

CITY OF HERMANTOWN

AGENDA

**Pre-Agenda Meeting Monday, June 15, 2026 at 4:30 p.m.
Council Chambers, City Hall - Hermantown Governmental Services Building**

**City Council Meeting Monday, June 15, 2026 at 6:30 pm
Council Chambers, City Hall - Hermantown Governmental Services Building**

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. ANNOUNCEMENTS

Council Members may make announcements as needed.

5. PUBLIC HEARING

Only when necessary. The rule adopted three minutes per person if necessary. Any action required after the public hearing will be taken immediately following the closing of the public hearing.

A. Public Hearing on the petition to vacate Williams Drive

I. 2026-73 Resolution Authorizing And Directing Mayor And City Clerk To Execute An Acceptance Of Utility Easement Agreement To The City Of Hermantown From MCB Development LLC

(motion, roll call)

II. 2026-74 Resolution Authorizing And Directing Mayor And City Clerk To Execute An Acceptance Of Right-Of Way Easement For Williams Drive To The City Of Hermantown From MCB Development LLC

(motion, roll call)

III. 2026-75 Resolution Vacating Williams Drive Off Of Ugstad Road Upon Petition Of The Majority Of Abutting Owners

(motion, roll call)

6. COMMUNICATIONS

A. Correspondence 26-337 through 26-347 placed on file

7. PRESENTATIONS

A. 2027 Payroll Budget

Kevin Orme, Director of Finance & Administration
(Pre-Agenda Only)

B. Charter Commission Update

John Mulder, City Administrator
(Pre-Agenda Only)

8. PUBLIC COMMENT

This is the time for individuals to address the Council about any item not on the agenda. The time limit is three minutes per person. Speakers who wish to comment at this time or later on agenda items should be signed up prior to the start of the meeting. A sign-up sheet is available in the lobby prior to the meeting for verbal remarks. As always, written comments may be submitted to the City Clerk before the end of the meeting.

9. MOTIONS

A. Motion to approve or deny the renewal of Liquor Licenses for the following:

AAD Shrine | 5152 Miller Trunk Hwy | On Sale Intoxicating/Dance/Sunday
Famous Dave's | 4135 Richard Ave, Ste 101 | On Sale Intoxicating/Sunday
Do North Pizzeria | 5116 Miller Trunk Hwy | Wine & Strong Beer/Sunday
*McKenzie's Bar & Grill | 5094 Miller Trunk Hwy | On Sale Intoxicating/Sunday
Adolph Store | 3706 Midway Road | Off Sale Intoxicating
China Star | 4227 Haines Road | Wine & Strong Beer
Maya Authentic Mexican | 4702 Miller Trunk Hwy | On-Sale Intoxicating/Sunday
Beacon Sports Bar | 5044 Hermantown Rd | On Sale Intoxicating/Dance/Sunday
Kwik Trip #216 | 4805 Miller Trunk Hwy | 3.2 Off Sale
Kwik Trip #220 | 4978 Miller Trunk Hwy | 3.2 Off Sale
Kwik Trip #572 | 4145 Haines Rd | 3.2 Off Sale
Holiday/Circle K | 4795 Miller Trunk Hwy | 3.2 Off-Sale
The Social House | 4897 Miller Trunk Hwy #100 | On Sale Intoxicating/Sunday
Outback Steakhouse | 4255 Haines Road | On Sale Intoxicating/Sunday
Foster's Bar & Grill | 4676 W Arrowhead Rd | On Sale Intoxicating/Sunday
Valentini's | 4960 Miller Trunk Hwy | On Sale Intoxicating
Sammy's Pizza | 4310 Menard Dr | Wine & Strong Beer/Sunday
Sam's Club #6320 | 4743 Maple Grove Rd | Off Sale Intoxicating
Skyline Social & Games | 4894 Miller Trunk Hwy | On Sale Intoxicating/Sunday
The King of Creams | 4140 Richard Ave #400 | Wine & Strong Beer
*MN CStore | 4221 Haines Road | 3.2 Off Sale
Walmart #1757 | 4740 Mall Drive | 3.2 Off Sale

**Contingent upon all paperwork and payment being received*

(motion, roll call)

B. Motion to approve or deny the Temporary Service Area Expansion Application and Dance Permit for the Beacon Sports Bar for Summerfest on July 17th & 18th, 2026

with proposed hours of sale from 10:00 a.m. to 1:00 a.m.

(motion, roll call)

10. **CONSENT AGENDA**

All items on the Consent Agenda are items which are considered routine by the City Council and will be approved by one motion via voice vote. There will be no discussion of these items unless a Council Member or citizen requests, in which event the item will be removed from the Consent Agenda and considered at the end of the Consent Agenda.

- A. **Minutes** - Approval or correction of June 1, 2026 City Council Continuation Minutes
- B. **Accounts Payable** - Approve general city warrants from June 1, 2026 through June 15, 2026 in the amount of \$649,418.01

11. **RESOLUTIONS**

Roll call will be taken only on items required by law and items requiring 4/5's votes, all others can be done by voice vote.

- A. **2026-67 Resolution Establishing An Absentee Ballot Board For The 2026 Primary And General Elections**

(motion, roll call)

- B. **2026-68 Resolution Approving A Grant Application For Radio's Between FEMA And The City Of Hermantown And Authorizing And Directing The Mayor And City Clerk To Execute And Deliver Such Grant Application On Behalf Of The City Of Hermantown**

(motion, roll call)

- C. **2026-69 Resolution Adopting Performance Measures**

(motion, roll call)

- D. **2026-70 Resolution Approving North Risk Partners As City Insurance Broker**

(motion, roll call)

- E. **2026-71 Resolution Amending Final Assessment Roll For Road Improvement District No. 541 & 542 (Hermantown Road & Bridge And Old Midway Road)**

(motion, roll call)

- F. **2026-72 Resolution Authorizing The Director Of Finance & Administration To Make The Necessary Transfers For Debt Service For Road Improvement District No. 541 & 542**

(motion, roll call)

12. RECESS



CITY COUNCIL MEETING DATE: June 15, 2026

TO: Mayor & City Council

FROM: Trish Crego, Utility and Infrastructure Director

SUBJECT: Acceptance of Utility Easement – MCB Development LLC

☒ **RESOLUTION:** 2026-73 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Approval of the utility easement agreement between the City of Hermantown and MCB Development LLC.

BACKGROUND

Requested is approval of the utility easement between the City of Hermantown and MCB Development LLC (Developer). The easement is 30 feet width and will contain the public sewer and water mains associated with the MCB Development LLC.

These public utilities will be within a new 86' public ROW (Resolution 2026-74) as part of the future project and will be deeded to the City upon completion and acceptance of the road by the City. The project is anticipated to occur in the 2027 and 2028 building seasons.

SOURCE OF FUNDS (if applicable)

N/A

ATTACHMENTS

Resolution
Utility Easement Exhibit

Resolution No. 2026-73

**Resolution Authorizing And Directing Mayor And City Clerk To Execute An Acceptance
Of Utility Easement Agreement To The City Of Hermantown From MCB Development
LLC**

WHEREAS, MCB Development LLC, a Minnesota limited liability company (“Grantor”), is the owner of certain real property located in St. Louis County, Minnesota legally described in Exhibit A of the Utility Easement Agreement attached hereto; and

WHEREAS, the Grantor has agreed to provide a permanent utility easement, as legally described in Exhibit B of the Utility Easement Agreement, for the construction, repair, and maintenance of public utilities; and

WHEREAS, the City desires to accept the Easement as described in and granted by the Utility Easement Agreement attached hereto as Exhibit A.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Hermantown, Minnesota as follows:

1. The Utility Easement Agreement between MCB Development LLC and the City of Hermantown is hereby approved.
2. The Mayor and City Clerk are hereby authorized and directed to execute and deliver the acceptance of the utility easement.
3. The City Clerk shall cause the executed easement to be recorded with the St. Louis County Recorder’s Office.

Councilor _____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor _____ and, upon a vote being taken thereon, the following voted in favor thereof:

Councilors _____

and the following voted in opposition thereto:

Councilor _____

WHEREUPON, such resolution was declared duly passed and adopted June 15, 2026.

STATE OF MINNESOTA)
COUNTY OF ST. LOUIS) SS.
CITY OF HERMANTOWN)

I, the undersigned, being the duly qualified and acting Clerk of the City of Hermantown, St. Louis County, Minnesota, a Minnesota municipal corporation, hereby certify that the above and foregoing Resolution 2026-73 is a true and correct copy of the Resolution as adopted by the City Council on the 15th day of June, 2026.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City of Hermantown, the 16th day of June, 2026.

Alissa McClure, City Clerk

EXHIBIT A

(Top 3 inches reserved for recording data)

UTILITY EASEMENT

THIS INDENTURE, made and entered into this ____ day of _____, 2026, between **MCB Development, LLC**, a Minnesota limited liability company, ("Grantor") and the **City of Hermantown**, a Minnesota statutory city, ("Grantee") in response to the following situation:

A. Grantor is the owner of real property located in St. Louis County, Minnesota, and legally described on Exhibit A attached hereto (the "Property").

B. Grantor has agreed to provide a permanent utility easement ("Utility Easement") legally described on Exhibit B attached hereto on the Property.

NOW, THEREFORE, the said Grantor, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby grant and convey unto the Grantee, its successors and assigns:

1. The Recitals are included as a part hereof.
2. Grantor grants Grantee the Utility Easement, with said Utility Easement being shown on the drawing attached hereto as Exhibit C.
3. It is understood that the right, privilege and easement herein granted and the provisions hereof shall extend to and bind the heirs, personal representatives, successors and assigns of the respective parties hereto.

Check here if all or part of the described real property is Registered (Torrens) ☐

[SIGNATURES APPEAR ON NEXT PAGE]

IN WITNESS WHEREOF, the said Grantor has caused this instrument to be executed on the day and year first above written.

GRANTOR:

MCB Development, LLC

By _____

Its _____

State of Minnesota, County of St. Louis

This instrument was acknowledged before me on this _____ day of _____, 2026 by _____ the _____ of MCB Development, LLC and on behalf of MCB Development, LLC, a Minnesota limited liability company.

(Stamp)

(signature of notarial officer)

Title (and Rank): _____ Notary Public

My commission expires: _____
(month/day/year)

[ACCEPTANCE APPEARS ON NEXT PAGE]

ACCEPTANCE

The City of Hermantown hereby accepts the foregoing easement.

Dated: _____

GRANTEE:

City of Hermantown

By _____
Wayne Boucher, Its Mayor

And by _____
Alissa McClure, Its City Clerk

State of Minnesota, County of St. Louis

The foregoing instrument was acknowledged before me this ____ day of _____, 2026, by Wayne Boucher and Alissa McClure, the Mayor and City Clerk, respectively, of the City of Hermantown and on behalf of the City of Hermantown.

