Maryville University

Training & Instruction

- Senior Certified Professional, PSHRA-SCP, SPHR, SHRM-SCP
- Extensive Public Sector HR Leadership Training, PSHRA and SHRM
- Continuing Education & Professional Development Programs, Human Resources Certification Institute (HRCI), International City/County Management Association (ICMA)
- Conference Presenter and Workshop Facilitator, PSHRA

Memberships & Affiliations

International City/County Management Association (ICMA), Current Member
 Public Sector Human Resources Association (PSHRA), Current Member
 PSHRA Greater St. Louis Chapter, Current Member & Past President
 Society for Human Resource Management (SHRM), Current Member
 Texas Municipal Human Resources Association (TMHRA), Former Member
 PSHRA Texas Chapter, Former Member
 PSHRA Central Region, Former Member & Past Vice President

Professional Experience

MGT Impact Solutions, Director, Executive Recruitment, 2025-Present
 National Executive Search Firms, Director of Executive Search & Senior Consultant II, 2020-2025
 City of University City, Missouri, Assistant to the City Manager/Director of Human Resources, 2018-2020; Director of Human Resources, 2005-2010; HR Coordinator/Specialist, 2002-2005; City Manager's Executive Assistant, 1996-2002; Planning and Development Administrative Assistant, 1994-1996
 City of Bellaire, Texas, Director of Human Resources, 2012-2018
 Independent/Contract Consulting, 2011-2012



Charlene Stevens

Vice President



Charlene Stevens brings over 25 years of municipal management and 7 years of public sector recruitment experience to her role as Vice President at MGT. Charlene leads MGT's Executive Recruitment practice and provides consulting support for the Human Capital Consulting practice. Her career spans rural, suburban, and urban communities across Minnesota, Kansas, and Pennsylvania, giving her a strong ability to work effectively with diverse individuals and groups.

Her public sector background includes leadership in civic engagement, community visioning, workforce development, and downtown revitalization. Known for her professionalism and dedication to public service, Charlene is widely recognized for her leadership within the profession. She is a committed mentor and advocate for inclusive workplaces, with a strong track record in community engagement and project management.

Charlene is a frequent presenter at state and national conferences.

Areas of Expertise

- Executive Recruitment
- Human Resources
- Staff Development
- Strategic Planning
- Civic Engagement
- Community Visioning
- Parks and Greenspace Preservation
- Workforce Training Initiatives
- Municipal Management

Education

- M.P.A., University of Kansas
- B.A., International Relations, Pomona College

Training & Instruction

- Instructor, International City and County Management Association (ICMA), Emerging Leaders Development Program and Mid-Career Institute
- Presenter and Speaker for ICMA, MCMA, and State Association and Affiliate Groups

Memberships & Affiliations

International City/County Manager Association (ICMA), Current Member, Past Regional Vice President, Past Committee and Task Force Chair

Minnesota City/County Managers Association (MCMA), Current Member

League of Minnesota Cities, Past Board Member

Coalition of Greater Minnesota Cities, Past Board Member

Women in Public Service Wichita/Sedgwick County, Kansas, Founding Member

Professional Experience

MGT Impact Solutions, LLC, Vice President, 2019-Present

City of Cottage Grove, MN, City Administrator, 2015-2018

City of Willmar, MN, City Administrator, 2011-2015

Sedgwick County, KS, Assistant County Manager, 2006-2011

Township of Lower Gwynedd, PA, Assistant Township Manager, 1999-2006

Township of Buckingham, PA, Assistant Township Manager, 1997-1999

City of Wichita, KS, Neighborhood Assistant, 1995-1996



Appendix B. Client List

A list of the clients we have had the pleasure of partnering with that complement the City's recruitment request is provided on the following pages.

Fire/EMS Recruitment Client List

State	Client	Position Title	Population	Year
Alaska	Unalaska	Fire Chief	4,768	2017
Colorado	Larkspur Fire Protection District	Fire Chief	6,500	2023
	Poudre Fire District	Fire Chief	206,206	2020
Florida	Clearwater	Fire Chief	116,850	2025
	Gainesville	Fire Chief	133,997	2020
	Orlando	Fire Chief	307,573	2021
Georgia	Augusta	Fire Chief	200,000	2021
Illinois	Arlington Heights	Fire Chief (Virtual)	75,500	2022
	Arlington Heights	Fire Chief (Virtual)	75,500	2018
	Barrington	Fire Chief	10,455	2019
	Buffalo Grove	Deputy Fire Chief (Virtual)	42,909	2022
	Carpentersville	Fire Chief	38,241	2016
	Champaign	Fire Chief	81,500	2014
	Collinsville	Deputy Fire Chief	25,838	2021
	Des Plaines	Fire Chief	58,364	2019
	Elburn & Countryside Fire Protection District	Fire Chief	Multi	2016
	Elmhurst	Fire Chief	46,387	2016
	Firemen's Annuity & Benefit Fund of Chicago	Executive Director	Multi	2016
	Fox River & Countryside Fire Protection District	Fire Chief	25,000	2023
	Freeport	Fire Chief (Limited)	25,000	2019
	Highland Park	Fire Chief	31,365	2009
	Illinois Fire Safety Alliance	Executive Director	Multi	2013
	Itasca Fire Protection District	Assistant Director of Administration & Planning (Virtual)	9,000	2023
	Itasca Fire Protection District	Fire Chief	9,000	2021
	Itasca Fire Protection District	Shift Battalion Chief (Virtual)	9,000	2025
	La Grange	Fire Chief (Virtual)	15,610	2019
	Lake County	Emergency Management Coordinator	703,462	2016
	Lincolnwood	Fire Chief	12,590	2022
	Lisle-Woodridge Fire District	Fire Chief	70,000	2017
	Lombard	Fire Chief	43,815	2016
	Lombard	Fire Chief (Limited)	43,815	2026
	Moline	Fire Chief	43,100	2017
	Morton Grove	Fire Chief	23,500	2021
	Northbrook	Fire Chief	35,000	2014
	Peoria	Fire Chief	115,234	2022
	River Forest	Fire Chief	11,635	2021
	Rochelle	Fire Chief	9,446	2021
	Schaumburg	Fire Chief	75,000	2017
	South Holland	Deputy Fire Chief	22,030	2020
	Sycamore	Fire Chief	18,577	2022
	Wauconda Fire District	Fire Chief	40,000	2024
	West Chicago Fire Protection District	Fire Chief	Multi	2014
	West Dundee	Fire Chief	8,000	2019
	West Dundee	Fire Chief	8,000	2011
	Wheaton	Fire Chief	53,389	2022
	Wheeling	Fire Chief	38,878	2023
	Wilmette	Fire Chief	27,087	2021
Iowa	Clive	Fire/EMS Chief	18,601	2023
	Davenport	Fire Chief	101,724	2025
	Dubuque	Fire Chief	59,700	2021
	Johnston-Grimes Metropolitan Fire District	Fire Chief	Multi	2025
	Marion	Fire Chief	30,000	2022
	Marshalltown	Fire Chief (Limited)	27,388	2024
	Scott County	MEDIC EMS Director	172,943	2023
	Urbandale	Fire Chief/Emergency Preparedness Director	45,580	2023
Kansas	Lawrence	Fire Chief	101,211	2022
Michigan	Battle Creek	Fire Chief	52,721	2022
	Ferndale	Fire Chief	20,428	2020
	Grand Rapids	Fire Chief	200,217	2023
	Midland	Fire Chief	42,000	2011
	Orion Township	Fire Chief	40,209	2023
	Sterling Heights	Fire Chief	129,699	2020
	Walker	Fire Chief	25,132	2025
Minnesota	SBM Fire Department	Chief Executive Officer/Fire Chief	Multi	2022
	Shakopee	Fire Chief	47,000	2024
	Waite Park	Fire Chief	7,700	2026
	Woodbury	EMS/Fire Chief-Assistant Public Safety Director	70,559	2021
Missouri	Cape Girardeau	Fire Chief and Emergency Management Director	38,000	2019

