



**Meeting of the City Council
Held at the Elk River City Hall
Monday, September 15, 2025**

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

Members Absent: Councilmember Cory Grupa

Staff Present: City Administrator Cal Portner, City Attorney Jared Shepherd, Economic Development Director Brent O'Neil, Senior Planner Chris Leeseberg, Business Services Director/Assistant City Administrator Joe Stremcha, Fire Chief Mark Dickinson, Finance Manager Lori Stich, Engineering Project Manager Ryan Sandhoefner, Environmental Services and Projects Specialist Joe Hale, City Clerk Tina Allard, and Deputy Clerk Jolene Richter.

1. CALL MEETING TO ORDER

Pursuant to due call and notice thereof, the meeting was called to order at 6:00 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 4-0.

4. CONSENT AGENDA

Moved by Councilmember Beyer and seconded by Councilmember Calva to approve the following consent items as outlined in their respective staff reports. Motion carried 4-0.

4.1 September 2, 2025, Special Budget Minutes

4.2 September 2, 2025, Regular Minutes

4.3 Check Register

4.4 Temporary Liquor License: Aegir Brewing Company

4.5 On-Sale Intoxicating Liquor License: MFS Foods Inc., DBA Tipsy on Main

4.6 2026 Flexible Benefits Plan

4.7 Hire Administrative Assistant for the Fire Department

5. OPEN FORUM

No one appeared for open forum.

6. PRESENTATIONS, AWARDS, AND RECOGNITION

6.1 City of Elk River Volunteer of the Month

Mayor Dietz presented the September Volunteer of the Month award to Janet McCarty. He highlighted the following:

- Thumbs Up after-school program
- CAER - bagging, greeting, and check-in
- United Way Shiver Event, Volunteer Hub Coordinator
- MOPS - mentor mom
- KTIS Krew - concerts and events around the cities
- Every Meal — Lincoln Elementary food distribution
- House Church leader at Central Lutheran Church
- Elk River Rotary - QuickBooks consulting

6.2 Proclamation: Constitution Week

Mayor Dietz recognized and presented the Constitution Week Proclamation to the Daughters of the American Revolution member, Marilyn Schroeder.

7. PUBLIC HEARINGS

7.1 Conditional Use Permit: Motor Vehicle Sales and Repair, Pavel Liashkovich - 15777 Jarvis St NW

The staff report was presented.

Mayor Dietz opened the public hearing.

Eduard Yukhimchuk, 20266 Yale Street NW, who owns and operates the business at 15777 Jarvis Street, stated that he is available to answer questions.

Mayor Dietz closed the public hearing.

Councilmember Wagner asked the applicant if they were good with the conditions. Mr. Yukhimchuk said yes.

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 Conditional Use Permit shall not be recorded until all conditions have been completed.**
- 2. 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.**
- 3. Outdoor storage of damaged or inoperable vehicles shall be allowed only in the fenced-in outdoor storage area as shown on Exhibit A.**
- 4. Hazardous materials shall be handled and disposed of in accordance with the Minnesota Pollution Control Agency (MPCA).**
- 5. The number of motor vehicle sales dealers shall be limited to two (2).**
- 6. No more than 10 “for sale” vehicles may be displayed on the subject property.**
- 7. All motor vehicle repairs, body work, or detailing shall only occur inside the building.**
- 8. Exterior doors shall be closed while any motor vehicle repair, body work, or detailing occurs.**
- 9. A code analysis finding building code compliance for the entire building shall be prepared by appropriate registered professionals.**
- 10. The parking lot shall be striped to city requirements.**
- 11. Ten signs shall be installed indicating “For Sale” vehicles.**
- 12. Conditions 9-11 must be completed by October 31, 2025, or the CUP will be brought to the City Council on November 17, 2025, to discuss revocation.**
- 13. An amendment to this Conditional Use Permit will be required for future changes/additions not shown on Exhibit A.**
- 14. Conditional Use Permit CU 23-20 shall become void.**

Motion carried 4-0.

7.2 Variance: Garage/Accessory Dwelling Unit Size, Jennifer Belde - 21131 Vernon St NW

The staff report was presented.

Mayor Dietz opened the public hearing.

Jennifer and Josh Belde, 21131 Vernon St NW, read the handout expressing the need for the accessory dwelling unit.

Mayor Dietz closed the public hearing.

Councilmember Beyer asked if there were any concerns from the neighbors. Mr. Leeseberg explained that there were questions from the neighbors about who can have an accessory dwelling unit and stated that anyone in that neighborhood could have one if space allows.