(Stamp)

(signature of notarial officer)

Title (and Rank): _____ Notary Public

My commission expires: _____
(month/day/year)

[END OF SIGNATURES]

THIS INSTRUMENT WAS DRAFTED BY:
Gunnar B. Johnson
Overom Law, PLLC
802 Garfield Avenue
Suite 101
Duluth, MN 55802

EXHIBIT A
Legal Description

The North 5 feet of Lot 8, Gethsemane Acres, according to the recorded plat thereof, St. Louis County, Minnesota.

AND

Lot 9, Gethsemane Acres, according to the recorded plat thereof, St. Louis County, Minnesota, EXCEPT the North 50 feet of the East 140 feet thereof.

AND

That part of the Northeast Quarter of the Northeast Quarter, Section 9, Township 50 North, Range 15 West of the Fourth Principal Meridian, St. Louis County, Minnesota described as follows:

Commencing at the East Quarter corner of said Section 9: thence on an assumed bearing of North 00 degrees 03 minutes 35 seconds West, along the East line of the Northeast Quarter of said Section 9 for a distance of 1473.66 feet to the Easterly extension of the South line of Lot 8, Gethsemane Acres, according to the recorded plat thereof, St. Louis County, Minnesota; thence South 89 degrees 42 minutes 04 seconds West, along said Easterly extension and along the South line of said Lot 8 for a distance 306.75 feet to the West line of said Lot 8; thence North 00 degrees 03 minutes 35 seconds West, along said West line 140.20 feet to a line parallel with and distant 5 feet South of the North line of said Lot 8, said point being the point of beginning of the parcel herein described; thence South 89 degrees 42 minutes 04 seconds West, along the Westerly extension of said parallel line 55.00 feet; thence North 63 degrees 29 minutes 41 seconds West 111.80 feet to a line parallel with and distant 155.00 feet West of the West line of Lots 9, 10 and 11, said Gethsemane Acres; thence North 00 degrees 03 minutes 35 seconds West, along said parallel line 390.19 feet to the South line of Lot 14, said Gethsemane Acres; thence North 89 degrees 42 minutes 04 seconds East, along said South line 155.00 feet to the West line of Lots 8, 9, 10 and 11, said Gethsemane Acres; thence South 00 degrees 03 minutes 35 seconds East, along said West line 440.60 feet to the point of beginning.

Abstract Property.

Parcel Identification No.: 395-0074-00080 & 395-0010-02530

EXHIBIT B
Easement

A 30-foot-wide easement for utility purposes lying over, under and across the South 30 feet of the North 98 feet of Lot 9, Gethsemane Acres, according to the recorded plat thereof, St. Louis County, Minnesota.

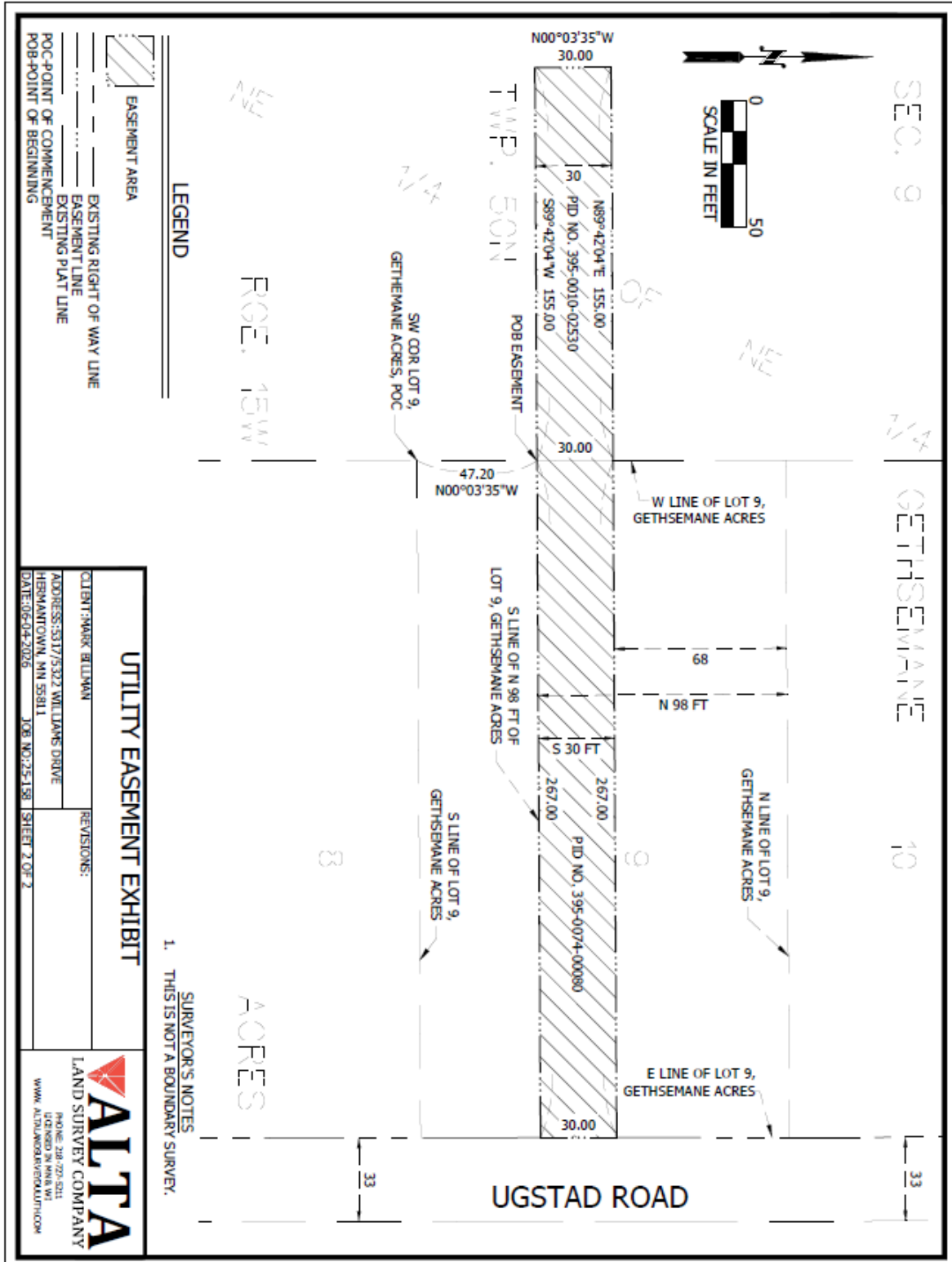
AND

A 30-foot-wide easement for utility purposes lying over, under and across that part of the Northeast Quarter of the Northeast Quarter of Section 9, Township 50 North, Range 15 West of the Fourth Principal Meridian, St. Louis County, Minnesota described as follows:

Commencing at the Southwest corner of Lot 9, Gethsemane Acres, according to the recorded plat thereof, St. Louis County, Minnesota; thence on an assumed bearing of North 00 degrees 03 minutes 35 seconds West, along the West line of said Lot 9 for a distance of 47.20 feet to a line parallel with and distant 98 feet South of the North line of said Lot 9, said point being the point of beginning of the easement herein described; thence South 89 degrees 42 minutes 04 seconds West, along the Westerly extension of said parallel line 155.00 feet to a line parallel with and distant 155 feet West of the West line of said Lot 9; thence North 00 degrees 03 minutes 35 seconds West, along said parallel line 30.00 feet to a line parallel with and distant 68 feet South of the Westerly extension of the North line of said Lot 9; thence North 89 degrees 42 minutes 04 seconds East, along said parallel line 155.00 feet to the West line of said Lot 9; thence South 00 degrees 03 minutes 35 seconds East, along said West line 30.00 feet to the point of beginning.

Said easement contains 12,660 square feet or 0.29 acres

EXHIBIT C Depiction





CITY COUNCIL MEETING DATE: June 15, 2026

TO: Mayor & City Council

FROM: Trish Crego, Utility and Infrastructure Director

SUBJECT: Acceptance of Right-of-Way Easement – MCB Development LLC

☒ **RESOLUTION:** 2026-74 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Approval of the Right-of-Way Easement Agreement between the City of Hermantown and MCB Development LLC.

BACKGROUND

Requested is approval of the an 86' wide ROW from MCB Development LLC (Developer) to the City of Hermantown and. The a new 86'public ROW for the future project and will be deeded to the City upon completion of the road and acceptance by the City. The project construction is anticipated to occur during the 2027 and 2028 building seasons.

SOURCE OF FUNDS (if applicable)

N/A

ATTACHMENTS

Resolution
ROW Easement Agreement

Resolution No. 2026-74

Resolution Authorizing And Directing Mayor And City Clerk To Execute An Acceptance Of Right-Of Way Easement For Williams Drive To The City Of Hermantown From MCB Development LLC

WHEREAS, MCB Development LLC, a Minnesota limited liability company (“Grantor”), is the owner of certain real property located in St. Louis County, Minnesota legally described in the Right-of-Way Easement Agreement attached hereto as Exhibit A; and

WHEREAS, the Grantor has agreed to provide a permanent right-of-way as legally described in the Right-of-Way Easement Agreement attached hereto as Exhibit A, for the construction, repair, and maintenance of public road; and

WHEREAS, the City desires to accept the right-of-way as described in and granted by the Right-of-Way Easement Agreement attached hereto as Exhibit A.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Hermantown, Minnesota as follows:

1. The Right-of-Way Easement Agreement between MCB Development LLC and the City of Hermantown is hereby approved.
2. The Mayor and City Clerk are hereby authorized and directed to execute and deliver the acceptance of the Right-of-Way
3. The City Clerk shall cause the executed easement to be recorded with the St. Louis County Recorder’s Office.

Councilor _____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor _____ and, upon a vote being taken thereon, the following voted in favor thereof:

Councilors _____

and the following voted in opposition thereto:

Councilor _____

WHEREUPON, such resolution was declared duly passed and adopted June 15, 2026.

STATE OF MINNESOTA)
COUNTY OF ST. LOUIS) SS.
CITY OF HERMANTOWN)

I, the undersigned, being the duly qualified and acting Clerk of the City of Hermantown, St. Louis County, Minnesota, a Minnesota municipal corporation, hereby certify that the above and foregoing Resolution 2026-74 is a true and correct copy of the Resolution as adopted by the City Council on the 15th day of June, 2026.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City of Hermantown, the 16th day of June, 2026.

Alissa McClure, City Clerk

EXHIBIT A

(Top 3 inches reserved for recording data)

EASEMENT AGREEMENT

THIS INDENTURE, made and entered into this ____ day of _____, 2026, between **MCB Development, LLC**, a Minnesota limited liability company, ("Grantor") and the **City of Hermantown**, a Minnesota statutory city, ("Grantee") in response to the following situation:

A. Grantor is the owner of real property located in St. Louis County, Minnesota, and legally described on Exhibit A attached hereto (the "Property").

