



**Meeting of the City Council
Held at the Elk River City Hall
Tuesday, January 21, 2025**

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

Members Absent: None.

Staff Present: City Administrator Cal Portner, Senior Planner Chris Leeseberg, Business Services Director/Assistant City Administrator Joe Stremcha, and Records Specialist Katie Porath

1. CALL MEETING TO ORDER

Pursuant to due call and notice thereof, the meeting was called to order at 6:06 p.m.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

3. CONSIDER AGENDA

Councilmember Grupa asked to remove Item 4.5 for further discussion. Mayor Dietz moved Item 4.5 after Item 5.

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 Grupa and seconded by Councilmember Wagner to approve the following consent items as outlined in their respective staff reports, with Item 4.5 removed. Motion carried 5-0.

4.1 January 6, 2025, Minutes

4.2 Check Register

4.3 Pay Estimates

4.4 Consumption and Display Permit - Aegir Brewing Company

4.5 Resolution 25-03: Premises Permit for Elk River Youth Hockey Association at the FT Center

This item was removed from consent.

4.6 Resolution 25-04: Premises Permit for Elk River-Rogers VFW Post 5518

4.7 Resolution 25-05 Hazardous Property Order for 19116 Troy St NW

4.8 Amendment #1 to Agreement 23-03: Broadband Grant Project #2 Extension

4.9 2025 Solid Waste Hauler License Applications

4.10 Hire Public Works Supervisor

4.11 Hire Environmental Services and Projects Specialist

4.12 Pay Equity Compliance Report

5. OPEN FORUM

No one appeared for Open Forum.

Item 4.5 Resolution 25-03: Premises Permit for Elk River Youth Hockey Association at the FT Center

Councilmember Grupa asked if pull tabs would be restricted to a certain area of the Furniture and Things Community Event Center. Mr. Stremcha stated that they would be limited to the Overlook Lounge area and only during business operations.

Councilmember Wagner asked if the permit had been discussed at the Commission level. Mr. Stremcha stated it was in a staff report but not discussed by the Commissioners.

The council discussed the process of obtaining a permit. Mayor Dietz asked if other groups were allowed to get the permit. Mr. Stremcha stated the permit was available for 30 days for someone to apply and Elk River Youth Hockey was the only applicant.

Moved by Councilmember Beyer and seconded by Councilmember Wagner to adopt Resolution 25-03 approving a premises permit for the Elk River Youth Hockey Association. Motion carried 5-0.

6. PRESENTATIONS, AWARDS, AND RECOGNITION

6.1 City of Elk River Volunteer of the Month

Mayor Dietz presented the January Volunteer of the Month award to Karen Korthauer. He highlighted the following:

- Weekly volunteer at CAER for two years.
- An ideal front desk person for CAER with a warm and welcoming personality.
- Works with others in distributing CAER Kids Weekend packages.
- Involved with CAER's Trot O'Gold 5K and Shoe Bus events.
- Part of Central Lutheran Church Hospitality team for several years.
- Helps to oversee Central Lutheran's Christmas Cheer outreach ministry.
- Volunteered at her church and her daughter's school in Savage before moving to Elk River.

7. PUBLIC HEARINGS

7.1 Preliminary Plat and Resolution 25-06 for Final Plat: Norrgard Wooded Acres, PID 75-00937-0110, Chaz Norrgard

The staff report was presented.

Mayor Dietz opened the public hearing. There being no one to speak to this matter, Mayor Dietz closed the public hearing.

The Council discussed allowing a 15-foot easement instead of a 30-foot easement. Mr. Leeseberg said there may have been some confusion at the Parks and Recreation Commission between an easement and the Right-of-Way. Staff felt that 15 feet was sufficient.

Moved by Councilmember Wagner and seconded by Councilmember Beyer to approve the preliminary plat for Norrgard Wooded Acres. Motion carried 5-0.

Moved by Councilmember Wagner and seconded by Councilmember Grupa to adopt Resolution 25-06 approving the final plat of Norrgard Wooded Acres with the following conditions, changing Condition number two to a 15-foot trail easement:

- 1. Park Dedication Fees shall be paid for two dwelling units at the rate applicable when the subdivision is released for recording.**
- 2. A 15-foot trail easement within the front yards of the parcels along Jarvis Street shall be prepared by the applicant and recorded along with the final plat. Motion carried 5-0.**

8. GENERAL BUSINESS

8.1 Information Security Subcommittee Appointment

Moved by Councilmember Wagner and seconded by Councilmember Beyer to appoint Councilmember Calva to the Information Security Committee. Motion carried 5-0.

9. MOTION TO ADJOURN REGULAR MEETING

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

The regular meeting adjourned at 6:24 p.m. Mayor Dietz called the work session to order at 6:30 p.m.

10. WORK SESSION

10.1 Cannabis Business Plan

The staff report was presented. Mr. Stremcha stated that staff would not be doing independent lab testing for potency.

The council discussed whether the store should be attached to the current liquor stores or detached. Mr. Stremcha was in favor of a detached store.

Councilmember Calva expressed concern with the location and appearance of the cannabis stores.

Mayor Dietz confirmed that a new manager would be under Joe Audette. He asked about cross-training liquor store employees to work at a cannabis store. Mr. Stremcha explained that any new employees would train in city processes before working at a cannabis store. He added that THC would continue to be sold at Northbound and Westbound liquor stores.

Mayor Dietz asked about involving police in the transfer of daily deposits. Mr. Stremcha stated it would be similar to the liquor store arrangement, depending on sales.

Mr. Portner explained the distribution of money from the taxes set on the sale of products. Mr. Stremcha outlined projected potential sales over the next few years based on statistics from other states that sell cannabis products. There would likely be no profit or break even in the first year. Liquor store funds could be used for start-up costs.

Councilmember Wagner stated a future discussion should address whether funds may be labeled for a specific purpose or transferred to the General Fund.

Mr. Stremcha will return to the council with an architect to discuss building options.

11. MOTION TO ADJOURN WORK SESSION

Moved by Councilmember Beyer and seconded by Councilmember Wagner to adjourn the work session. Motion carried 5-0.

The meeting adjourned at 7:11 p.m.

12. CLOSED MEETING - PID 75-00131-2100

Council Present: Mayor John Dietz, Councilmembers Cory Grupa, J. Brian Calva, Mike Beyer, and Jennifer Wagner

Staff Present: Business Services Director/Assistant City Administrator Joe Stremcha, City Administrator Cal Portner, and Records Specialist Katie Porath

Mayor Dietz read the following statement:

12.1 Statement to be read by the Mayor:

"The City Council will be holding a closed meeting pursuant to MN Statute Section 13D.05, Subdivision 3 to discuss offers/counteroffers for real property (PID 75-00131-2100)."

12.2 Motion Calling Closed Meeting

The closed meeting was called to order at 7:12 p.m.

Moved by Councilmember Wagner and seconded by Councilmember Beyer to open the closed meeting. Motion carried 5-0.

12.3 Hold Closed Meeting

12.4 Motion to Adjourn Closed Meeting

Moved by Councilmember Wagner and seconded by Councilmember Beyer to adjourn the closed meeting. Motion carried 5-0.

The meeting adjourned at 7:17 p.m.

Minutes prepared by Katie Porath.

13. INFORMATION



John J. Dietz, Mayor



Tina Allard, City Clerk