



**Meeting of the City Council
Held at the Elk River City Hall
Monday, July 28, 2025**

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

Members Absent: None

Staff Present: City Administrator Cal Portner, Business Services Director/Assistant City Administrator Joe Stremcha, Public Works Director/Chief Engineer Justin Femrite, Facilities Maintenance Superintendent Gary Lore, Engineering Project Manager Ryan Sandhoefner, Environmental Services/Projects Specialist Joe Hale, Park Division Foreman Josh Bass, Street Division Foreman Chris Teff, Wastewater Treatment Chief Operator Matt Stevens, Park and Recreation Manager Jeff Shelby, Liquor Operations Manager Joe Audette, Finance Manager Lori Stich, Accountant Jill Knutson, and City Clerk Tina Allard

1. CALL MEETING TO ORDER

Pursuant to due call and notice thereof, the meeting was called to order at 4:04 p.m.

1.1 Notice of Meeting by Interactive Technology

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

3. 2026 BUDGET

3.1 2026 Budget Discussion/Presentations

The Council met with various departmental staff to review budget requests for 2026.

Park Maintenance

Staff noted there may be future discussion about doing long-term tree maintenance for the emerald ash borer in Orono Park in order to keep some trees longer.

WWTP

There was discussion on the failure of a lift station and processes implemented to help prevent issues in the future.

Garbage

Staff expressed its appreciation to Elk River Municipal Utilities for the excellent customer service they provide to the community with this city program.

Liquor

Mr. Stremcha reviewed the organizational structure for the liquor and cannabis operations.

Mayor Dietz expressed concern about adding a staff person to the liquor store budget. Mr. Portner stated it would help free up the liquor store managers to be more engaged with marketing efforts.

Mayor Dietz suggested taking a step back from transfers from the liquor store fund in 2026 due to the store construction projects. He also suggested dropping the General Fund Reserves from 45% to 40-41% to offset the liquor transfer loss. Mr. Portner recommended waiting until after bonding for the city construction projects, which could be a year or two down the road.

Cannabound

The Council had some questions on how the implementation process of opening a new cannabis store will work, such as paying vendors, purchasing a large amount of products, and banking. Staff indicated some of these components are still being worked out.

Senior Center

There was a discussion about why guests under the age of 55 are not allowed to participate at the senior activity center. Mr. Shelby stated that the programming is designed for the senior members. He stated they don't want to be put in a position to be taken advantage of, noting a few past examples. He suggested they could schedule open houses a few times a year. Councilmember Wagner stated she didn't see why a member couldn't bring a grandchild for a day. Councilmember Calva agreed, stating seniors are proud of their kids and grandchildren and want to show them off. There was a discussion about how a guest pass program could work.

There was discussion about conflicts between senior programming needing space and room rental opportunities, which bring in revenue, at the community center. Funds for room rental are proposed in the senior center budget to guarantee space for senior programming. Mayor Dietz questioned if this would raise membership fees, and Mr. Shelby stated yes. Councilmember Grupa stated this should be stabilized, so the seniors don't feel they are being pushed around and can have their own space and a set routine. There was also discussion about whether the true costs of the senior center are being captured correctly in the budget.

Recreation

Mayor Dietz questioned the elimination of the brochure that was mailed to residents and the drop in registrations. He asked how the city could grow its programming. Mr. Shelby stated one of the biggest challenges is space, noting that more gym and field space is needed. Mr. Portner also discussed how there is less interest in some of the traditional programs.

Finance

There was discussion on restructuring some positions in finance and administration.

Fire

Mayor Dietz stated he was unsure he could support the new position request for a community risk reduction specialist in the fire department. Mr. Portner stated this position would oversee the rental program, do some backfill work for a future retirement, along with fire response during daytime hours, which is lacking. Mayor Dietz stated that the current staff would have the capacity to handle the rental inspections.

4. MOTION TO ADJOURN

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

The meeting adjourned at 6:27 p.m.

Minutes prepared by City Clerk Tina Allard.



John J. Dietz, Mayor



Tina Allard, City Clerk