B. Grantor has agreed to provide a permanent right-of-way easement ("Easement") legally described on Exhibit B attached hereto.

NOW, THEREFORE, the said Grantor, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby grant and convey unto the Grantee, its successors and assigns:

1. The Recitals are included as a part hereof.
2. Grantor grants Grantee the Easement for right-of-way purposes with said Easement being shown on the drawing attached hereto as Exhibit C.
3. It is understood that the right, privilege and easement herein granted and the provisions hereof shall extend to and bind the heirs, personal representatives, successors and assigns of the respective parties hereto.

Check here if all or part of the described real property is Registered (Torrens) ☐

[SIGNATURES APPEAR ON NEXT PAGE]

IN WITNESS WHEREOF, the said Grantor has caused this instrument to be executed on the day and year first above written.

GRANTOR:

MCB Development, LLC

By _____

Its _____

State of Minnesota, County of St. Louis

This instrument was acknowledged before me on this _____ day of _____, 2026 by _____ the _____ of MCB Development, LLC and on behalf of MCB Development, LLC, a Minnesota limited liability company.

(Stamp)

(signature of notarial officer)

Title (and Rank): _____ Notary Public

My commission expires: _____
(month/day/year)

[ACCEPTANCE APPEARS ON NEXT PAGE]

ACCEPTANCE

The City of Hermantown hereby accepts the foregoing easement.

Dated: _____

GRANTEE:

City of Hermantown

By _____
Wayne Boucher, Its Mayor

And by _____
Alissa McClure, Its City Clerk

State of Minnesota, County of St. Louis

The foregoing instrument was acknowledged before me this ____ day of _____, 2026, by Wayne Boucher and Alissa McClure, the Mayor and City Clerk, respectively, of the City of Hermantown and on behalf of the City of Hermantown.

(Stamp)

(signature of notarial officer)

Title (and Rank): _____ Notary Public

My commission expires: _____
(month/day/year)

[END OF SIGNATURES]

THIS INSTRUMENT WAS DRAFTED BY:
Gunnar B. Johnson
Overom Law, PLLC
802 Garfield Avenue
Suite 101
Duluth, MN 55802

EXHIBIT A
Legal Description

Lot 8, Gethsemane Acres, according to the recorded plat thereof, St. Louis County, Minnesota, EXCEPT the North 5 feet thereof.

Abstract Property.

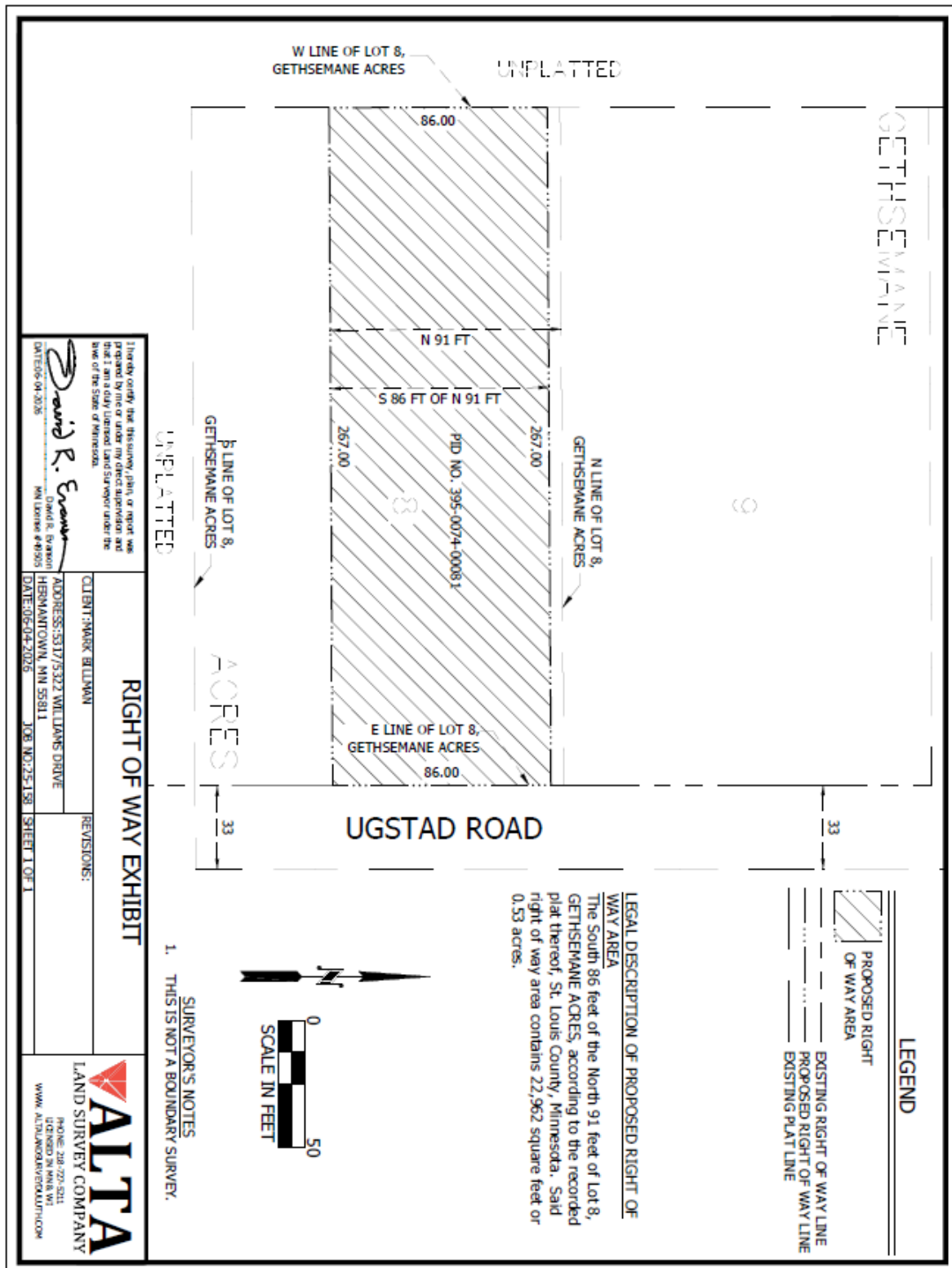
Parcel Identification No.: 395-0074-00081

EXHIBIT B
Easement

The South 86 feet of the North 91 feet of Lot 8, GETHSEMANE ACRES, according to the recorded plat thereof, St. Louis County, Minnesota.

Said right of way area contains 22,962 square feet or 0.53 acres..

EXHIBIT C
Depiction





CITY COUNCIL MEETING DATE: June 15, 2026

TO: Mayor & City Council

FROM: Trish Crego, Utility and Infrastructure Director

SUBJECT: Vacation of Williams Drive

☒ **RESOLUTION:** 2026-75 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Acceptance of the vacation on Williams Dr.

BACKGROUND

Mark and Cheryl Billman (MCB Development LLC (Developer) petitioned to vacate of a portion of the road easement of Williams Drive off of Ugstad Road. The owner has also dedicated 30 ft (2026-73) of utility easement to the city as part of a new 86' wide ROW (2026-74). Notice was sent out to the city residents via the Hermantown Star.

SOURCE OF FUNDS (if applicable)

N/A

ATTACHMENTS

Resolution

Resolution No. 2026-75

Resolution Vacating Williams Drive Off Of Ugstad Road Upon Petition Of The Majority Of Abutting Owners

WHEREAS, a petition signed by the majority of property owners abutting Williams Drive in the City of Hermantown, Minnesota (“City”) was accepted by the City Council on June 1, 2026 by Resolution No. 2026-65; and

WHEREAS, the petition requested that the City Council pursuant to Minnesota Statute §412.851 vacate Williams Drive west of Ugstad Road as depicted and legally described on Exhibit A attached hereto; and

WHEREAS, the City Clerk reviewed and examined the signatures on said petition and determined that such signatures constituted a majority of the of the landowners abutting upon Williams Drive to be vacated; and

WHEREAS, a public hearing to consider the vacation of such street was held on June 15, 2026 at 6:30 p.m. before the City Council in City Hall located at 5105 Maple Grove Road, Hermantown, Minnesota after due published and posted notice had been given, as well as personal mailed notice to all affected property owners by the City Clerk and all interested and affected persons were given an opportunity to voice their concerns and be heard; and

WHEREAS, any person, corporation or public body owning or controlling easements contained upon the property vacated, reserves the right to continue maintaining the same or to enter upon such way or portion thereof vacated to maintain, repair, replace or otherwise attend thereto; and

WHEREAS, the Council in its discretion has determined that the vacation will benefit the public interest because the property will be part of a larger redevelopment project and the City will be getting a replacement right-of-way and utility easement; and

WHEREAS, as a result of the vacation, damages are due to the following property owners in the amounts listed: None; and

WHEREAS, the City Council of the City of Hermantown is proceeding in accordance with the provisions of Minnesota Statutes § 412.851.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Hermantown, Minnesota, as follows:

1. That such petition for vacation is hereby granted and Williams Drive, as depicted and legally described on Exhibit A attached hereto is hereby vacated.
2. That the Mayor and City Clerk are hereby authorized to sign all documents necessary to effectuate the intent of this resolution and file a notice of this vacation as required by law.

Councilor _____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor _____ and, upon a vote being taken thereon, the following voted in favor thereof:

Councilors _____

and the following voted in opposition thereto:

Councilors _____

WHEREUPON, such resolution was declared duly passed and adopted on June 15, 2026.