	Clayton	Fire Chief	15,939	2018
	Kirkwood	Fire Chief	27,596	2015
	Union Fire Protection District	Fire Chief/Fire Marshall	20,000	2024
	Webster Groves	Fire Chief	22,800	2021
Montana	Bozeman	Fire Chief	39,860	2015
New Jersey	Cherry Hill Fire Protection District	Fire Chief	69,900	2012
New Mexico	Los Alamos County	Fire Chief (Virtual)	19,330	2025
North Carolina	Fayetteville	Fire Chief	210,000	2019
Ohio	Columbus	Fire Chief	933,263	2026
Pennsylvania	Middletown Township	Chief of Fire and Emergency Services (Virtual)	45,057	2022
	Radnor Township	Fire/EMS Chief	31,875	2025
Texas	Denton	Fire Chief	135,000	2018
	Garland	Fire Chief	233,206	2011
Virginia	Fairfax	Fire Chief	24,146	2026
	Virginia Beach	Fire Chief	442,707	2022
	Winchester	Fire Chief	27,932	2018
Wisconsin	Beloit (City)	Assistant Fire Chief & Deputy Chief	36,966	2017
	Beloit (City)	Battalion Fire Chief	36,966	2022
	Beloit (City)	Fire Chief	36,966	2019
	Burlington	Fire Chief	10,511	2025
	Burlington	Fire Chief	10,511	2013
	Fort Atkinson	Fire/EMS Chief & Emergency Management Coordinator	12,300	2023
	Janesville	Fire Chief	63,588	2024
	Menomonee Falls	Fire Chief	36,433	2023
	Menomonee Falls	Fire Chief	37,433	2019
	River Falls	Fire Chief (Virtual)	15,200	2022
	South Milwaukee	Fire Chief/Director of Emergency Management	21,239	2022
	Waukesha	Fire Chief	71,158	2024
	Waukesha	Fire Chief	71,158	2012
	Wausau	Fire Chief	39,160	2013
	Wauwatosa	Fire Chief	47,000	2017
	Wauwatosa	Fire Chief	47,000	2010

MASTER SERVICES AGREEMENT

THIS MASTER SERVICES AGREEMENT ("Agreement") is entered into as of August 20th, 2026 ("Effective Date") between **MGT Impact Solutions, LLC** ("MGT"), with offices located at 4320 West Kennedy Boulevard, Tampa, FL 33609, and **City of Elk River, MN** ("Client"), located at 13065 Orono Parkway, Elk River, MN 55330 collectively referred to herein as the "Parties".

WHEREAS, MGT offers global technological, educational, organizational and staffing consulting solutions services to the public and private sectors;

WHEREAS, Client anticipates a need within its organization for MGT's services; and

WHEREAS, the Parties intend for this Agreement to serve as the governing, contractual basis of MGT's provision of future project-level services to Client.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. THIS AGREEMENT AND STATEMENTS OF WORK. The Parties enter into this Agreement to set forth the general terms and conditions that will govern MGT's provision of services to Client. Such services will be subsequently agreed upon by the Parties in individual Statements of Work ("SOW").

Each SOW will state all details required for the proper provision of project-level services, including scope, pricing, period of performance, and other required information ("Services") each an Exhibit A, Statement of Work, attached hereto and incorporated into the Agreement. Unless otherwise stated in an SOW, all Services shall be performed remotely. Each SOW will require signature by both parties to be effective.

2. CONTRACT DOCUMENTS AND ORDER OF PRECEDENCE. The contract documents consist of this Agreement and all exhibits, attachments, amendments, and SOWs subsequently executed by the Parties and all exhibits, attachments, amendments, and other documents made a part of the SOW ("Contract Documents"). Upon signature by the Parties, all SOWs executed during the Term shall be considered incorporated into and made a part of this Agreement.

In the event of a conflict among the terms and conditions in this Agreement and any SOW, unless that SOW expressly states the intention for the SOW to control with regard to the conflicting term or condition, then this Agreement shall control. Any terms or conditions contained in documents issued by Client other than the Contract Documents, including purchase orders, shall be voidable at MGT's discretion.

3. TERM. The term of this Agreement shall commence on the Effective Date and will continue for a period of one (1) year or until terminated in accordance with this Agreement. This Agreement will automatically renew for additional one (1) year terms unless terminated by either party at least thirty (30) days prior to the expiration date.

4. TERMINATION. This Agreement or any individual SOW may be terminated with cause by either party: (a) if the other party materially breaches the terms of this Agreement and fails to cure the breach within thirty (30) calendar days following written notice specifying the breach, or (b) immediately upon written notice if the other party fails to comply with applicable law or regulation.

5. INSURANCE. During the Term of this Agreement and any SOW, MGT will maintain the minimum insurance coverages below. MGT shall provide Certificates of Insurance to Client upon request and as required under SOWs.

- | | | |
|----|-------------------------------|-----------------------------------|
| a. | Commercial General Liability | \$1,000,000 per occurrence |
| | | \$2,000,000 annual aggregate |
| b. | Business Automobile Liability | \$1,000,000 combined single-limit |



c.	Umbrella/Excess Liability	\$10,000,000 per occurrence & aggregate, follows form
d.	Worker's Compensation	Per Statute
e.	Employer's Liability	\$1,000,000 each accident
f.	Professional Liability	\$5,000,000 aggregate

6. INTELLECTUAL PROPERTY. For purposes of this Agreement, "Intellectual Property" shall mean patented and unpatented inventions, mask works, copyrighted works, software, software development tools, methodologies, processes, technologies, algorithms, trade secrets, know-how, and proprietary information of either Party.

Each Party shall retain title to any Intellectual Property developed, authored, conceived, or reduced to practice independently and solely by that Party during the performance of this Agreement, without use of the other party's Intellectual Property.

Client shall exclusively own all rights, title, and interest in and to any and all materials, data, documentation, reports, designs, or other deliverables that are created, developed, or generated by MGT pursuant to this Agreement ("Work Product"). MGT retains ownership of all other Intellectual Property developed independently and used in connection with the services but grants the Client a fully paid, nonexclusive, irrevocable, worldwide license to use, reproduce, prepare derivative works, perform publicly, and display publicly any such Intellectual Property incorporated into the Work Product.