Attorney Shepherd explained that the disability portion of the request was not expressed at the Board of Adjustments. Still, it was expressed tonight, and therefore suggested they continue this item to get more information regarding the variance as it pertains to the disability criteria.

Moved by Councilmember Beyer and seconded by Councilmember Wagner to continue Item 7.2 Variance: Garage/Accessory Dwelling Unit Size, Jennifer Belde - 21131 Vernon St NW to the October 6, 2025, Council meeting. Motion carried 4-0.

7.3 Preliminary Plat: Prairie Haven, Gavin Hemmer - 13631 192 1/2 Ave NW

The staff report was presented.

Mayor Dietz opened the public hearing.

Gavin Hemmer, 13776 189th Ave NW, stated he is available for any questions.

Mayor Dietz closed the public hearing.

Moved by Councilmember Calva and seconded by Councilmember Beyer to approve the preliminary plat of Prairie Haven. Motion carried 4-0.

7.4 Resolution 25-46: Easement Vacation in Meadowsweet Hills, 13495 Ranch Road NW - Twin Cities Land Development

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.

Moved by Councilmember Beyer and seconded by Councilmember Calva to adopt Resolution 25-46 vacating all drainage and utility easements on Lot 1, Block 1, Meadowsweet Hills, subject to the condition that the plat of Meadowsweet Bend is recorded immediately after the vacation resolution. Motion carried 4-0.

7.5 Pat Briggs Planned Unit Development (PUD): Two 79-unit Apartment Buildings, Land Use Amendment, Zone Change, and Ordinance Amendment - 17379 Twin Lakes Rd NW

The staff report was presented.

Mayor Dietz opened the public hearing.

Morgan Duvall and Matt Lorfald, 17395 Twin Lakes Rd, wanted to express their concerns about an apartment building going up next to their property. They stated they did not know there was going to be an apartment building in the area when they purchased their home two years ago, and bought the property because of the character of the neighborhood, which will be completely changed if an apartment building gets built next to them.

Mayor Dietz closed the public hearing.

Moved by Councilmember Wagner and seconded by Councilmember Calva to continue the public hearing to October 20, 2025. Motion carried 4-0.

8. GENERAL BUSINESS

8.1 Everlight Solar: Appeal of Revocation of Solicitor Licenses

The staff report was presented.

Wade Shepherd, Everlight Solar Sales Development Manager, explained that the bullet points that were heard in the video are the bullet points they use as general information on how the program works. He also stated that they receive a verbal confirmation from the homeowner that they understand that Everlight is not from a power company. He added that they are invested in Minnesota and have a responsibility to the community, and would like to present themselves in a way that will be positive for the business long-term. He stated they advertise their business by going door-to-door to offer no-cost consultations to the homeowner to see a customer report for their house to understand how it works. He explained they are taking this seriously and approaching this to make sure Everlight is represented in the best light possible, because they have helped tons of people in the state of Minnesota to go solar, and they hope to continue.

Nick Carnagey, Everlight Solar Manager, explained that they take the time to get solicitors' permits to do it the right way. They work hard and get positive reviews. He explained that when they get a permit revoked, they need to list on all other cities' applications that they have had permits revoked, which affects the application process in other cities.

Mr. W. Shepherd stated that the sales representative in the video did not handle the situation very well, as they were trained to do, and needs more training. He also pointed out that the sales representative had on an Everlight Solar shirt and badge, therefore clearly representing Everlight Solar and not the city.

Councilmember Wagner explained her experience when they came to her house. She explained that it was not a very good showing by the company. She further stated that during the conversation, the salesperson was representing the Elk River Municipal Utilities (ERMU). She stated she stopped him, told him she was on the Elk River City Council, and that she knew ERMU did not hire him to represent them. She told him he was expressing incorrect information. She stated that even after she told him this, he kept talking. She then said that her answer was no, and she didn't want to be rude, but that she needed to walk away; however, he kept talking. Then she stated she said, "Please stop, I don't want to shut the door on you, but I need to walk away," and she stated that he kept talking. She walked away and said he still kept talking for 20 seconds or so, and then finally he walked away. She then confirmed with Mayor Dietz that Everlight Solar did not contract with ERMU. She then walked outside and approached them as they were still in the neighborhood and said, "Gentlemen, I am telling you, you cannot continue to represent yourself the way that you are. You are not associated with ERMU nor the city." After this encounter, she stated that her neighbors thanked her and also stated to her that the salespeople would not leave their doors and were rude. She explained there is no way she can allow them back into the community, given the way they have been acting.