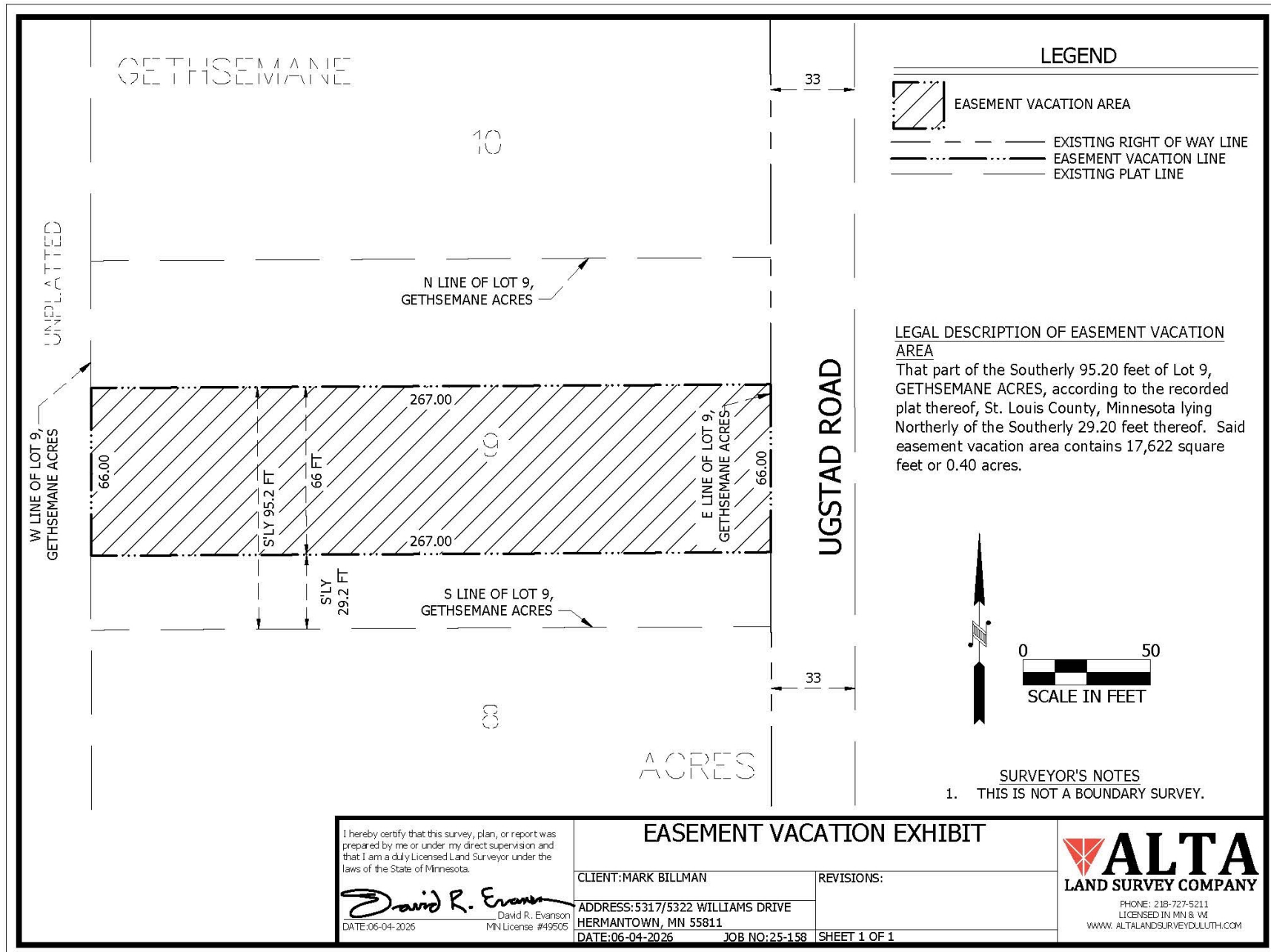
STATE OF MINNESOTA)
COUNTY OF ST. LOUIS) SS.
CITY OF HERMANTOWN)

I, the undersigned, being the duly qualified and acting Clerk of the City of Hermantown, St. Louis County, Minnesota, a Minnesota municipal corporation, hereby certify that the above and foregoing Resolution 2026-75 is a true and correct copy of the Resolution as adopted by the City Council on the 15th day of June, 2026.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City of Hermantown, the 16nd day of June, 2026.

Alissa McClure, City Clerk

EXHIBIT A



2026 CORRESPONDENCE

<u>DATE</u>	<u>LOG #</u>	<u>FROM</u>	<u>TO</u>	<u>REGARDING</u>	<u>FILED</u>
5/29/2026	26-337	Gunnar Johnson, City Attorney	Wayne Boucher, Mayor & City Council	Notice of Retirement	5/25/2026
5/29/2026	26-338	Nolan Harju, 711 N 2nd Ave. W	Wayne Boucher, Mayor	Project Loon	5/28/2026
5/29/2026	26-339	Ashley Sunderland, 3796 Stebner Rd.	Wayne Boucher, Mayor and City Council	Formal Objection to Proposed Stebner Road Special Assessment	5/29/2026
6/2/2026	26-340	Don Romano, duluth700@gmail.com	Wayne Boucher, Mayor	Urban Service Boundary Amendment	6/1/2026
6/2/2026	26-341	Katy Bombard, katybombard97@gmail.com	Wayne Boucher, Mayor & City Council	Please Protect What We Have!	6/1/2026
6/2/2026	26-342	Stop the Hermantwn Data Center, www.stopthehermantowndatacenter.com	Wayne Boucher, City Council and Eric Johnson, Comm. Dev. Dir.	Resolution 2026-55 - Comprehensive Plan	5/31/2026
6/2/2026	26-343	Emily Helgeson, 4006 Five Corners Rd.	Wayne Boucher, Mayor	2045 Comprehensive Plan	5/30/2026
6/3/2026	26-344	Angela Swenson, 5321 Roosevelt Dr.	Wayne Boucher, Mayor	Data Center Construction	6/1/2026
6/3/2026	26-345	Steve Grapentin, grapentinsteve@gmail.com	Trish Crego, Utility & Infrastructure Dir.	Stebner Rd. Proposed Assessment	6/3/2026
6/9/2026	26-346	Susan Brower, MN State Demographic Center	John Mulder, City Administrator	Population and Household Estimates	6/1/2026
6/9/2026	26-347	Robert Callahan, gonetocanada.callahan@gmail.com	Trish Crego, Util. & Infrastructure Dir.	Stebner Road Upgrade	6/6/2026

CITY COUNCIL MEETING DATE: June 15, 2026

TO: Mayor & City Council

FROM: Kevin Orme, Director of Finance and Administration

SUBJECT: 2027 Preliminary Payroll Budget

☐ **RESOLUTION:** ☐ **ORDINANCE:** ☒ **OTHER:** Presentation

REQUESTED ACTION

None, informational only at this time.

BACKGROUND

Attached are the 2027 preliminary payroll budgeted numbers. A few comments about the attached:

There are no new positions in the attached 2027 payroll budget. The attached shows payroll increasing almost five percent due to COLA and Step increases and budgeted increases in health insurance. Some reasons we have kept the percentage increase lower than some years include: No election in 2027, more employees on single coverage instead of family coverage, employees hitting the maximum step.

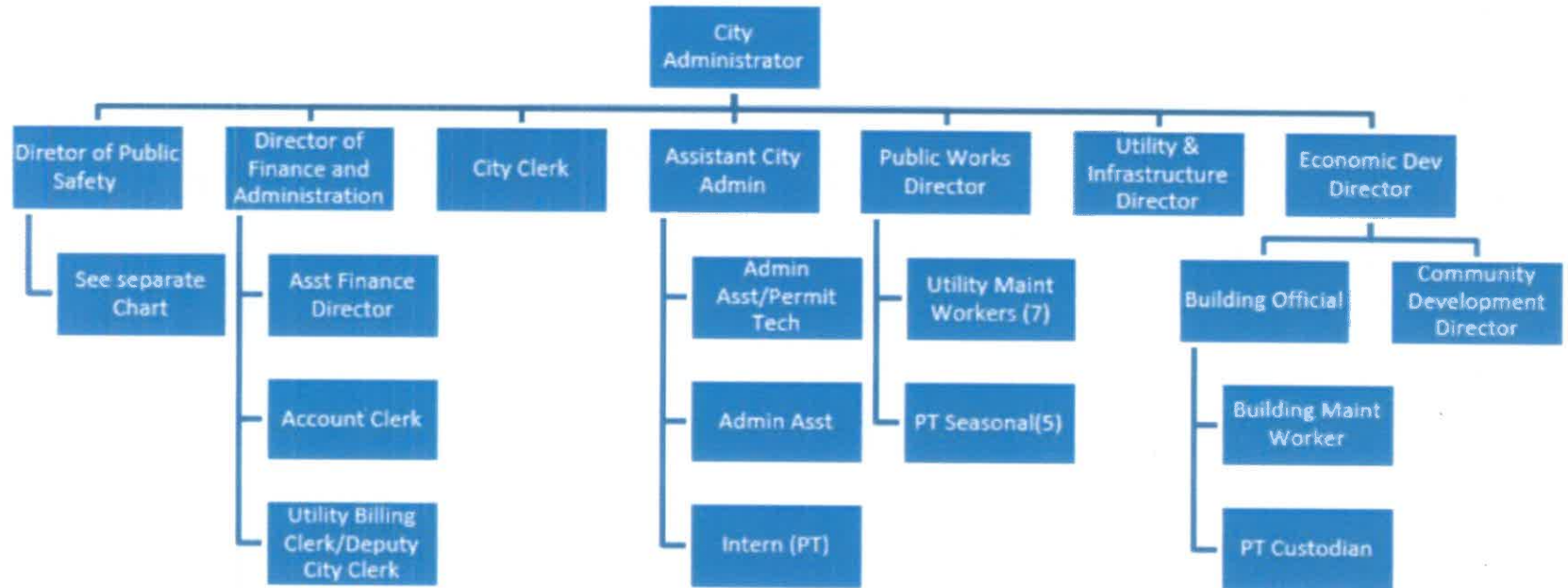
This payroll budget will come back to Council as part of the overall budget. The 2027 preliminary levy is scheduled to be approved September 7 and the final 2027 levy and budget December 7.