7. INDEMNIFICATION. To the extent permitted by law, each Party shall fully defend, indemnify and hold harmless the other Party and its officers, directors, employees, agents, representatives, successors and assigns (collectively, "Indemnified Parties") from any and all claims, demands, causes of actions, costs, expenses, liability, losses, or damages including attorney's fees and expenses ("Claims"), whether in law or in equity, for bodily injury, death or property damage arising out of, relating to or caused by, in whole or part, the negligence, errors, omissions or willful misconduct of the indemnifying party or its officials, officers, employees, subcontractors, consultants or agents, relating to or connected with performance under this Agreement, unless Claims are caused wholly by the sole negligence or willful misconduct of the Indemnified Parties.

A Party's indemnity obligations under this Section are contingent upon the indemnified party: a) promptly notifying indemnifying party of each claim; provided, however, that the indemnified party's failure to give prompt notice to the indemnifying party of any such claim shall not relieve the indemnifying party of any obligation under this Section except and to the extent that such failure materially prejudices the indemnifying party's ability to defend against such claim; b) providing the indemnifying party with sole control over the defense and/or settlement thereof, provided however, that indemnifying party shall not settle any claim that includes an admission of wrongdoing by indemnified parties or otherwise adversely affects indemnified parties' interests without prior consent; and c) at the indemnifying party's request and expense, providing full information and reasonable assistance to the indemnifying party with respect to such claim.

8. LIMITATION OF LIABILITY. MGT shall not be held liable for factors outside of its reasonable control, including losses or damages as a result of Client's provision of inaccurate data, or changing laws, regulations, political conditions.

TO THE EXTENT PERMITTED BY LAW AND EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF PROFITS, REVENUE, DATA OR DATA USE, OR LOSS OR INTERRUPTION OF BUSINESS, ARISING OUT OF ANY OF THE TERMS OR CONDITIONS OF THIS AGREEMENT OR WITH RESPECT TO ITS PERFORMANCE HEREUNDER, WHETHER ARISING OUT OF BREACH OF CONTRACT, BREACH OF WARRANTY, TORT (INCLUDING NEGLIGENCE), PRODUCT LIABILITY, STRICT LIABILITY OR ANY OTHER THEORY. THE FOREGOING LIMITATION OF LIABILITY AND EXCLUSION OF DAMAGES APPLIES EVEN IF A PARTY HAD OR SHOULD HAVE HAD KNOWLEDGE OF THE POSSIBILITY OF SUCH



DAMAGES.

To the extent permitted by law, except for actions or claims resulting from MGT's gross negligence or intentional or willful misconduct, MGT's total aggregate liability to Client shall be limited to the amount of compensation paid by Client to MGT under this Agreement in the twelve (12) months prior to the action giving rise to liability.

9. GOVERNING LAW, JURISDICTION AND VENUE. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Florida, without regard to its conflict of laws principles, as to all matters including validity, construction, effect, enforceability, performance, and remedies. Client irrevocably submits to the exclusive jurisdiction of any state or federal court located in Hillsborough County, Florida, for any legal action or proceeding arising out of or relating to this Agreement. Client further agrees that venue for any such action shall lie exclusively in such courts and hereby waives any objection to venue or forum non conveniens.

10. DISPUTE RESOLUTION PROCEDURE. In the event of a dispute, controversy or claim by and between the Parties arising out of matters related to this Agreement, the Parties will first attempt in good faith to resolve through negotiation any such dispute, controversy, or claim. Either party may initiate negotiations by providing written notice to the other party setting forth the subject of the dispute and the relief requested. The recipient of such notice will respond in writing within five (5) business days with a statement of its position on, and recommended solution to, the dispute. If the dispute is not resolved by this exchange of correspondence, then senior management representatives of each party with full settlement authority will meet at a mutually agreeable time and place within fifteen (15) business days of the date of the initial notice to exchange relevant information and perspectives and to attempt to resolve the dispute.

If the dispute is not resolved by negotiation, either party may commence mediation by written request to the other party. The Parties will cooperate in selecting a mediator and in scheduling the mediation proceedings. The mediation shall take place in Tampa, Florida. The Parties will participate in the mediation in good faith and will share equally in its costs. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by either of the parties, their agents, employees, experts or attorneys, or by the mediator, are confidential, privileged and inadmissible for any purpose, including impeachment, in any litigation or other proceeding involving the parties; provided, however, that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation.

Either party may seek equitable relief prior to the mediation to preserve the *status quo* pending the completion of that process. Except for such an action to obtain equitable relief, neither party shall commence a civil action with respect to the matters submitted to mediation until after the completion of the initial mediation session, at which time suit may be brought in any court of competent jurisdiction. The prevailing party shall be entitled to an award of all reasonable costs, expenses, and attorneys' fees. In addition, should the dispute under this Agreement involve the failure to pay fees, and the matter is not resolved through negotiation or mediation, Client shall pay all costs of collection, including, but not limited to, MGT's legal fees and costs should MGT prevail.

11. CONFIDENTIALITY. Each party shall maintain in confidence and protect from unauthorized disclosure all information exchanged between the Parties that is reasonably understood under the circumstances to be confidential, whether disclosed orally, in writing or marked as confidential ("Confidential Information").

The receiving party shall make all reasonable efforts to protect Confidential Information from disclosure to unauthorized third parties. Confidential Information may be disclosed to third parties with a need-to-know under the circumstances and who are bound by confidentiality obligations no less restrictive than those herein. Neither party shall use such Confidential Information except in performance of the Services. MGT may, however, disclose Client's name and the general nature of MGT's work for Client sales proposals.



The above obligations of confidentiality shall not apply to the extent that the receiving party can show that the relevant information (a) was at the time of receipt already in the receiving party's possession; (b) is, or becomes in the future, public knowledge through no fault or omission of the receiving party; (c) was received from a third-party having the right to disclose; or (d) is required to be disclosed by law.

12. FORCE MAJEURE. Neither party shall be liable or considered at fault for any delay (except for payment) resulting from circumstances beyond the party's reasonable control, including but not limited to fire, flood, earthquake, elements of nature, epidemics, global pandemics, quarantines, acts of God, acts of war, labor disputes, and supply chain disruptions ("Excusable Delays"). The delayed party shall notify the other party in writing upon the discovery of any significant Excusable Delay. During an Excusable Delay, the delayed party shall use reasonable efforts to mitigate costs and damages and to resume performance under this Agreement.

The Parties recognize that MGT's ability to timely perform under a SOW is contingent upon Client's timely provision of any agreed-upon data, personnel access, or other requirements. If Client's failure to provide to such data, access or other requirements causes significant delays to MGT's progression of Services, and MGT incurs losses or damages as a result, then the Parties shall negotiate and execute a SOW amendment for an equitable adjustment to the schedule and for additional costs. MGT shall provide all substantiating documentation of costs reasonably requested by Client in consideration for any equitable adjustment. Excusable Delays shall not give rise to an equitable adjustment.