Mr. W. Shepherd stated it is unfortunate that this was her experience and explained that the number of people the solicitors talk to is significant, with positive responses versus the number of complaints. He again stated that it is unfortunate, but it is not indicative of the way they train their staff to operate.

Councilmember Wagner added she doesn't want to do a disservice to their business, but the business did a disservice to the community.

Mr. Carnagey explained that there was no opportunity to fix the situation and to train staff regarding the situation. He also stated they understood they signed an agreement when they got their solicitor's license, acknowledging their understanding of the city's rules and regulations. He explained that everyone has to start somewhere, and the person who was in the video was less than 60 days on the job. He would have liked the opportunity to have trained and fixed the situation, but instead, their licenses were already revoked at that point.

Councilmember Calva stated he felt inclined to say something because he is in sales himself, and it was really hard to watch the video. He explained that he feels this is a lesson to be learned, and the lesson is not to do this in the other communities that you work in, and he doesn't feel inclined to let them be in the city at this point.

Mr. Carnagey added that they understand there is a lesson to be learned. He then said that they are not asking for permission to knock door to door in the city, but rather if they can volunteer to turn in their licenses instead of being revoked, so they can have the opportunity to fix the situation. He further explained that revoking inhibits them in the future and eliminates them from being able to train and learn. He offered not to come into Elk River for the year 2026 and thought that would be fair.

Mr. Shepherd further added that a lot of the licensed solicitors on their list actually didn't even step foot in Elk River. They obtained a license just in case to make sure they were ready if they were to come to Elk River. He added that with the revocation, this affects those individuals as well, so instead they are requesting to relinquish the licenses, agree not to come to Elk River in 2026, and revisit in 2027 with better-trained staff.

The Council asked if that would be an option. City Attorney Jared Shepherd stated that it would be an option; they would have to reinstate the licenses for them to voluntarily relinquish the licenses.

Councilmember Beyer asked about the comment that was made about the fact that they did not get any warning or feedback before they were revoked.

Mr. W. Shepherd stated that they only saw the notice of revocation.

Councilmember Beyer wanted clarification if Everlight Solar received any complaints themselves.

Mr. W. Shepherd stated no.

Councilmember Beyer asked when the complaints started coming in.

Sara Youngs, Administration Director at ERMU, stated that she is the liaison who works closely with the solar company. She explained that when she first started, three years ago, they were in the same situation with Everlight, and at that time, the predecessor did ask for Everlight's licenses to be revoked for the same situation. She explained that they have worked with Everlight and have over 100 total solar customers in the service territory, and about eight applications are currently working with Everlight. They have given Everlight and their personnel the same feedback that we have been hearing tonight, with an aggressive sales approach, having to sign a contract, being pushed into a contract to sign that night, and not being able to talk. They had customers say that they had follow-up questions and were not able to get out of the contract after the three-day policy. She stated she is not saying one way or another what the Council should do, just saying the simple facts. She stated that they do have a net metering program, but asked if Everlight comes back into their territory, they do not state that the

customer won't receive a bill from ERMU, as they bill for five city services, so they will still receive a bill from ERMU. She also explained that the sun doesn't always shine here, so the customer is very frustrated that they still have to pay. She further explained that Everlight saying they were never told before they were revoked is not true, as it has been many years of conversations with Everlight, making sure they follow ERMU's process, and working with the frustrated customers. She stated that there are probably customers who are happy with the process, but she has received many calls that are not even documented regarding complaints, and the aggressive sales approach.

Councilmember Beyer asked if each solicitor had to sign to get a solicitor's permit. They stated that they have to sign for each solicitor online to receive a permit.

Mayor Dietz stated that he received a call that day from a resident who talked to Everlight. He is actually one of the football coaches here in Elk River, and the solicitor that he talked to was one of his former players. He stated that they were very pushy, but said he was interested, so he signed something, and they immediately wanted his bank account number. He didn't give him his bank account number. This resident stated that the last time he spoke with them, he confronted them, stating that they misrepresented themselves, stating they were from Elk River Municipal Utilities, and that they lied to him, and he wanted out. He was told that they didn't know if they could do that, as they already had permits for him. Mayor Dietz talked to the building department today, and there were no permits issued for this address for solar.

Mr. Shepherd stated that they are not working in Elk River right now and never once have they asked for bank account numbers.

Councilmember Wagner stated that it sounds like the company has an unfortunate track record, and that is really hard. She explained that she was considering giving them a chance, as it is a personal thing for her to give the younger generation a chance, but she doesn't think she can say yes to having them do business in Elk River.

Mr. Shepherd stated that the door knockers do not have the sit-down consultations and that the door knockers from 2023 are not the same door knockers as now in 2025. He stated that now all these individuals will have to put on every application that they have had their license revoked, and some have never set foot in Elk River.