SOURCE OF FUNDS (if applicable)

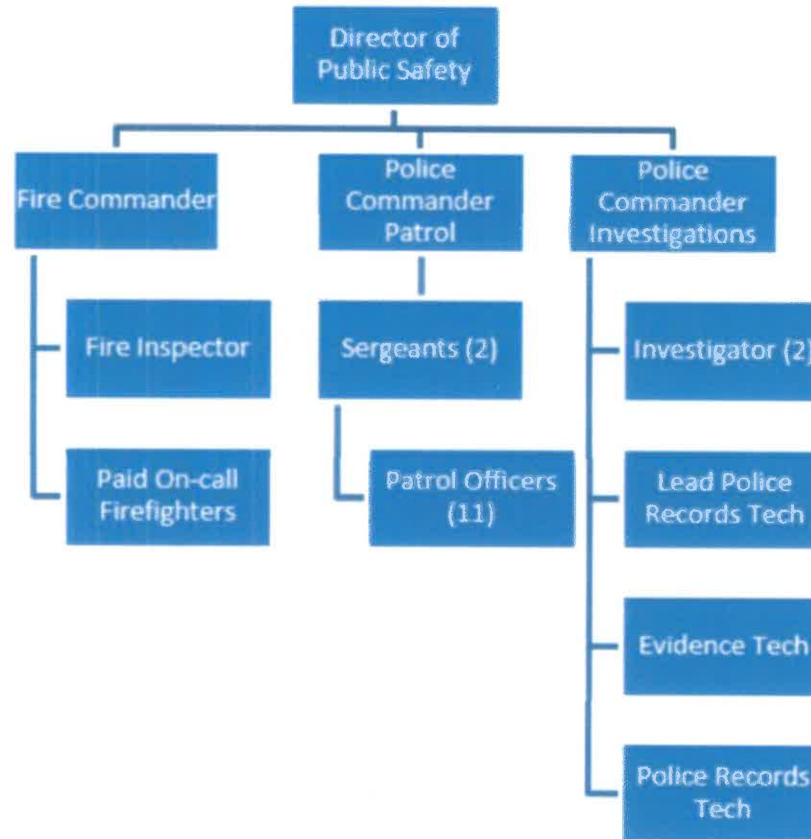
ATTACHMENTS

Organizational Chart
2027 Payroll Budget

Organizational Chart



Public Safety Department Organizational Chart



Patrol officers may be assigned to K-9 or School Resource Officers

Department	Dept #	Wages	Benefits	2027 Total Wages & Benefits	2026	Difference	% Change
					Budgeted Wages & Benefits		
Council	101-411100	36,000	4,181	40,181	39,921	261	0.65%
Mayor	101-413100	11,700	1,310	13,010	12,930	80	0.62%
Elections	101-414100	-	-	-	31,912	(31,912)	
Administration/Finance	101-415300	503,996	237,996	741,992	702,444	39,548	5.63%
Communications	101-417200	145,898	38,800	184,698	180,574	4,123	2.28%
Community Development	101-419100	312,335	128,299	440,635	417,271	23,364	5.60%
City Hall Maintenance	101-419901	77,268	37,233	114,501	106,557	7,944	7.46%
Fire	101-422100	502,626	186,243	688,868	636,979	51,890	8.15%
Police	101-421100	2,428,640	1,232,827	3,661,467	3,537,326	124,141	3.51%
Fire Hall	101-422901	18,885	10,468	29,353	27,125	2,228	8.21%
Building Inspection	101-424100	124,352	60,270	184,621	170,858	13,763	8.06%
Street	101-431100	312,772	193,844	506,616	481,151	25,465	5.29%
Garage	101-431901	19,180	12,013	31,193	29,380	1,813	6.17%
Parks	101-452100	60,679	17,766	78,445	74,907	3,537	4.72%
Community Building	101-452200	9,442	5,234	14,676	13,562	1,114	8.21%
Cemetery	101-490100	6,591	1,850	8,441	8,068	373	4.63%
Subtotal General Fund		4,570,363	2,168,334	6,738,697	6,470,964	267,733	4.14%
Cable TV Fund	260-456101	11,574	2,731	14,305	14,209	95	0.67%
Water Fund/Dist	601-494300	239,263	146,302	385,564	354,578	30,986	8.74%
Water Fund/Admin	601-494400	149,783	74,757	224,539	207,806	16,733	8.05%
Sewer Fund/Maint	602-494500	176,676	107,798	284,474	261,768	22,706	8.67%
Sewer Fund/Admin	602-494900	149,783	74,757	224,539	207,806	16,733	8.05%
Storm Water	603-441100	108,307	58,833	167,140	154,856	12,284	7.93%
HEDA	230-465100	76,092	29,827	105,920	100,337	5,583	5.56%
Total Personnel		5,481,840	2,663,339	8,145,179	7,772,326	372,853	4.80%

CITY COUNCIL MEETING DATE: June 15, 2026

TO: Mayor & City Council

FROM: Alissa McClure, City Clerk

SUBJECT: 2026-2027 Liquor License Renewals

☐ **RESOLUTION:**

☐ **ORDINANCE:**

☒ **OTHER:** Motion

REQUESTED ACTION

Approve or deny the renewal of liquor licenses for the businesses listed below for 2026-2027.

BACKGROUND

The below listed establishments have submitted applications for renewal of their liquor licenses. City staff have reviewed the applications and recommend approval of the renewals. Renewal of the licenses for McKenzie's Bar & Grill and MN CStore are contingent upon receipt of all required paperwork and payment prior to license issuance.

Although the City Council approved a new on-sale intoxicating liquor license for Hermantown Tavern, LLC on May 18, 2026, the renewal application for Foster's Bar & Grill is being included as a precautionary measure. The renewal will ensure continuous licensure should the real estate sale and transfer of ownership not be completed prior to the expiration of the current license preventing any lapse in licensure for the establishment.

AAD Shrine | 5152 Miller Trunk Hwy | On Sale Intoxicating/Dance/Sunday
Famous Dave's | 4135 Richard Ave, Ste 101 | On Sale Intoxicating/Sunday
Do North Pizzeria | 5116 Miller Trunk Hwy | Wine & Strong Beer/Sunday
*McKenzie's Bar & Grill | 5094 Miller Trunk Hwy | On Sale Intoxicating/Sunday
Adolph Store | 3706 Midway Road | Off Sale Intoxicating
China Star | 4227 Haines Road | Wine & Strong Beer
Maya Authentic Mexican | 4702 Miller Trunk Hwy | On-Sale Intoxicating/Sunday
Beacon Sports Bar | 5044 Hermantown Rd | On Sale Intox./Dance/Sunday/Summerfest Temp Expansion
Kwik Trip #216 | 4805 Miller Trunk Hwy | 3.2 Off Sale
Kwik Trip #220 | 4978 Miller Trunk Hwy | 3.2 Off Sale
Kwik Trip #572 | 4145 Haines Rd | 3.2 Off Sale
Holiday/Circle K | 4795 Miller Trunk Hwy | 3.2 Off-Sale
The Social House | 4897 Miller Trunk Hwy #100 | On Sale Intoxicating/Sunday
Outback Steakhouse | 4255 Haines Road | On Sale Intoxicating/Sunday
Foster's Bar & Grill | 4676 W Arrowhead Rd | On Sale Intoxicating/Sunday

Valentini's | 4960 Miller Trunk Hwy | On Sale Intoxicating
Sammy's Pizza | 4310 Menard Dr | Wine & Strong Beer/Sunday
Sam's Club #6320 | 4743 Maple Grove Rd | Off Sale Intoxicating
Skyline Social & Games | 4894 Miller Trunk Hwy | On Sale Intoxicating/Sunday
The King of Creams | 4140 Richard Ave #400 | Wine & Strong Beer
*MN CStore | 4221 Haines Road | 3.2 Off Sale
Walmart #1757 | 4740 Mall Drive | 3.2 Off Sale

**Contingent upon all paperwork and payment being received*

SOURCE OF FUNDS (if applicable)

N/A

ATTACHMENTS

N/A

CITY OF HERMANTOWN

City Council Meeting

Monday, June 1, 2026

6:30 PM Central

MEETING CONDUCTED IN PERSON

Mayor Wayne Boucher: Present

Councilor John Geissler: Present

Councilor Andy Hjelle: Present

Councilor Brian LeBlanc: Present

Councilor Joseph Peterson: Present

CITY STAFF: John Mulder, City Administrator; Eric Johnson, Community Development Director; Joe Wicklund, Assistant City Administrator; Chad Ronchetti, Economic Development Director; Jim Crace, Director of Public Safety; Trish Crego, Utility & Infrastructure Director; Gunnar Johnson, City Attorney

VISITORS: 175

1. **CALL TO ORDER**

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL**

4. **ANNOUNCEMENTS**

5. **COMMUNICATIONS**

A. Correspondence 26-327 through 26-336 placed on file

6. **PUBLIC COMMENT**

Rick Davis, Hermantown, MN – Spoke in opposition of the proposed data center project. He shared that he does not approve of the location. He expressed concern about data centers causing temperatures to rise and additional environmental pollution concerns.

Karen Pionk, Hermantown, MN – Spoke in support of the proposed data center project. She shared that he has trust in Council and expressed importance of economic growth.

Dave Chura, Duluth, MN – Spoke in support of the proposed data center project. He shared the importance of a high value commercial tax base and reshaping the community.

Chris Aepelbacher, Hermantown, MN – Spoke in support of comprehensive plan amendments. He shared that identifying where growth can occur allows the city to thoughtfully prepare for its future.

Carol Valentini, Hermantown, MN – Spoke in support of proposed data center project. She emphasized the use of modern-day technology that uses data centers. She shared the need for a townhall to allow for proper information to be shared and distributed.

Nate Wisehart, Duluth, MN – Spoke in support of proposed data center project. He emphasized that the data center industry has vastly changed and is continuing to make advancements.

Sarah Yokel, Hermantown, MN – Spoke in opposition of proposed data center project. She expressed frustration that conversations with the community are not happening and not enough money going to the schools.

Peter Hafften, Solway Township, MN – Spoke in opposition of the proposed data center project. He questioned Council regarding the effects on residents in regards to the utility extension and well water pollution from data centers.

Emma Richtman, Hermantown, MN – Spoke in opposition of the proposed data center project. She shared concerns about Councilors showing support for the YES MN organization and questioned their motivation for supporting the proposed data center.

Rebecca Gramdorf, Hermantown, MN – Spoke in opposition of the proposed data center project and comprehensive plan amendment. She expressed frustration with language used in the amendment and location of the waterline development.

Nate Rickard, Hermantown, MN – Spoke in support of the proposed data center project. He emphasized that the developer needs to come in to listen and have conversations with opposition and community.

Candi Mock, Hermantown, MN – Spoke in opposition of the proposed data center project. She shared concerns regarding the lack of trust and transparency with the current city Council. She asked Council to table the resolution amending the comprehensive plan.

JoAnne Bates, Hermantown, MN – Spoke in opposition of the proposed data center project. She shared a message from a friend inspired by first nation the Lakota Tribe.

Tom Bates, Hermantown, MN – Spoke in opposition of the proposed data center project. He sang a version of the song Convoy and emphasized to Council that the community needs answers.

Sarah Lofald, Hermantown, MN – Spoke in opposition of the proposed data center project. She shared appreciation for the community and nationwide response in opposing hyper scale data centers.

Owen Lyons, Hermantown, MN – Spoke in opposition of the proposed data center project. He shared with Council to not white wash information regarding the utility connection.

Alexis Scarbrough, Duluth, MN – Spoke in opposition of the proposed data center project. She expressed concerns regarding threats that AI data centers can bring to the area.

Ed Marsman, Duluth, MN – Spoke in support of the proposed data center project. He shared his perspective as a retired educator, trusting the systems in place and looking forward to development.

Dave Thornton, Hermantown, MN – Spoke in opposition of the proposed data center project. He stated that the decision is a huge responsibility and should be put to a referendum.

Nicole Karnowski, Duluth, MN – Spoke in support of the proposed data center project. She shared information learned from experts regarding safeguards in place for Hermantown and the Northland

John Klukkert, Duluth, MN – Spoke in opposition of the proposed data center project. He shared with Council that they are the last line of defense to protect Hermantown from Google and its data centers.