13. FEES AND PAYMENT. Unless otherwise set forth in a SOW, all correct invoices submitted by MGT to Client shall be due and payable upon receipt. If Client disputes an invoice or portion thereof in good faith, then Client shall pay any undisputed portion and provide MGT with written notice of the dispute, in reasonable detail, and the Parties shall promptly meet to resolve such dispute. MGT reserves the right to impose an interest charge equal to the lesser of one and one-half percent (1.5%) per month or the maximum allowable by law in respect of any invoice which is outstanding for more than thirty (30) days. MGT may stop work after sixty (60) days of Client's non-payment of undisputed invoiced amounts.

14. MODIFICATION. This Agreement and any SOW shall only be modified by written amendment signed by the Parties. All signed amendments shall be deemed incorporated into this Agreement by reference.

15. NON-SOLICITATION. During the term of this Agreement and for a period of two (2) years following termination or expiration, neither party shall knowingly, directly or indirectly, solicit nor encourage the solicitation of any person who is, or was within a 12-month period prior to such solicitation, an employee of the other party or its affiliates that became known to the other party as a result of this Agreement, except with the prior written consent of the other party. This provision shall not restrict the right of either party to solicit by public advertisement.

16. RECORDING. Client agrees that no meetings, communications, or interactions with MGT or its representatives shall be recorded, transcribed, or otherwise captured — whether by audio, video, or other means — without MGT's prior written consent. This prohibition includes, but is not limited to, the use of recording devices, transcription software, or any third-party services for documentation purposes. Any unauthorized recording or transcription shall be deemed a material breach of this Agreement and may result in immediate termination of services, in addition to any other remedies available to MGT under law or equity. This section shall not apply to any meetings which are open to the public.

17. ASSIGNMENT. Neither party may assign any rights nor delegate any duties or obligations under this Agreement without the express written consent of the other party. Notwithstanding the foregoing, MGT, or its permitted successive assignees or transferees, may assign or transfer this Agreement or delegate any rights or obligations hereunder without consent: (i) to any entity controlled by, or under common control with, MGT, or its permitted successive assignees or transferees; or (ii) in connection with a merger, reorganization, transfer, sale of assets or change of control or ownership of MGT, or its permitted successive assignees or transferees.



18. INDEPENDENT CONTRACTOR. It is expressly understood that at all times, while rendering the Services, MGT is acting as an independent contractor and not as an officer, agent, or employee of the Client. MGT shall not be required to keep specific work hours (except in the case of specific hours required under employee leasing contracts), equipment, or a specific office, and shall use independent means and methods for performing the Services. For all purposes, including Medicare, Social Security taxes, the Federal Unemployment Act ("FUTA"), income tax withholding, worker's compensation, and unemployment insurance, MGT, its personnel and contractors will be treated and deemed independent contractors and not employees of Client.

19. NON-DISCRIMINATION/EQUAL EMPLOYMENT PRACTICES. Neither party shall unlawfully discriminate or permit discrimination against any person or group of persons in any matter prohibited by federal, state, or local laws. During the performance of this Agreement, neither party or their employees, agents, or subcontractors, if any, shall discriminate against any employee or applicant for employment because of age, marital status, religion, gender, sexual orientation, gender identity, race, creed, color, national or ethnic origin, medical conditions, physical disability, or any other classifications protected by local, state, or federal laws or regulations. The parties further agree to be bound by applicable state and federal rules governing equal employment opportunity and non-discrimination.

20. NOTICES. All legal notices required by this Agreement are deemed to have been given when notices are both (1) delivered by email to the email address below, and (2) following such email delivery, a mailed copy of the notice is delivered to the mailing address below.

To MGT:

Name: MGT Impact Solutions, LLC
ATTN: Legal Notice/Contracts
Address: 4320 West Kennedy Blvd., Suite 200
Tampa, FL 33609
Email: contracts@mgt.us

To Client:

Name: City of Elk River
ATTN: Calvin Portner, City Administrator
Address: 13065 Orono Parkway
Elk River, MN 55330
Email: CPortner@ElkRiverMN.gov

If the email address and mailing address is incomplete for a party, then notice shall be mailed to the address on the first page of this Agreement.

21. WAIVER. The failure of either Party to insist on strict performance of any covenant or obligation under this Agreement, regardless of the length of time for which such failure continues, shall not be deemed a waiver of such Party's right to demand strict compliance in the future. No consent to or waiver of, express or implied, any breach or default in the performance of any obligation under this Agreement shall constitute a consent or waiver to or of any other breach or default in the performance of the same or any other obligation.

22. SEVERABILITY. If any provision of this Agreement shall be declared illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining provisions hereof, but such illegal or invalid provision shall be fully severable, and this Agreement shall be interpreted and enforced as if such illegal or invalid provision had never been included herein.

23. COUNTERPARTS AND EXECUTION. This Agreement and any SOW may be executed in counterparts, each of which when so executed shall be deemed an original and all of which together shall constitute one and the same instrument. The counterparts may be executed by electronic signature and delivered by scanned signature or other electronic means by any of the parties to any other party and the receiving party may rely on the receipt of this Agreement so executed and delivered as if the original had been received.

24. SURVIVAL. The sections Term, Termination, Insurance, Indemnification, Limitation of Liability, Governing Law, Jurisdiction, Consent to Suit, Dispute Resolution Procedure, Confidentiality, and Non-Solicitation of this Agreement and the payment obligations described in any SOW shall survive the



termination or expiration of the Agreement or SOW.

25. ENTIRE AGREEMENT. This Agreement, together with all exhibits and any other written agreements entered into by the Parties in connection with the services provided (including but not limited to any End User License Agreements), constitutes the entire agreement between the Parties. Each party acknowledges that in entering into this Agreement it has not relied on any representation or undertaking, whether oral or in writing, except for those expressly stated herein. Any purchase order provided by the Client will be limited by, and subject to, the terms and conditions of this Agreement. Any conflicting terms in the Client’s purchase order shall be deemed null, void, and without effect.

26. NON-EXCLUSIVITY. This Agreement is non-exclusive, and both Parties remain free to enter into similar agreements with third parties. During the term of this Agreement, MGT may perform Services for any other clients, persons, or companies as MGT sees fit, so long as the performance of such Services does not interfere with MGT’s performance of obligations under this Agreement, and do not create a conflict of interest.

27. THIRD PARTY BENEFICIARIES. Except as specifically set forth herein, nothing in this Agreement is intended or shall be construed to confer upon any person or entity, other than the parties hereto and their successors or assigns, any rights or remedies under or by reason of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Master Services Agreement.

MGT IMPACT SOLUTIONS, LLC

City of Elk River, MN

Name: _____
Title: _____
Date: _____

Name: _____
Title: _____
Date: _____



EXHIBIT A EXECUTIVE RECRUITMENT STATEMENT OF WORK

As of August 20th, 2026 ("Effective Date"), **MGT Impact Solutions, LLC** ("MGT") and **City of Elk River, MN** ("Client") execute this Statement of Work ("SOW") pursuant to the Master Services Agreement between the Parties dated August 20th, 2026 ("Agreement").

