



**Meeting of the City Council
Held at the Elk River City Hall
Tuesday, February 18, 2025**

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

Members Absent: Councilmember Jennifer Wagner

Staff Present: City Administrator Cal Portner, Assistant City Administrator Joe Stremcha, Senior Planner Chris Leeseberg, Assistant Facilities Maintenance Superintendent Butch Pelarski, Custodian James Barnes, and City Clerk Tina Allard

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

2.1 Acknowledge Elk River Cub Scout Pack III

The Pledge of Allegiance was recited. Mayor Dietz had Cub Scout Pack III lead the Council in the pledge.

3. CONSIDER AGENDA

Moved by Councilmember Beyer and seconded by Councilmember Grupa to approve the agenda. Motion Carried 4-0.

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 4-0.

4.1 February 3, 2025, Minutes

4.2 Check Register

4.3 Liquor Operations Division reorganized as Retail Operations Division.

5. OPEN FORUM

Lois George, 18276 Kent Street, asked who has ownership of the sidewalk in her neighborhood and would be responsible for plowing them. Mr. Portner commented that in most cases the property owner is responsible for shoveling the sidewalk on their property but that the city does maintain some trails. Ms. George asked if the city would take over plowing the sidewalks in her development (Country

Crossing) because most of the owners are seniors who find it difficult to maintain them and who also live on fixed incomes. The Council referred this item to staff for review.

6. PRESENTATIONS, AWARDS, AND RECOGNITION

6.1 City Prosecutor and County Attorney Annual Legal Update

Prosecuting Attorney Scott Baumgartner thanked the City Council for their trust over the years. He noted the data in his report is somewhat skewed as it does not represent all the cases received and completed in a year. He did comment that trends are down this year compared to the previous year. Trendwise, he is seeing an increase in Rule 20 procedures (mental health evaluations) along with an increase in higher blood alcohol content levels of those cited for DWI (driving while intoxicated). He stated these DWIs are occurring at all hours and times of the day now. He stated the Elk River police are a premier law enforcement group, and he welcomes the opportunity to work with the new police chief.

Dawn Nyhus, Lead Assistant County Attorney, described her office's role in working with the city staff. She stated her office is available 24/7, and they assist in performing search warrant reviews. She further noted the new statutes around Rule 20 and the uptick in mental health evaluations. She discussed additional trends in adult felony referrals and the increase in the request for jury trials, but that they have not been able to determine why.

The Council questioned why there was an increase in higher blood alcohol levels, but it was unknown at this time,

6.2 City of Elk River Volunteer of the Month

Mayor Dietz presented the February Volunteer of the Month award to J. Brian Calva. He highlighted the following:

- Volunteer and member of CAER board of directors
- Part-time missionary teaching relationship skills in Elk River, Zacatecas Mexico, and Kryvyi Rih Ukraine
- Volunteer for Community Hope Fest, a local worship gathering of churches at the Sherburne County Fairgrounds
- Supporter of Running for Justice 5K and the Twin Cities marathons to raise awareness of human trafficking
- Participated in food distribution through local businesses during recession

6.3 Retirement Recognition: James Barnes

Mr. Pelarski discussed and thanked Jim for his service with the city noting the excellent job he has done in maintaining city buildings.

Jim stated it was a privilege to work for the city and he has been blessed with great bosses.

6.4 Advisory Board Candidate Interviews

The Council interviewed applicants for the various advisory boards as outlined in the staff report.

7. PUBLIC HEARINGS

7.1 Zone Change: General Industrial (I-3) to Planned Unit Development (PUD), PID 75-00013-4405, Northstar Trucking & RV Parking LLC

Mr. Leeseberg noted no action is needed on this item as the applicant has withdrawn their request.

7.2 Conditional Use Permit: Bus, Motor Vehicle, and Implement Storage, Maintenance and Repair (Amendment), PID 75-00013-4405 - Northstar Trucking & RV Parking LLC

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 Grupa to continue the public hearing to the March 17, 2025, City Council meeting. Motion Carried 4-0.

7.3 Conditional Use Permit: Outdoor Storage (Amendment), 12777 Meadowvale Road NW, Elk River WinLectric

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 Grupa and seconded by Councilmember Beyer to continue the public hearing to the March 17, 2025, City Council meeting. Motion Carried 4-0.