Ed Montgomery, Hermantown, MN – Spoke in opposition of the proposed data center project. He expressed concerns regarding lack of transparency and honesty with elected officials.

Molly Blomdahl, Duluth, MN – Spoke in opposition of the proposed data center project. She shared that Minnesota has already experienced a loss in projecting the boundary waters and to not let our fresh water be taken for profits.

Derek Strom, Hermantown, MN – Spoke in opposition of the proposed data center project. He stated he will be filing a recall vote on all five Council members.

Jill Anderson, Hermantown, MN – Spoke in opposition of the proposed data center project. She expressed concern that Hermantown residents should be properly represented by elected officials.

Irene Apane, Hermantown, MN – Spoke in opposition of the proposed data center project. She expressed concerns and questions regarding utility connection, location being on native land, tax agreements, and lack of communication with the residents.

Tim Resberg, Hermantown, MN – Spoke in opposition of the proposed data center project. He expressed concern that residents are not getting answers to their questions and brought them up to Council.

Ashley Anderson, Duluth, MN – Spoke in opposition of the proposed data center project. She shared concerns about the environmental impact a data center would bring to northern Minnesota and Hermantown's wetlands.

Nick Rhinehart, Hermantown, MN – Spoke about concerns regarding development in Hermantown. He shared concerns about waiving set backs for projects and the lack of affordable housing in Hermantown.

Joycenne Busche Hoyem, Duluth, MN – Spoke in opposition of the proposed data center project. She expressed concern that Council is not listening to the residents of Hermantown and the community of the Northland.

Tom Hawley, Duluth, MN – Spoke in opposition of the proposed data center project. He shared that the data center should go to a public vote.

Jackie Dolentz, Hermantown, MN – Spoke in opposition of the proposed data center project. She shared perceptions of Council members that are being formed and reinforced regarding their decision on the data center project.

Sasha Drayna, Hermantown, MN – Spoke in opposition of the proposed data center project. She expressed concerns regarding the process the project has followed and stated it should be put up to a public vote.

Rochelle Modean, Canosia Township, MN – Spoke in opposition of the proposed data center project. She shared insight as someone who works with artificial intelligence and said the project should be put up to a public vote.

Clarissa Ek, Solway Township, MN – Spoke in opposition of the proposed data center project. She read through documents that were released during data requests regarding project.

Julie Maruer, Duluth, MN – Spoke in opposition of the proposed data center project. She shared concerns regarding the environmental impact and lack of communication with Council.

Adam Airis, Hermantown, MN – Spoke in opposition of the proposed data center project. He expressed frustration regarding how Council has been treating their constituents.

Miranda McKay Chambers, Hermantown, MN – Spoke in opposition of the proposed data center project. She shared that there has to be another location for the project and suggested Council think about other development such as a library.

Gail Johnnejack, Hermantown, MN – Spoke in opposition of the proposed data center project. She shared that Council should take a community survey to have a better understanding of why the community is against this and get a chance to be heard.

7. **CONSENT AGENDA**

- A. **Minutes** - Approval or correction of May 18, 2026 City Council Continuation Minutes
- B. **Accounts Payable** - Approve general city warrants from May 15, 2026 through May 31, 2026 in the amount of \$646,624.88

Motion to the approve the Consent Agenda. This motion, made by Councilor LeBlanc and seconded by Councilor Peterson, Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Yea

Councilor Brian LeBlanc: Yea

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Yea

Yea: 5, Nay: 0

8. **RESOLUTIONS**

A. **2026-55 Resolution Approving Comprehensive Plan Amendment to Chapter 4 – Land Use, Chapter 6 – Transportation and Utilities and Chapter 7 – Implementation As Prepared By Hoisington Koegler Group, Inc.**

(motion, roll call)

Mayor Boucher asked if the amendment obligates the city to build utility lines. Community Development Director Johnson explained that it does not but it allows for them to be constructed for any development project. Councilors Geissler and LeBlanc had comments about this not being a rezoning and dropping a 400-foot requirement, which City Administrator Mulder explained that a rezoning would be an ordinance change.

Sarah Lofald, Hermantown, MN – Spoke in opposition of the proposed resolution. She expressed concern regarding the language surrounding the amendments changing from when it was voted by Planning and Zoning. She requested Council table the resolution to get more input from the community.

Johnathan Thornton, Hermantown, MN – Spoke in opposition of the proposed resolution. He expressed concerns on how the steering committee was not consulted on changes made to the 2045 Comprehensive Plan in 2025. He stated that the plan was changed to match the needs of Google.

Peter Taylor, Hermantown, MN – Spoke in opposition of the proposed resolution. He shared he is not sure why this amendment is being voted on now versus waiting for a decision on the proposed data center and AUAR.

Nick Rhinehart, Hermantown, MN – Spoke in opposition of the proposed resolution. Asked Council to consider the fact that this did not pass through Planning and Zoning will full support.

Clarissa Ek, Solway Township, MN – Spoke in opposition of the proposed resolution. She shared emails between the city, WLSSD, and data center developer requesting an NDA be signed and proof of meeting in 2024. She expressed concern about not responding and being untruthful to long time residents about the data center project when they asked about it in 2025.

Councilor Geissler clarified that wells will be a part of the future permitting process and asked if there are any public meetings set for the summer. Economic Development Director Ronchetti confirmed the first meeting for June 24th regarding AUAR scenarios with a potential venue of the AAD Shrine meeting center. Councilor LeBlanc asked if the city will promote the events, which Assistant City Administrator Wicklund explained the city will to their part once the developer has it. Councilor Geissler clarified that the County Assessors value property no differently if it has city water versus a well or septic.

Motion to approve 2026-55 Resolution Approving Comprehensive Plan Amendment to Chapter 4 – Land Use, Chapter 6 – Transportation and Utilities and Chapter 7 – Implementation As Prepared By Hoisington Koegler Group, Inc. This motion, made by Councilor Hjelle and seconded by Councilor Peterson, Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Yea

Councilor Brian LeBlanc: Yea

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Nay

Yea: 4, Nay: 1

B. 2026-56 Resolution Authorizing And Directing The Mayor And City Clerk To Execute And Deliver A Mediated Settlement Agreement And Release Of Claims Between The City Of Hermantown And Gilbertson, Et Al.

(motion, roll call)

Motion to approve 2026-56 Resolution Authorizing And Directing The Mayor And City Clerk To Execute And Deliver A Mediated Settlement Agreement And Release Of Claims Between The City Of Hermantown And Gilbertson, Et Al.. This motion, made by Councilor Geissler and seconded by Councilor LeBlanc, Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Yea

Councilor Brian LeBlanc: Yea

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Yea

Yea: 5, Nay: 0

C. **2026-57 Resolution Authorizing And Directing The Mayor And City Clerk To Execute And Deliver A Mediated Settlement Agreement And Release Of Claims Between The City Of Hermantown And Nicole And Travis Anderson, Et Al.**

(motion, roll call)

Motion to approve 2026-57 Resolution Authorizing And Directing The Mayor And City Clerk To Execute And Deliver A Mediated Settlement Agreement And Release Of Claims Between The City Of Hermantown And Nicole And Travis Anderson, Et Al.. This motion, made by Councilor LeBlanc and seconded by Councilor Peterson, Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Yea

Councilor Brian LeBlanc: Yea

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Yea

Yea: 5, Nay: 0

D. **2026-58 Resolution Authorizing And Directing The Mayor And City Clerk To Execute And Deliver Development Agreement With JLG Enterprises Of Hermantown, LLP For Peyton Acres Phase 4**

(motion, roll call)

Motion to approve 2026-58 Resolution Authorizing And Directing The Mayor And City Clerk To Execute And Deliver Development Agreement With JLG Enterprises Of Hermantown, LLP For Peyton Acres Phase 4. This motion, made by Councilor Peterson and seconded by Councilor Hjelle, Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Yea

Councilor Brian LeBlanc: Yea

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Yea

Yea: 5, Nay: 0

E. **2026-59 Resolution Approving Wetland Replacement Plan For Peyton Acres, 39xx Stebner Road**

(motion, roll call)

Motion to approve 2026-59 Resolution Approving Wetland Replacement Plan For Peyton Acres, 39xx Stebner Road. This motion, made by Councilor Hjelle and seconded by Councilor LeBlanc, Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Yea

Councilor Brian LeBlanc: Yea

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Yea

Yea: 5, Nay: 0

F. **2026-60 Resolution Approving Wetland Replacement Plan For Hawkline Business Park**

(motion, roll call)

Emma Richtman, Hermantown, MN – Asked questions regarding the project process and timing for wetland replacement plan applications. Questions were answered by Community Development Director Johnson.

Motion to approve 2026-60 Resolution Approving Wetland Replacement Plan For Hawkline Business Park. This motion, made by Councilor Geissler and seconded by Councilor Peterson, Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Yea

Councilor Brian LeBlanc: Yea

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Yea

Yea: 5, Nay: 0

G. **2026-61 Resolution Authorizing And Directing Mayor And City Clerk To Execute An Acceptance Of Easement Agreement To The City Of Hermantown**

From Hermantown Economic Development Authority For The Hermantown Lightning Drive Improvements And Trail Project

(motion, roll call)

Motion to approve 2026-61 Resolution Authorizing And Directing Mayor And City Clerk To Execute An Acceptance Of Easement Agreement To The City Of Hermantown From Hermantown Economic Development Authority For The Hermantown Lightning Drive Improvements And Trail Project. This motion, made by Councilor Hjelle and seconded by Councilor LeBlanc, Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Yea

Councilor Brian LeBlanc: Yea

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Yea

Yea: 5, Nay: 0

H. 2026-62 Resolution Authorizing And Directing Mayor And City Clerk To Execute An Acceptance Of Easement Agreement To The City Of Hermantown From Dalstar Partners, L.L.P. For The Hermantown Lightning Drive Improvements And Trail Project

(motion, roll call)

Motion to approve 2026-62 Resolution Authorizing And Directing Mayor And City Clerk To Execute An Acceptance Of Easement Agreement To The City Of Hermantown From Dalstar Partners, L.L.P. For The Hermantown Lightning Drive Improvements And Trail Project. This motion, made by Councilor Geissler and seconded by Councilor Peterson, Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Yea

Councilor Brian LeBlanc: Yea

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Yea

Yea: 5, Nay: 0

I. 2026-63 Resolution Authorizing And Directing Mayor And City Clerk To Execute An Acceptance Of Easement Agreement To The City Of Hermantown

From Peace In Christ Lutheran Church For The Hermantown Lightning Drive Improvements And Trail Project

(motion, roll call)

Motion to approve 2026-63 Resolution Authorizing And Directing Mayor And City Clerk To Execute An Acceptance Of Easement Agreement To The City Of Hermantown From Peace In Christ Lutheran Church For The Hermantown Lightning Drive Improvements And Trail Project. This motion, made by Councilor LeBlanc and seconded by Councilor Geissler, Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Yea