- 1. PROJECT**
Fire Chief Executive Recruitment project. with City of Elk River, MN.
- 2. SCOPE**
MGT will provide recruitment and selection services in accordance with MGT's proposal dated August 14, 2026. All terms of the Proposal are incorporated herein by reference and supersede in the event of a conflict.
- 3. LOCATION** – Virtual
- 4. PERIOD OF PERFORMANCE/PROJECT TIMELINE**
The term of this Statement of Work begins on the Effective Date and terminates upon project completion (Estimated at 14 weeks).
- 5. COMPENSATION AND REIMBURSABLE EXPENSES**
 - a. Cost - \$26,000 as outlined in MGT's proposal.
 - b. Travel - In the event Client prefers in person meetings, MGT will provide an additional estimate for travel and related expenses.
 - c. Other expenses- MGT to obtain prior written approval if any other expenses become necessary.
- 6. INVOICING AND PAYMENT**
1st Invoice: Contract Award (40% of the Recruitment Fee).
2nd Invoice: Presentation of Candidates (40% of the Recruitment Fee & expenses incurred to date).
Final Invoice: Completion of Recruitment (20% of the Recruitment Fee plus all remaining expenses).

Recommendations:

All invoices will be sent to the Client and are payable within 30 days of receipt, after which a late payment interest charge of 1.5% per month will accrue.

Client Billing Contact:

Mike Eichten, HR Manager

Email Address and Phone Number : MEichten@ElkRiverMN.gov

MGT IMPACT SOLUTIONS, LLC

City of Elk River, MN

Name:

Name:

Title:

Title:

Date:

Date:



Request for Action

To
City Council

Item Number
4.1

Meeting Date
August 31, 2026

Prepared By
Lori Stich, Finance Manager

Item Description
2027 Budget

Reviewed by
Cal Portner
Justin Dunford

Action Requested
Discuss the 2027 budget and provide staff direction.

Background/Discussion

Department budgets were presented during Work Sessions on July 13 and July 27. Since those meetings, the following items have been removed from the 2027 budget:

- Tandem plow truck - \$395,000
- Sidewalk machine - \$220,000
- Street Maintenance Operator - \$91,750
- Lead Operator (Street Maintenance) - \$14,750
- Park Maintenance Worker - \$91,750
- Vehicle upgrades for police - \$43,100

The following adjustments have been made to revenues:

- Increased ERMU PILOT (total increase \$375,000 over 2026 budget)
- Added Otsego Fire contract for 4 months - \$146,100

These changes put the General Fund expenditure increase at 9.1% over 2026, a decrease from 12.7%. This proposed increase is consistent with many of our peer cities at this time in their budgeting process.

The preliminary proposed General Fund tax levy increase is down to 15.9% from the initial proposed levy of 23.7%. We expect this number to decrease further as we refine our fee schedule.

Financial Impact
N/A

Mission/Policy/Goal
Responsible for every dollar - good stewards.

The Elk River Vision

A resilient, welcoming, and thriving community that leads through innovation, meaningful engagement, exceptional service, and responsible planning for future generations.

Attachments

1. 2027 General Fund
2. 2027 General Fund Revenues
3. 2027 General Fund Expenditures
4. 2027 Capital Requests
5. 2027 Staff Requests
6. Estimated Tax Impact
7. Mayors Budget Worksheet

**CITY OF ELK RIVER
2027 PRELIMINARY BUDGET
GENERAL FUND**

	2023 ACTUAL	2024 ACTUAL	2025 ACTUAL	2026 BUDGET	7/31/2026 YTD	2027 PRELIMINARY	% of Budget	Increase/ (Decrease)	% Change
<u>General Fund Revenues:</u>									
Property taxes	13,785,282	14,887,537	15,631,649	16,864,450	6,015,287	\$19,548,150	75.7%	\$2,683,700	15.9%
Other taxes	156,365	168,050	149,280	220,000	9,624	200,000	0.8%	(\$20,000)	-9.1%
Licenses & Permits	976,260	768,995	941,230	984,700	527,314	992,000	3.8%	\$7,300	0.7%
Intergovernmental Revenues	706,917	921,230	952,922	816,000	26,108	851,000	3.3%	\$35,000	4.3%
Charges for Services	1,210,808	1,271,008	1,321,088	1,281,750	1,012,966	1,050,300	4.1%	(\$231,450)	-18.1%
Fines	169,910	176,559	141,275	170,000	52,351	150,000	0.6%	(\$20,000)	-11.8%
Other Revenues	445,610	477,201	525,948	414,000	49,722	550,000	2.1%	\$136,000	32.9%
Other Financing Source - Lease	-	99,914.00	501,594.00	-	-	-	0.0%	\$0	0.0%
Transfers In	3,202,249	2,953,568	2,847,000	2,909,050	621,632	2,464,900	9.6%	(\$444,150)	-15.3%
Total General Fund Revenues	20,653,401	21,724,062	23,011,986	23,659,950	8,315,004	25,806,350	100.0%	\$2,146,400	9.1%
<u>General Fund Expenditures</u>									
General Government:									
Mayor & Council	196,879	196,900	193,314	243,150	153,135	231,050	0.9%	(\$12,100)	-5.0%
Communications	436,535	461,967	501,604	554,850	321,633	615,500	2.4%	\$60,650	10.9%
Administrative Services	691,952	732,615	701,169	722,950	438,747	772,000	3.0%	\$49,050	6.8%
Human Resources	398,243	433,692	477,875	471,650	295,238	469,600	1.8%	(\$2,050)	-0.4%
Elections	6,280	76,300	6,321	53,550	6,306	6,500	0.0%	(\$47,050)	-87.9%
Finance	733,973	822,161	878,938	1,040,450	599,438	1,120,000	4.3%	\$79,550	7.6%
Information Technology	617,017	814,783	689,686	846,850	438,846	851,900	3.3%	\$5,050	0.6%
Legal	288,808	334,342	340,357	340,000	186,187	370,000	1.4%	\$30,000	8.8%
Community Dev/Planning	460,952	489,137	531,009	516,950	349,043	544,100	2.1%	\$27,150	5.3%
Facilities Maintenance	1,054,680	1,087,119	1,118,738	1,165,950	683,703	1,226,600	4.8%	\$60,650	5.2%
Energy City	56,284	21,268	0	0	0	0	0.0%	\$0	0.0%
Total General Government	4,941,603	5,470,284	5,439,013	5,956,350	3,472,275	6,207,250	24.1%	250,900	4.2%
Public Safety:									
Police	7,190,412	7,847,040	8,688,370	8,635,300	5,046,688	9,920,800	38.4%	\$1,285,500	14.9%
Fire	1,979,598	2,103,602	2,302,889	2,213,550	1,224,784	2,463,800	9.5%	\$250,250	11.3%
Building Safety	572,772	621,274	608,892	614,200	400,974	640,500	2.5%	\$26,300	4.3%
Code Enforcement	116,261	123,987	130,129	142,150	82,417	150,850	0.6%	\$8,700	6.1%
Environmental	128,842	125,041	67,623	77,050	42,031	83,500	0.3%	\$6,450	8.4%
Total Public Safety	9,987,885	10,820,944	11,797,903	11,682,250	6,796,895	13,259,450	51.4%	1,577,200	13.5%
Public Works:									
Street Maintenance	1,532,241	1,500,154	1,634,178	1,885,900	979,849	1,951,950	7.6%	\$66,050	3.5%
Snow Removal	338,473	263,917	341,681	398,200	228,947	490,500	1.9%	\$92,300	23.2%
Equipment Services	363,728	402,213	426,239	465,400	268,708	471,400	1.8%	\$6,000	1.3%
Engineering	464,372	408,497	402,436	411,300	251,647	438,000	1.7%	\$26,700	6.5%
Total Public Works	2,698,814	2,574,781	2,804,534	3,160,800	1,729,150	3,351,850	13.0%	191,050	6.0%
Culture & Recreation:									
Park Maintenance	1,558,303	1,649,764	1,627,409	1,779,650	1,037,763	1,856,100	7.2%	\$76,450	4.3%
Recreation	773,426	785,316	792,730	808,450	535,722	840,150	3.3%	\$31,700	3.9%
Sr. Citizen Programs	178,074	203,726	211,204	272,450	140,026	291,550	1.1%	\$19,100	7.0%
Total Culture & Recreation	2,509,803	2,638,806	2,631,343	2,860,550	1,713,511	2,987,800	11.6%	127,250	4.4%
Total General Fund Expenditures	\$20,138,105	\$21,504,815	\$22,672,793	\$23,659,950	\$13,711,832	\$25,806,350	100.0%	\$2,146,400	9.1%