7.4 Conditional Use Permit: Recycling Processing Center (Amendment), 16501 Highway 10, B&E Recycling Station

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 noted a lot of issues needing to be cleaned up on this property and asked about setting a deadline. Mr. Leeseberg stated the applicant is aware of the issues and the Council could set a deadline.

The Council concurred on setting a deadline of August 1, 2025.

Moved by Councilmember Beyer and seconded by Councilmember Calva to approve the Conditional Use Permit amending the previous approvals for a Recycling Processing Center (CU 95-02) with the following conditions to satisfy the standards set forth in Section 30-654:

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- 1. The applicant must apply for and receive all county-required permits and licenses prior to expanding the requested scope of operations.**
 - 2. The area identified as a holding pond must be repaired as the site has been re-graded as a parking area. The work must be designed by a licensed professional.**
 - 3. There shall be no storage of recyclable materials or waste outside the building or fenced-in area.**
 - 4. All non-recyclable materials must be removed from the site by May 1, 2025.**
 - 5. All vehicles or materials stored on site, and not approved as part of CU 03-26, must be removed by May 1, 2025.**
 - 6. The disassembling or salvaging of parts from vehicles or machinery is prohibited.**
 - 7. Any new structures must be designed by a licensed architect and permitted through the building department.**
 - 8. Business owner must submit an annual waste activity report to the MPCA by March 1st of every year.**
 - 9. The applicant shall submit an updated drainage plan, prepared by a qualified professional, showing that the facility is designed to prevent surface water drainage through recyclable materials, to control the dispersion of the recyclable materials and residuals by wind, to contain any spills or releases that could harm human health or the environment, to provide for the storage of recyclable materials to protect the recyclability of the materials and to provide for the storage and removal of residuals.**
 - 10. Storage of all waste and recyclable materials must comply with all county, state, and federal regulations.**
 - 11. All recyclable materials must be removed from the facility within three years after the date of receipt.**
 - 12. The facility owner must inspect the site at least every 30 days for malfunctions, deterioration, or discharges that may result in the release of pollutants to the environment. Records of these inspections may be requested by city or county staff.**
 - 13. The owner or operator must prepare and maintain a contingency action plan addressing actions for a potential fire, spill, or release.**
 - 14. All issues listed in the staff report be resolved by August 1, 2025.**

Motion Carried 4-0.

7.5 Land Use Amendment, Zone Change, and Ordinance Amendment: Specht Family Farm Residential Development (PUD), 16330 US Highway 10, Capstone Homes

The staff report was presented. Mr. Leeseberg reviewed lot sizes (widths and layout), density, the commercial area, zoning districts, proposed land uses and zoning changes, access, street widths, environmental impacts, and landscaping. He noted the Planning Commission continued their review in order to find out more information about street widths. He stated the Parks and Recreation Commission felt there should be a larger focus on the park above the bluff line and not in the floodway where structures can't be built. The Commission recommended eight acres of land above the 10-year ordinary high-water mark, which would be located in the floodway, and an eight-acre park above the bluff line, located near the center of the property and adjacent to the bluff, along with park dedication cash.

Mayor Dietz opened the public hearing.

Matt Barker, Director of Land Development for Capstone Homes, reviewed the landscaping and beaming, home product types, and trail connections. He discussed their proposal for narrower roads (29 feet) which they have installed in other communities. He stated it could be a safety measure to help traffic-calming through the neighborhoods. He also stated there would be a cost savings on asphalt for his company and the city because there are five feet less of asphalt along the road system to maintain. He further mentioned parkland and believes a disc golf course could be installed along with other structures in working with the DNR.

David Kelliher, Vice President of Public Policy and Government Relations for the Minnesota Historical Society, which manages the Oliver Kelly Farm, stated he appreciates the city considering the farm's concerns. He would like to be a partner if there were a coalition to work on any Highway 10 safety initiatives. He further stated they will work with Capstone to determine appropriate boundary screening between the development and the visitor experience,

Mayor Dietz closed the public hearing.