Councilmember Wagner stated that, as discussed, when you are part of a team, you are part of a team. She probably would have felt different if they had walked away when asked, but they didn't.

Moved by Councilmember Wagner and seconded by Councilmember Calva to direct staff to prepare the resolution of findings upholding the revocation of the solicitor licenses. Motion carried 4-0.

8.2 Resolution 25-47: Approve Orono Lake Improvement District 2026 Budget

The staff report was presented.

Mayor Dietz asked if the dues have been the same since the start of the organization. Patrick Plant, OLID stated that it went up twice, from \$75 to \$94 then \$94 to \$100.

Mayor Dietz stated that they do a great job and they are great at what they do.

Moved by Councilmember Calva and seconded by Councilmember Beyer to adopt Resolution 25-47 approving OLID Resolution 25-01, 2026 OLID Annual Service and Activities Charge Request. Motion carried 4-0.

8.3 Orono Lake Eurasian Watermilfoil Treatment Cost Share

The staff report was presented.

Councilmember Calva asked how to treat milfoil in a lake that is also a river. Mr. Plant stated that there are different kinds of chemicals that they can use, recommended by the DNR. There is a systemic herbicide that affects the plant almost immediately.

Moved by Councilmember Wagner and seconded by Councilmember Beyer to approve the contribution of \$975.07 to the Orono Lake Improvement District to assist with Eurasian Watermilfoil treatment costs. Motion carried 4-0.

8.4 Resolutions 25-48 and 25-49 for Land Purchase Agreements with Coborns (PID 75-00566-0220 and PID 75-00566-0210)

The staff report was presented.

Mayor Dietz asked if it would come out of the liquor store fund? Mr. O'Neil stated that it was the intention, yes.

Mayor Dietz asked if that would put us below the amount in the fund that they need. Mr. Portner stated he would have to look into it, but thinks it would be close.

Moved by Councilmember Wagner and seconded by Councilmember Beyer to adopt Resolution 25-48 authorizing execution of a purchase agreement for real estate (PID 75-00566-0220). Motion carried 4-0.

Moved by Councilmember Beyer and seconded by Councilmember Wagner to adopt Resolution 25-49 authorizing execution of a purchase agreement for a portion of real estate (PID 75-00566-0210). Motion carried 4-0.

8.5 Fire Station #1, Northbound, and Cannabound Construction Manager at Risk Agreements

The staff report was presented.

Mayor Dietz asked if it gets delayed, how does that affect the cost?

Ben Newlin, Terra Construction, answered, stating that if there is a change in the construction schedule, their fees wouldn't change for a reasonable period of time. If were a long time, there will likely be an inflationary adjustment.

No other action was taken at this time.

8.6 Set Budget Meeting Date and Adopt Resolution 25-50 Preliminary 2026 Tax Levy

The staff report was presented.

Mayor Dietz stated that the intent is to try to work with this to lower it before the December 1st public hearing.

Councilmember Wagner explained they worked through these budgets for months, and there are still some unknowns to work through, but for today, they do need to pass the resolution with the top dollar resolution with every intent to work through the budget to bring the net change down, and stated they will continue to work.

Moved by Councilmember Calva and seconded by Councilmember Beyer to adopt Resolution 25-50 authorizing the preliminary property tax levy for collection in 2026. Motion carried 4-0.

Moved by Councilmember Beyer and seconded by Councilmember Calva to set the budget meeting for 6:30 p.m., December 1, 2025, when public comment will be taken. Motion carried 4-0.

8.7 EDA Resolution 25-51 and HRA Resolution 25-52 - 2026 Budget and Tax Levy

Moved by Councilmember Wagner and seconded by Councilmember Beyer adopt Resolution 25-51 establishing the EDA tax levy of \$429,850 for collection in 2026.

Moved by Councilmember Beyer and seconded by Councilmember Calva to adopt Resolution 25-52 establishing the HRA tax levy of \$469,450 for collection in 2026. Motion carried 4-0.

9. MOTION TO ADJOURN REGULAR MEETING

Moved by Councilmember Calva and seconded by Councilmember Beyer to adjourn the meeting of City Council. Motion Carried 4-0.

The regular meeting adjourned at 7:53 p.m. Mayor Dietz called the work session to order at 7:57 p.m.

10. WORK SESSION

10.1 E-bike/Electric Scooter on Sidewalks

The staff report was presented.

Mayor Dietz stated that the county has just passed that they can have them on trails, but with a limited speed of 20 mph.