**CITY OF ELK RIVER
2027 BUDGET
GENERAL FUND REVENUES**

REVENUES:	2023 ACTUAL	2024 ACTUAL	2025 ACTUAL	2026 BUDGET	2027 PRELIMINARY	INCREASE/ DECREASE	% CHANGE
<u>Taxes</u>							
Property Taxes	13,785,282	14,887,536	15,631,649	16,864,450	19,548,150	2,683,700	15.9%
Gravel Tax	156,365	168,050	149,280	220,000	200,000	(20,000)	-9.1%
Total Taxes	13,941,647	15,055,586	15,780,929	17,084,450	19,748,150	2,663,700	41.6%
<u>Licenses & Permits</u>							
Liquor License	77,630	82,520	84,743	85,000	85,000	-	0.0%
THC License	5,200	4,000	1,050	5,000	5,000	-	0.0%
Cigarette License	3,000	3,800	3,450	4,000	4,000	-	0.0%
Rental License	62,260	47,880	31,110	65,000	60,000	(5,000)	-7.7%
Mining License	26,843	26,888	27,006	27,000	28,000	1,000	3.7%
Garbage Hauler License	1,940	3,335	2,245	2,500	2,500	-	0.0%
Other Business License/Permit	15,815	21,628	18,860	18,000	19,000	1,000	5.6%
NPDES Permit	13,475	16,800	16,275	17,000	17,000	-	0.0%
Building Permit	521,105	432,043	529,310	550,000	550,000	-	0.0%
Plumbing/Heating Permit	214,743	113,621	181,989	180,000	185,000	5,000	2.8%
Permit Surcharge	657	3,088	926	700	1,000	300	42.9%
Animal License	810	450	950	500	500	-	0.0%
Other Non-Business Lic/Permit	32,782	12,942	43,316	30,000	35,000	5,000	16.7%
Total Licenses & Permits	976,260	768,995	941,230	984,700	992,000	7,300	0.7%
<u>Intergovernmental Revenue</u>							
Federal Grant	1,872	-	-	-	-	-	0.0%
MV Credit	5,786	5,360	5,476	6,000	6,000	-	0.0%
Fire State Aid	279,775	329,633	377,036	300,000	325,000	25,000	8.3%
Police State Aid	339,387	414,088	444,627	425,000	435,000	10,000	2.4%
Police Training Reimb	31,316	31,423	31,822	35,000	35,000	-	0.0%
State Crime Prevention Grant	48,781	128,329	68,321	50,000	50,000	-	0.0%
Other Grants	-	12,397	25,640	-	-	-	0.0%
Total Intergovernment Revenue	706,917	921,230	952,922	816,000	851,000	35,000	4.3%
<u>Charges for Services</u>							
Planning & Zoning Fees	22,572	29,435	45,303	25,000	30,000	5,000	20.0%
Plan Check Fee	216,110	184,004	245,515	230,000	230,000	-	0.0%
Special Assessment Search	365	210	180	500	300	(200)	-40.0%
Copies	1,032	1,284	1,234	1,500	1,500	-	0.0%
Other General Govt Services	330	173	122	-	-	-	0.0%
Lockout Fees	2,700	2,228	2,365	3,000	2,500	(500)	-16.7%
Police Services	46,027	50,692	27,181	50,000	50,000	-	0.0%
School Liaison	184,055	195,965	203,003	200,000	210,000	10,000	5.0%
Animal Impound Fee	400	500	900	500	500	-	0.0%
Fire Contracts	430,774	470,798	459,512	480,050	195,150	(284,900)	-59.3%
Fire Services	6,600	7,009	3,975	5,000	5,000	-	0.0%
Street Services	23,182	37,738	25,671	35,000	35,000	-	0.0%
Engineering Services Reimb	22,542	11,999	19,849	20,000	20,000	-	0.0%
Recreation Fees	53,082	49,424	56,662	52,500	69,000	16,500	31.4%
Sr Center Activities	43,817	46,450	56,605	55,500	57,750	2,250	4.1%
Farmer's Market	48,492	57,987	57,077	15,000	15,600	600	4.0%
Elk RiverFest	27,250	23,028	7,915	15,000	15,200	200	1.3%
Park Use Fee	64,433	83,509	88,912	77,000	93,600	16,600	21.6%
Building Rent	-	-	372	-	1,000	1,000	0.0%
Sewer Inspection Fee	16,250	17,515	17,530	15,000	17,000	2,000	13.3%
Contractor License Check	795	1,060	1,203	1,200	1,200	-	0.0%
Total Charges for Services	1,210,808	1,271,008	1,321,086	1,281,750	1,050,300	(231,450)	-18.1%