Mayor Dietz discussed the following concerns:

1. Fifty-foot lot widths are too narrow, and he'd rather see a minimum of 55 feet. These smaller lot sizes are 34% of the whole project. Mr. Bona noted the density of the development is about 2.4 acres per home.
2. Street width should be the city standard of 34 feet, as he would not want to set a bad precedent. He stated the streets could remain privately owned if the developer couldn't meet the city road standards.
3. The proposed lower park land being dedicated to the city is worthless and unusable to the developer and should not be counted as park dedication. He doesn't believe the state would allow the city to have an active park on this land, and he'd like to see a similar park like Trott Brook with amenities. He likes the recommendation made by the Parks and Recreation Commission, but would consider other proposed locations. He said the park dedication cash could be used to pay for the amenities in the park. He noted a lot of families residing in this development will need a large active park.

Councilmember Grupa concurred on points one and two but didn't have issues with the location of the park land as long as it can support park amenities. He agreed with using the park dedication cash collected to pay for this park's amenities.

Councilmember Beyer also concurred with points one and two, noting the larger street widths are needed for safety, such as having emergency vehicles and public safety trucks on them. He also agreed with the Parks and Recreation Commission regarding the park land.

Dave Anderson, Parks and Recreation Chair, stated some of the trails are not exactly where planned in the Trail Master Plan, but they do satisfy the need to get through the development. He stated the city doesn't give park dedication credit for areas with water issues. He noted this is being dubbed a showcase development, and feels the city should also include a showcase park with river views, noting the lower area, while very nice, does not have any views of the river.

Steve Bona, Vice President of Land for Capstone, Inc., at 14015 Sunfish Lake Blvd, Ramsey, expressed

concerns about completing a major overhaul of his development plan and touched upon the following items:

- They can meet the development street standards.
- He stated they are installing 40-footwide lots in many other communities, but for Elk River they chose to propose 50-foot lots because the community is located further out from the metro area. He encouraged the Council to reach out to these other communities for feedback and tours. He stated they need a more affordable product because single-family homes are too expensive, noting a typical one goes for \$500,000. These entry homes as proposed would sell for approximately \$370-430,000. He further stated they need to survive market changes while homes are being constructed over the years. He stated this product is more stable because it is not tied to homeowner association fees and the high insurance associated with them. He noted added association fees are a barrier for homeowners. He stated this is a product for the working force, which many other communities are asking for.
- Their original intent was to have the park land be a private amenity for the development, but the city indicated interest in having it. Keeping the park private adds value to the homes for them. The lower field is not buildable but also not worthless because of the river shoreline. He stated putting the park in another area would remove 24–30 homes. He stated if they kept the land private, then they'd be interested in paying park dedication fees for the whole development.

Mr. Bona asked the Council for feedback on various scenarios with a private park, park dedication fees, removal of the linear park, and trail connections. The mayor stated the Parks and Recreation Commission should review it further if their plans change.

Mr. Bona asked for feedback about the lot widths. The Mayor stated there could be a compromise to reduce the density of the smaller lots. The Council asked the developer to pass along information about where their other developments are located so they could review the lot widths.

Moved by Councilmember Grupa and seconded by Councilmember Calva to continue the hearing to March 17, 2025. Motion Carried 4-0.

8. GENERAL BUSINESS

8.1 Ace 360 Acceleration

The staff report was presented.

Moved by Councilmember Beyer and seconded by Councilmember Calva to approve the service agreement with Marco for ACE 365 Acceleration. Motion Carried 4-0.

8.2 Advisory Board Appointments

Moved by Councilmember Calva and seconded by Councilmember Grupa to make the following appointments with a term expiration of February 29, 2028.

- Linda Campbell, Heritage Preservation Commission
- Kara Walker, Multipurpose Facility Advisory Commission
- Melissa Fermoye and Greg Loidolt, Parks and Recreation Commission

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- Perry Beise and Eric Johnson, Planning Commission
 - Mary Stewart, Utilities Commission

Motion 4-0.

9. MOTION TO ADJOURN REGULAR MEETING

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

The meeting adjourned at 7:54 p.m.

Minutes prepared by City Clerk Tina Allard.

10. INFORMATION

10.1 January Financial Statements



John J. Dietz, Mayor



Tina Allard, City Clerk