Mayor Dietz explained that he can understand having them on the trails, but is having a hard time having them on the sidewalks, and then explained that it depends on where in the city they are, downtown versus less busy areas.

Councilmember Calva says that seniors like to use scooters and thinks that it would be an advantage

for them to use them on sidewalks. He would like to find a way to make it safe for pedestrians, especially people who are older and have balance issues. He thinks bikes should ride on the road.

Councilmember Calva asked Mike Niziolek for his opinion regarding bikes on roads, as he is a bicyclist. Councilmember Calva asked his preference if he spent most of the time biking on the road. Mr. Niziolek stated yes, but doesn't think it is safe to be on the road. He said that a biker versus a car could lead to death; on the other hand, a biker versus a human could lead to injury.

Councilmember Calva continued to ask Mr. Niziolek what they could do to make bikes on sidewalks safe for pedestrians.

Mayor Dietz stated that maybe a rule depending on the area, instead of an overall rule. Mr. Niziolek explained that it would be a bigger picture where different types of bikes would be safe to use in different areas. He also suggested maybe looking at the speed of the areas as well. He suggested the most important piece is the education piece.

Mayor Dietz stated that E-bikes can go 28 mph.

Mr. Portner suggested having staff look at the sidewalk systems to identify areas with the most activity and come up with some restrictions for those areas. The Council agreed with that idea.

Mayor Dietz asked about the e-bikes, which can go 28 mph, and whether they should be off the sidewalks for sure.

Councilmember Wagner stated that if they are going 28 mph, they should be on the street, but maybe if they are going 8–10 mph.

Councilmember Calva brought up the fact that they are talking about bringing the speed down in the neighborhoods on the streets but yet an e-bike can go 28 mph.

The Council directed staff to do a sidewalk study and bring it back to the Council.

10.2 Parking Policy on Streets Near Park/Trail Access Points

The staff report was presented.

Mayor Dietz asked if they have to pave it or could it be gravel, and if it were gravel, would it reduce the cost? Mr. Sandhoefner stated that it can be gravel, and it would reduce the cost.

Councilmember Calva asked if they could add more no-parking signs.

The Council asked Mr. Niziolek what people are doing. He stated they are using roadside parking as there is no parking lot.

Councilmember Wagner asked if Watson was that busy of a road. The consensus was that it is not a busy road.

Mayor Dietz asked how many cars are there at one time. Mr. Sandhoefner stated they have seen seven

cars there at one time.

Mayor Dietz asked Councilmember Calva, when he talked to the residents, what exactly they were asking for. Councilmember Calva stated they would like the no-parking signs and neighborhood watch signs.

Mayor Dietz asked Mr. Sandhoefner where the money would come from for this if they did do anything? Mr. Sandhoefner stated he was not sure yet at the time.

Mr. Niziolek stated that historically, people just started using the spot to get on the trail, and it has grown in popularity.

Mr. Portner stated the city uses it for maintenance as well.

It was agreed that Councilmember Calva would ask the neighborhood if it is a safety issue or a traffic issue.

10.3 Discuss the 193rd Avenue and Evans Street Intersection

The staff report was presented.

The Council discussed the options within the staff report and agreed to have a three-way stop on Dodge and Elk Hills Drive, and also agreed to put a roundabout at 193rd.

Mr. Sandhoefner suggested going with the three-way stop now on 193rd in the meantime, with the intent of putting in a roundabout. The Council agreed.

Councilmember Wagner brought up a concern regarding the businesses during construction. Mr. Sandhoefner explained that he has spoken with the consultant, and there is a way to keep access during construction.

Councilmember Wagner added that she asked the Public Works Director/Chief Engineer, Justin Femrite, if there was a possibility of adding a right turn lane on Twin Lakes Road NW going Southbound at 181st due to traffic backing up there since the closure of Line Avenue.

Mr. Sandhoefner asked if they should do a Facebook post regarding the three-way stops. The Council agreed that it would be a good idea.

11. MOTION TO ADJOURN

Moved by Councilmember Calva and seconded by Councilmember Beyer to adjourn the meeting of City Council. Motion carried 4-0.

The meeting adjourned at 8:43 p.m.

Minutes prepared by Jolene Richter.

12. INFORMATION

12.1 August Financial Reports

A handwritten signature in black ink, appearing to read "John J. Dietz". The signature is fluid and cursive, with the first name "John" and last name "Dietz" clearly distinguishable.

John J. Dietz, Mayor

A handwritten signature in black ink, appearing to read "Tina Allard". The signature is fluid and cursive, with the first name "Tina" and last name "Allard" clearly distinguishable.

Tina Allard, City Clerk