REVENUES:	2023 ACTUAL	2024 ACTUAL	2025 ACTUAL	2026 BUDGET	2027 PRELIMINARY	INCREASE/ DECREASE	% CHANGE
<u>Fines</u>							
Court Fines	165,910	173,459	140,275	170,000	150,000	(20,000)	-11.8%
Ordinance Violations	4,000	3,100	1,000	-	-	-	0.0%
Total Fines	169,910	176,559	141,275	170,000	150,000	(20,000)	-11.8%
<u>Other Revenue</u>							
Interest Income	202,983	235,657	283,078	200,000	300,000	100,000	50.0%
Refunds & Reimbursements	188,548	199,996	193,609	175,000	200,000	25,000	14.3%
Contributions - Concert Sponsorships	42,260	26,250	26,000	27,000	35,000	8,000	29.6%
Miscellaneous Revenue	11,819	15,298	23,262	12,000	15,000	3,000	25.0%
Total Other Revenue	445,610	477,201	525,949	414,000	550,000	136,000	32.9%
<u>Other Financing Sources</u>							
Other Financing Source - Lease	-	99,914	501,594	-	-	-	0.0%
<u>Transfers In</u>							
Transfers	300,749	4,568	-	-	-	-	-
Transfer-Capital Outlay Reserv	78,500	97,500	95,000	89,000	101,000	12,000	13.5%
Transfer-WWTP	170,000	175,000	180,000	187,200	194,700	7,500	4.0%
Transfer-Liquor	1,000,000	1,000,000	850,000	850,000	-	(850,000)	-100.0%
Transfer-Garbage	56,500	58,000	60,000	62,400	64,900	2,500	4.0%
Transfer-Utilities	1,380,000	1,400,000	1,450,000	1,500,000	1,875,000	375,000	25.0%
Transfer-Stormwater	135,000	135,000	125,000	130,000	135,200	5,200	4.0%
Transfer-EDA	45,000	46,000	48,000	49,900	51,900	2,000	4.0%
Transfer-HRA	36,500	37,500	39,000	40,550	42,200	1,650	4.1%
Total Transfers In	3,202,249	2,953,568	2,847,000	2,909,050	2,464,900	(444,150)	-15.3%
Total General Fund Revenues	20,653,401	21,724,060	23,011,985	23,659,950	25,806,350	2,146,400	9.1%

CITY OF ELK RIVER
2027 PRELIMINARY BUDGET
GENERAL FUND EXPENDITURES BY ACCOUNT

EXPENDITURES:	2023 ACTUAL	2024 ACTUAL	2025 ACTUAL	2026 BUDGET	2027 PRELIMINARY	INCREASE/ (DECREASE)	% CHANGE	% BUDGET
<u>Personal Services</u>								
Full Time Salaries	\$10,315,488	\$11,138,091	\$11,559,406	\$12,125,050	\$13,310,350	\$1,185,300	9.8%	
Overtime	282,114	366,518	312,209	263,500	252,500	(\$11,000)	-4.2%	
Part Time Salaries	587,971	641,397	749,629	848,000	866,650	\$18,650	2.2%	
PERA	1,246,038	1,335,673	1,403,009	1,488,050	1,663,550	\$175,500	11.8%	
FICA	402,197	429,413	443,019	489,850	518,700	\$28,850	5.9%	
Other Retirement Contributions	309,775	359,633	407,036	330,000	355,000	\$25,000	7.6%	
Medicare	158,966	167,269	173,690	191,350	209,800	\$18,450	9.6%	
Insurance	1,491,007	1,536,726	1,531,831	1,734,750	1,842,300	\$107,550	6.2%	
Workers Compensation	439,336	504,608	437,380	499,650	598,300	\$98,650	19.7%	
Unemployment Benefits	1,175	6,393	8,171	-	-	\$0	0.0%	
PFML	-	-	-	65,100	71,550	\$6,450	9.9%	
Total Personal Services	15,234,067	16,485,720	17,025,378	18,035,300	19,688,700	1,653,400	9.2%	76.29%
<u>Supplies</u>								
Office Supplies	21,108	22,161	17,896	21,700	24,150	2,450	11.3%	
Fuels/Lubes	250,078	190,673	188,748	268,650	270,450	1,800	0.7%	
Uniform Allowance	81,967	91,971	94,410	113,550	94,400	(19,150)	-16.9%	
Operating Supplies	887,802	698,920	774,125	812,700	807,650	(5,050)	-0.6%	
Equipment Parts	189,628	154,597	148,304	181,800	178,300	(3,500)	-1.9%	
Street Signs	11,205	24,417	12,059	32,000	31,500	(500)	-1.6%	
Total Supplies	1,441,788	1,182,739	1,235,541	1,430,400	1,406,450	(23,950)	-1.7%	5.45%
<u>Services & Charges</u>								
Audit Fees	19,838	21,480	21,500	23,000	27,000	4,000	17.4%	
Engineering Fees	4,220	1,088	16,165	1,500	1,000	(500)	-33.3%	
Legal Fees	288,808	334,342	340,357	340,000	370,000	30,000	8.8%	
Professional Services	197,651	194,156	251,635	211,800	226,350	14,550	6.9%	
Telephone	77,233	79,172	75,291	92,350	123,050	30,700	33.2%	
Postage	12,788	11,936	14,376	12,350	14,750	2,400	19.4%	
Travel, Conferences/Schools	147,637	146,865	154,039	211,400	218,350	6,950	3.3%	
Car Allowance	9,600	9,600	9,600	9,600	9,600	-	0.0%	
Advertising/Marketing	9,819	2,704	2,447	8,000	4,500	(3,500)	-43.8%	
Publishing	15,875	21,759	15,973	18,750	18,150	(600)	-3.2%	
Property/liability Insurance	222,189	250,560	252,980	296,300	280,550	(15,750)	-5.3%	
Utilities	535,974	487,325	497,050	540,600	548,950	8,350	1.5%	
Building Maintenance	183,421	205,230	186,579	199,550	200,550	1,000	0.5%	
Equipment/Software Maint.	575,749	643,449	714,770	921,150	1,015,150	94,000	10.2%	
Contractual Services	358,717	366,872	414,490	431,400	432,900	1,500	0.3%	
Building Rent	1,841	7,754	9,809	5,500	5,500	-	0.0%	
Equipment Rental	18,200	30,395	29,332	34,100	30,000	(4,100)	-12.0%	
Dues & Subscriptions	54,389	56,427	65,461	105,900	106,450	550	0.5%	
Taxes & Licenses	802	4,865	13,838	1,850	4,350	2,500	135.1%	
Credit Card Fees	40,056	60,112	69,767	61,000	76,100	15,100	24.8%	
Miscellaneous	44,251	52,310	46,709	14,500	14,450	(50)	-0.3%	
Fleet Replacement Charge	436,500	471,000	509,000	539,550	571,950	32,400	6.0%	
IT Equipment Charge	92,600	92,600	88,450	114,100	99,000	(15,100)	-13.2%	
Total Services & Charges	3,348,158	3,552,000	3,799,620	4,194,250	4,398,650	204,400	4.9%	17.04%
Capital Outlay	3,830	75,409	-	-	312,550	312,550	-	1.21%
Debt Service (Leases)	110,258	208,949	607,216	-	-	-	0.0%	
Transfers Out	-	-	-	-	-	-	-	
Total General Fund Expenditures	\$20,138,101	21,504,817	22,667,755	23,659,950	25,806,350	\$2,146,400	9.1%	

Capital Outlay Requests - 2027

<u>Department</u>	<u>Description</u>	<u>Amount</u>
Streets	Upgrade Cat Loader Unit 80	15,250
Facilities Maint.	Salt spreader	6,000
Facilities Maint.	Gate lift for van	12,000
Parks	Transition from John Deere tractor to Cat Mini Wheel Loader	50,000
Parks	Perkins Garbage Dump Box	44,000
Total		127,250
Fire	Interfund loan payment (Ladder truck)	185,300
		312,550