Councilor Brian LeBlanc: Yea

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Yea

Yea: 5, Nay: 0

J. **2026-64 Resolution Authorizing And Directing Mayor And City Clerk To Execute An Acceptance Of Easement Agreement To The City Of Hermantown From Joshua John Toms And Adrienne R. Ritchie Toms For The Hermantown Lightning Drive Improvements And Trail Project**

(motion, roll call)

Motion to approve 2026-64 Resolution Authorizing And Directing Mayor And City Clerk To Execute An Acceptance Of Easement Agreement To The City Of Hermantown From Joshua John Toms And Adrienne R. Ritchie Toms For The Hermantown Lightning Drive Improvements And Trail Project. This motion, made by Councilor Hjelle and seconded by Councilor Geissler, Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Yea

Councilor Brian LeBlanc: Yea

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Yea

Yea: 5, Nay: 0

K. **2026-65 Resolution Accepting Petition To Vacate Public Street And Setting Public Hearing**

(motion, roll call)

Motion to approve 2026-65 Resolution Accepting Petition To Vacate Public Street And Setting Public Hearing. This motion, made by Councilor LeBlanc and seconded by Councilor Peterson, Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Yea

Councilor Brian LeBlanc: Yea

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Yea

Yea: 5, Nay: 0

L. **2026-66 Resolution Approving Change Order Number 3 For Keene Creek Trail Segment 4 Construction To Veit & Company In The Amount Of \$23,977.80**

(motion, roll call)

Councilor LeBlanc and Geissler asked how many benches have been purchased for memorial, which Director Johnson answered somewhere in the low teens.

Motion to approve 2026-66 Resolution Approving Change Order Number 3 For Keene Creek Trail Segment 4 Construction To Veit & Company In The Amount Of \$23,977.80. This motion, made by Councilor Peterson and seconded by Councilor Geissler, Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Yea

Councilor Brian LeBlanc: Yea

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Yea

Yea: 5, Nay: 0

9. **RECESS**

Motion to recess at 9:48 p.m. This motion, made by Councilor LeBlanc and seconded by Councilor Geissler, Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Yea

Councilor Brian LeBlanc: Yea

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Yea

Yea: 5, Nay: 0

ATTEST:

Mayor

City Clerk

CITY OF HERMANTOWN

CHECKS #73150-73178
06/01/2026 - 06/15/2026

PAYROLL CHECKS

Electronic Checks - #-62284-62335	\$121,136.97
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LIABILITY CHECKS

Electronic Checks - #-62336-62339	\$109,411.35
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Electronic Checks - #-62278-62283	\$92,719.36
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Checks - #73178	\$1,643.88
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PAYROLL EXPENSE TOTAL	\$324,911.56
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ACCOUNTS PAYABLE

Checks - #73150-73177	\$128,013.00
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Electronic Payments #-97239-97264	\$196,493.45
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ACCOUNTS PAYABLE TOTAL	\$324,506.45
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TOTAL	\$649,418.01
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6/10/2026

Page 1

Fun d	Account	Department	Vendor Name	Description	Amount	Check #
260	456101	Cable	MEDIACOM	Internet for Cameras - Fichtne	150.00	-97264
101	217450	Employee Flexplan	WEX HEALTH INC	Claim Reimbursement	309.03	-97263
101	217450	Employee Flexplan	WEX HEALTH INC	Claim Reimbursement	1,229.15	-97263
101	217450	Employee Flexplan	WEX HEALTH INC	Claim Reimbursement	1,166.40	-97263
101	217450	Employee Flexplan	WEX HEALTH INC	Claim Reimbursement	579.44	-97263
101	422100	Fire Administration	AT&T MOBILITY	Cell Phones FD	411.81	-97262
101	431100	Street Department	AT&T MOBILITY	Cell Phones/Tablets-PW/CH	159.77	-97262
101	419901	City Hall & Police Building Maintenance	AT&T MOBILITY	Cell Phones/Tablets-PW/CH	48.68	-97262
101	421100	Police Administration	AT&T MOBILITY	Cell Phones PD	1,629.62	-97262
101	415300	Administration & Finance	AT&T MOBILITY	Cell Phones/Tablets-PW/CH	151.56	-97262
601	494400	Water Administration and General	AT&T MOBILITY	Cell Phones/Tablets-PW/CH	403.59	-97262
602	494900	Sewer Administration and General	AT&T MOBILITY	Cell Phones/Tablets-PW/CH	215.87	-97262
101	415300	Administration & Finance	GREATAMERICA FINANCIAL SERVICES	Copier Lease/Konica C458 Apr 2	117.87	-97261
101	421100	Police Administration	GREATAMERICA FINANCIAL SERVICES	Copier Lease/Konica C300 & C33	119.58	-97261
101	415300	Administration & Finance	GREATAMERICA FINANCIAL SERVICES	Copier Lease/Konica C300i	103.55	-97261
101	431100	Street Department	GREATAMERICA FINANCIAL SERVICES	Copier Lease/Konica C250i	214.45	-97261
602	494500	Sewer Maintenance	KWIK TRIP EXTENDED NETWORK	Gas Utility 40%	370.87	-97260
101	421100	Police Administration	KWIK TRIP EXTENDED NETWORK	Car Wash PD	378.00	-97260
601	494300	Water Distribution	KWIK TRIP EXTENDED NETWORK	Gas Utility 60%	556.31	-97260
101	424100	Building Inspection	KWIK TRIP EXTENDED NETWORK	Gas Building Offical	139.01	-97260
101	452100	Parks	KWIK TRIP EXTENDED NETWORK	Gas Park	113.65	-97260
101	424100	Building Inspection	KWIK TRIP EXTENDED NETWORK	Car Wash BI	14.00	-97260
101	422100	Fire Administration	KWIK TRIP EXTENDED NETWORK	Gas FD	2,115.21	-97260
101	419901	City Hall & Police Building Maintenance	KWIK TRIP EXTENDED NETWORK	Gas Building	76.32	-97260
101	421100	Police Administration	KWIK TRIP EXTENDED NETWORK	Gas PD	7,421.73	-97260
101	431100	Street Department	KWIK TRIP EXTENDED NETWORK	Gas Street	919.73	-97260
275	452200	Community Building	MEDIACOM	EWC - Dedicated Internet	490.00	-97259
260	456101	Cable	MEDIACOM	Internet for Cameras - Fichtne	150.00	-97259
101	422901	Firehall #1 Maple Grove Road	MN ENERGY RESOURCES CORP	Natural Gas - FH #1	625.23	-97258
275	452200	Community Building	MN ENERGY RESOURCES CORP	Natural Gas EWC - Apr	5,258.17	-97258
101	431901	City Garage	MN ENERGY RESOURCES CORP	Natural Gas Lightning Dr - 04/	107.49	-97258
101	419901	City Hall & Police Building Maintenance	MN ENERGY RESOURCES CORP	Natural Gas CH/PD	395.54	-97258
101	419901	City Hall & Police Building Maintenance	MN ENERGY RESOURCES CORP	Natural Gas - CH/PD	511.56	-97258
601	494400	Water Administration and General	MN ENERGY RESOURCES CORP	Natural Gas Lightning Dr - 04/	122.85	-97258
101	431901	City Garage	MN ENERGY RESOURCES CORP	Natural Gas Comm Building - 04	129.03	-97258
101	431901	City Garage	MN ENERGY RESOURCES CORP	Natural Gas Old CH	38.45	-97258
101	452200	Community Building	MN ENERGY RESOURCES CORP	Natural Gas Old CH	346.06	-97258
602	494900	Sewer Administration and General	MN ENERGY RESOURCES CORP	Natural Gas Lightning Dr - 04/	76.78	-97258

6/10/2026

Page 2

Fun d	Account	Department	Vendor Name	Description	Amount	Check #
101	452100	Parks	BELKNAP PLUMBING & HEATING	Coffee Maker Line - Fichtner	1,630.55	-97257
475	431150	Street Improvements	BRAUN INTERTEC CORPORATION	Lightning Drive Reconstruction	20,041.25	-97256
475	433500	Water Improvements	BRAUN INTERTEC CORPORATION	Lavaque Bypass and Ugstad Road	15,192.50	-97256
101	424100	Building Inspection	CIT	SonicWall Firewall Upgrade	52.97	-97255
101	417200	Communications	CIT	SonicWall Firewall Upgrade	79.54	-97255
101	431100	Street Department	CIT	SonicWall Firewall Upgrade	106.11	-97255
101	411100	Council	CIT	SonicWall Firewall Upgrade	106.11	-97255
101	419100	Community Development	CIT	SonicWall Firewall Upgrade	39.77	-97255
101	422100	Fire Administration	CIT	SonicWall Firewall Upgrade	159.08	-97255
601	494400	Water Administration and General	CIT	SonicWall Firewall Upgrade	39.77	-97255
101	415300	Administration & Finance	CIT	SonicWall Firewall Upgrade	265.19	-97255
602	494900	Sewer Administration and General	CIT	SonicWall Firewall Upgrade	26.57	-97255
101	421100	Police Administration	CIT	SonicWall Firewall Upgrade	769.32	-97255
101	413100	Mayor	CIT	SonicWall Firewall Upgrade	26.57	-97255
101	422100	Fire Administration	CM2 SUPPLY	Oxygen Bottles Refilled	241.04	-97254
230	465100	HEDA	CREATIVE ARCADE	Website Monthly Maintenance	250.03	-97253
101	421100	Police Administration	DRYER & PETERSON, P.C.	Prosecution Services May 2026	6,751.48	-97252
101	421100	Police Administration	DSC COMMUNICATIONS	Microphone Desktop - PD	154.00	-97251
101	452100	Parks	DULUTH LAWN CARE INC	Aeration - Field 1 - 3 Rose Rd	3,356.94	-97250
602	494500	Sewer Maintenance	GREAT LAKES PIPE SERVICE INC	Lift Station Cleaning	4,730.00	-97249
101	431901	City Garage	HARTEL'S/DBJ DISPOSAL CO LLC	Yard Trash Disposal May 2026 -	208.16	-97248
101	419901	City Hall & Police Building Maintenance	HARTEL'S/DBJ DISPOSAL CO LLC	Garbage Recycling May 2026-129	895.45	-97248
101	431100	Street Department	LINDE GAS & EQUIPMENT INC.	Cylinder Rent/Safe Env fee 04/	66.95	-97247
101	424100	Building Inspection	M-R SIGN CO INC	911 Signs	728.64	-97246
101	421100	Police Administration	MACQUEEN EQUIPMENT, LLC	Adjust Wig Wag Light - SQD 22	125.44	-97245
101	419901	City Hall & Police Building Maintenance	MENARD INC	General Maint Tools and Equip	51.63	-97244
601	494300	Water Distribution	MENARD INC	Cleaning Supplies - MDH Annual	93.80	-97244
101	431100	Street Department	MENARD INC	Pitch Forks & Rakes	115.94	-97244
101	452100	Parks	MENARD INC	Hose for Grass at Fichtner	129.98	-97244
101	452100	Parks	MENARD INC	Sprinkler Parts	23.35	-97244
101	419901	City Hall & Police Building Maintenance	MENARD INC	General Maint Tools and Equip	27.17	-97244
475	431150	Street Improvements	NORTHLAND CONSULTING ENGINEERS L.L.P.	Lightning Drive - SID # 452	1,170.00	-97243
230	214500	Escrow Deposits Payable	NORTHLAND CONSULTING ENGINEERS L.L.P.	Project Loon	11,115.00	-97243
240	432510	Trunk Sewer Construction	NORTHLAND CONSULTING ENGINEERS L.L.P.	Reinke Road Utilities	870.00	-97243
101	214500	Escrow Deposits Payable	NORTHLAND CONSULTING ENGINEERS L.L.P.	Peyton Property Development	570.00	-97243
475	433500	Water Improvements	NORTHLAND CONSULTING ENGINEERS L.L.P.	Hawkline - SLC Public Improvem	9,957.50	-97243
101	431130	City Engineer	NORTHLAND CONSULTING ENGINEERS L.L.P.	City Council Meetings	5,362.50	-97243
412	419100	Community Development	NORTHLAND CONSULTING ENGINEERS L.L.P.	Keene Creek Trail - Segment #3	1,272.50	-97243