Removed from budget

Police	Transition from Chevy Equinox to 1500 Pick-up	14,200
Police	Transition from Ford PIU to Tahoe	14,450
Police	Transition from Ford PIU to Tahoe	14,450
Streets	Tandem Plow Truck (with staff addition)	395,000
Parks	Sidewalk Machine (with staff addition)	220,000
		658,100

**2027 BUDGET
PERSONNEL REQUESTS**

***INCLUDED IN GENERAL FUND BUDGET**

	Department:	Police	Police	Police	GENERAL FUND
	Position:	Patrol Officer	Patrol Officer	Sergeant	TOTAL
4101	Regular Pay	97,400	97,400	28,350	223,150
4102	Overtime Pay				-
4103	Part-Time Pay				-
4104	PERA	17,250	17,250	5,000	39,500
4105	FICA				-
4107	Medicare	1,400	1,400	400	3,200
4108	Insurance	10,200	10,200	-	20,400
4109	Workers Comp	7,050	7,050	1,850	15,950
4112	MNPL	500	500	100	1,100
Total Personal Services		133,800	133,800	35,700	303,300
<u>Additional Costs:</u>					
4217	Uniform Allowance	6,400	6,400		12,800
4219	Supplies	4,000	4,000	3,000	11,000
4331	Training/License	4,000	4,000		8,000
4361	Auto insurance				0
4560	Equipment - vehicle				0
Total Additional Costs		14,400	14,400	3,000	31,800
Total Position Requests		148,200	148,200	38,700	335,100
		*included	*included	*included	

*promote current officer (not adding staff)

***REMOVED FROM GENERAL FUND BUDGET**

Streets	Streets	Parks		GENERAL FUND
Lead Operator	SMO2	Park Maint. Worker		TOTAL
12,300	67,900	67,900		148,100
				-
				-
900	5,100	5,100		11,100
750	4,200	4,200		9,150
200	1,000	1,000		2,200
-	10,200	10,200		20,400
450	3,000	3,000		6,450
150	350	350		850
14,750	91,750	91,750	-	198,250
				-
				-
				-
	395,000 (plow truck)	220,000 (sidewalk machine)		615,000
-	395,000	220,000	-	615,000
14,750	486,750	311,750	-	813,250
*removed	*removed	*removed		

*promote current employee (not adding staff)

CITY OF ELK RIVER ESTIMATED TAX IMPACT

Residential (Homestead): With Valuation Change Impact

Estimated Property Value		Value Change	Market Value Exclusion		Tax Capacity Value		Estimated City Tax Tax Capacity Rate		Dollar Change		Percent change
			2026	2027	2026	2027	41.201%	45.361%	ANNUAL	MONTHLY	
2026	2027						2026	2027			
\$296,600	\$298,100	0.5%	\$19,856	\$19,721	\$2,767	\$2,784	\$1,140	\$1,263	\$123	\$10.25	10.8%
\$344,500	\$346,600	0.6%	\$15,545	\$15,356	\$3,290	\$3,312	\$1,355	\$1,503	\$148	\$12.33	10.9%
\$349,900	\$347,000	-0.8%	\$15,059	\$15,320	\$3,348	\$3,317	\$1,380	\$1,505	\$125	\$10.42	9.1%
\$394,500	\$391,500	-0.8%	\$11,045	\$11,315	\$3,835	\$3,802	\$1,580	\$1,725	\$145	\$12.08	9.2%
\$473,200	\$471,000	-0.5%	\$3,962	\$4,160	\$4,692	\$4,668	\$1,933	\$2,118	\$185	\$15.42	9.6%
\$571,300	\$567,300	-0.7%	\$0	\$0	\$5,713	\$5,673	\$2,354	\$2,573	\$219	\$18.25	9.3%
\$615,800	\$626,600	1.8%	\$0	\$0	\$6,158	\$6,266	\$2,537	\$2,842	\$305	\$25.42	12.0%
\$375,000	\$375,000	0.0%	\$12,800	\$12,800	\$3,622	\$3,622	\$1,492	\$1,643	\$151	\$12.58	10.1%

* As property value increases, the market value exclusion is phased out at \$517,200 & over (an increase from \$413,800 & over in 2024).

Commercial/Industrial:

Estimated Property Value		Value Change	Tax Capacity Value		Estimated City Tax Tax Capacity Rate		Dollar Change		Percent change
			2026	2027	41.201%	45.361%	ANNUAL	MONTHLY	
2026	2027				2026	2027			
\$2,355,200	\$2,518,200	6.9%	\$46,354	\$49,614	\$19,098	\$22,505	\$3,407	\$283.92	17.8%
\$3,896,300	\$4,156,300	6.7%	\$77,176	\$82,376	\$31,797	\$37,367	\$5,570	\$464.17	17.5%
\$5,426,200	\$5,695,800	5.0%	\$107,774	\$113,166	\$44,404	\$51,333	\$6,929	\$577.42	15.6%
\$1,688,200	\$1,783,400	5.6%	\$33,014	\$34,918	\$13,602	\$15,839	\$2,237	\$186.42	16.4%
\$3,000,000	\$3,000,000	0.0%	\$59,250	\$59,250	\$24,412	\$26,876	\$2,464	\$205.33	10.1%

2027 City of Elk River Budget

Levy increases past 10 yers

2017 4.85%

2018 6.0%

2019 7.90%

2020 7.8%

2021 1.9%

2022 6.0%

2023 8.7%

2024 10.2%

2025 4.4%

2026 7.4%

10-year average 6.5%

\$19,548,150 Tax levy with 15.9% increase over 2026

\$18,803,861 Tax levy with 11.5% increase over 2026

\$18,044,961 Tax levy with 7.0% increase over 2026

\$758,900 Difference between 11.5% and 7.0% levy increase

Several years ago I suggested we start using some of the liquor funds to supplement the revenues in the general fund budget. We have done that to the tune of about \$3 million ove the last few budgets.

This is an extraordinary budget year. Many counties and cities are talking about double digit levy increases. We should be a leader and not a follower concerning this trend and stay away from double digit increases.

I am proposing a ONE TIME transfer from the Government Building fund to bring the 2027 proposed levy down to 7%.

It would involve removing these two items from the levy:

\$387,823 Bond payment for Fire Station 3

\$366,550 Remove IT/Equipment replacement charges in 27 budget

\$754,373 Total from Government Building Fund

Below is an analysis of the Government Building Fund

We are fortunate to have this fund so repairs to our buildings do not have to be added to the property tax levy

\$5,158,485 Balance 6/30/26

\$800,000 Second half 2026 Landfill payment

\$1,800,000 2027 Landfill payment

\$1,800,000 2028 Landfill payment

\$800,000 2029 Landfill payment (Closing 6/30/29)

\$741,200 2026-2029) Repayments on loan for Ladder Fire truck

(\$120,000) Library roof

(????) Roofs for Old part of FT Center, Public Works building

(754,373) Transfer to reduce 2027 levy

(1,173,985) Public Works Bldg payment (2027-2029)

\$9,051,327 Balance less roofs for FT Center, Public Works Bldg.

Public Safety (Police, Fire, Streets) is 65% of the City's 2027 budget. The proposed General Fund increase is virtually all for Public Safety.