6/10/2026

Page 3

Fun d	Account	Department	Vendor Name	Description	Amount	Check #
475	433500	Water Improvements	NORTHLAND CONSULTING ENGINEERS L.L.P.	Hawklane Public Infrastructure	14,747.50	-97243
412	419100	Community Development	NORTHLAND CONSULTING ENGINEERS L.L.P.	Hermantown Trail Project	2,415.00	-97243
475	433500	Water Improvements	NORTHLAND CONSULTING ENGINEERS L.L.P.	Hawklane Business Park	840.00	-97243
101	419100	Community Development	NORTHLAND CONSULTING ENGINEERS L.L.P.	Ugstad Road Apartments - Keupe	975.00	-97243
240	433500	Water Improvements	NORTHLAND CONSULTING ENGINEERS L.L.P.	Haines & Anderson Road Waterma	600.00	-97243
402	431150	Street Improvements	NORTHLAND CONSULTING ENGINEERS L.L.P.	Stebner Road PER & Feasibility	1,055.00	-97243
240	433500	Water Improvements	NORTHLAND CONSULTING ENGINEERS L.L.P.	Second Waterline Connection	195.00	-97243
101	421100	Police Administration	NORTHLAND FIRE & SAFETY INC	Extinguisher Parts	151.55	-97242
101	422100	Fire Administration	PRO HYDRO-TEST, LLC	Cylinder Hydro-Test	2,350.00	-97241
602	494500	Sewer Maintenance	WLSSD	053126HER1 & 2	57,101.00	-97240
101	134000	Retiree Insurance/Telephone Reimb.	NORTHEAST SERVICE COOPERATIVE	Health Ins Jun - Clinton Jones	91.31	-97239
101	421100	Police Administration	NORTHEAST SERVICE COOPERATIVE	Health Ins Jun - Clinton Jones	821.77	-97239
101	134000	Retiree Insurance/Telephone Reimb.	NORTHEAST SERVICE COOPERATIVE	Health Ins Jun - Kristi Hansen	98.12	-97239
101	421100	Police Administration	NORTHEAST SERVICE COOPERATIVE	Health Ins Jun - Kristi Hansen	883.04	-97239
603	441100	Storm Water	ARMOR EQUIPMENT	Rental - Sweeper	15,000.00	73150
601	494300	Water Distribution	BATTERIES PLUS BULBS	Backup Batteries - Radio	609.85	73151
101	413100	Mayor	BOUCHER, WAYNE	Mileage for Legislative Trip	216.05	73152
101	422903	Firehall #3 Midway Road	CENTURYLINK	Internet FH3 05/22/26-06/21/26	86.99	73153
101	431100	Street Department	CINTAS CORPORATION	Uniforms	19.07	73154
101	431100	Street Department	CINTAS CORPORATION	Uniforms	7.92	73154
101	431901	City Garage	CINTAS CORPORATION	Mats/Supplies	71.21	73154
101	431901	City Garage	CINTAS CORPORATION	Mats/Supplies	42.55	73154
101	431901	City Garage	CINTAS CORPORATION	1st Aid Cabinets	98.00	73154
101	431100	Street Department	CINTAS CORPORATION	Uniforms	7.92	73154
101	431100	Street Department	CINTAS CORPORATION	Uniforms	19.07	73154
601	494400	Water Administration and General	CITIES DIGITAL INC	Laserfiche Cloud Annual Subscr	853.75	73155
101	415300	Administration & Finance	CITIES DIGITAL INC	Laserfiche Cloud Annual Subscr	1,707.50	73155
602	494900	Sewer Administration and General	CITIES DIGITAL INC	Laserfiche Cloud Annual Subscr	853.75	73155
101	415300	Administration & Finance	CLIFTONLARSONALLEN LLP	YR 2025 Audit Services	8,528.90	73156
601	494400	Water Administration and General	CLIFTONLARSONALLEN LLP	YR 2025 Audit Services	2,129.02	73156
602	494900	Sewer Administration and General	CLIFTONLARSONALLEN LLP	YR 2025 Audit Services	2,152.08	73156
101	490000	Miscellaneous Functions	COSTIN GROUP MN	City Lobbyist	1,500.00	73157
101	421100	Police Administration	CROW-GOEBEL VETERINARY CLINIC, P A	Vet - Kyo	140.10	73158
602	494900	Sewer Administration and General	CUSTOMER ELATION INC	05/05/26 - 06/01/26 Answering	27.26	73159
601	494400	Water Administration and General	CUSTOMER ELATION INC	05/05/26 - 06/01/26 Answering	40.89	73159
101	419901	City Hall & Police Building Maintenance	DAN'S FEED BIN	Killzall - Lawn Care	89.95	73160
601	494400	Water Administration and General	HERMANTOWN STAR LLC	Drinking Water Report	396.00	73161
101	415300	Administration & Finance	HERMANTOWN STAR LLC	May 4, 2026 Minutes	57.75	73161

6/10/2026

Page 4

Fun d	Account	Department	Vendor Name	Description	Amount	Check #
101	419100	Community Development	HERMANTOWN STAR LLC	Public Hearing Planning & Zoni	74.25	73161
101	421100	Police Administration	HOLIDAY COMPANIES	Car Washes - May 2026	30.00	73162
101	419901	City Hall & Police Building Maintenance	IMPERIALDADE	Towels/TP/Filter/Gloves	290.35	73163
230	214500	Escrow Deposits Payable	KIMLEY-HORN AND ASSOCIATES, INC.	Adolph Utility Extension	51,806.03	73164
101	422100	Fire Administration	LOCALITY MEDIA INC. DBA FIRST DUE	Scheduling/Fire Inspection Sof	15,931.13	73165
101	415300	Administration & Finance	MELDE, MARY	Mileage & Lunch - Election Tra	27.39	73166
601	220110	Water Test Fee Payable	MN DEPARTMENT OF HEALTH	Water Supply Serv Connect fee	9,147.22	73167
101	419901	City Hall & Police Building Maintenance	MN TELECOMMUNICATIONS	June 2026 Internet	360.00	73168
101	422901	Firehall #1 Maple Grove Road	MN TELECOMMUNICATIONS	June 2026 Internet	90.00	73168
101	422100	Fire Administration	NAPA AUTO PARTS	Vehicle Parts - Cabin Air Filt	52.07	73169
230	465100	HEDA	NORTH SHORE DEVELOPMENT CO.	Consulting Services	907.50	73170
101	415300	Administration & Finance	ORME, KEVIN	Mileage to CIT Tech Conferenc	234.90	73171
101	431901	City Garage	OXYGEN SERVICE COMPANY	Acetylene Gas Bottle Rent	34.95	73172
101	431901	City Garage	OXYGEN SERVICE COMPANY	Acetylene Gas Bottle Rent	32.49	73172
602	494500	Sewer Maintenance	PLAWCS	Excess Volume 1/01/25-12/31/25	3,456.25	73173
101	431100	Street Department	RANGEL, TEODORO	Reimburse Safety Boots	68.45	73174
601	494300	Water Distribution	RANGEL, TEODORO	Reimburse Safety Boots	34.23	73174
602	494500	Sewer Maintenance	RANGEL, TEODORO	Reimburse Safety Boots	34.23	73174
101	419901	City Hall & Police Building Maintenance	STACK BROS MECHANICAL, INC.	Emergency Maintenance to boile	468.00	73175
101	424100	Building Inspection	TROY'S SERVICE CENTER	Vehicle Repair - H28	1,345.57	73176
101	421100	Police Administration	TROY'S SERVICE CENTER	Disc Rotor/Oil & Filter-SQD 10	620.50	73176
603	441100	Storm Water	ZIEGLER INC	Water Truck Rental	2,209.41	73177
603	441100	Storm Water	ZIEGLER INC	Water Truck Rental	6,102.50	73177

Totals: 137 records printed

324,506.45



CITY COUNCIL MEETING DATE: June 15, 2026

TO: Mayor & City Council

FROM: Alissa McClure, City Clerk

SUBJECT: Establishing an Absentee Ballot Board for the 2026 Primary and General Elections

☒ **RESOLUTION:** 2026-67 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Approve Resolution 2026-67 establishing an Absentee Ballot Board for the 2026 State Primary and General Elections.

BACKGROUND

Minnesota Statutes §203B.121 requires municipalities administering absentee voting to establish an Absentee Ballot Board. The board is responsible for reviewing, accepting or rejecting, and processing absentee ballots in accordance with state law. Additionally, certain City staff members who administer absentee voting activities at City Hall must be appointed to the Absentee Ballot Board in order to carry out absentee ballot processing and related election duties.

SOURCE OF FUNDS (if applicable)

101-414100-105

ATTACHMENTS

Resolution

Resolution No. 2026-67

Resolution Establishing An Absentee Ballot Board For The 2026 Primary And General Elections

WHEREAS, the City of Hermantown is required by Minnesota Statutes 203B.121, Subd. 1 to establish an Absentee Ballot Board effective June 26, 2026; and

WHEREAS, this board will bring uniformity in the processing of accepting or rejecting returned absentee ballots in the City of Hermantown, Saint Louis County; and

WHEREAS, the Absentee Ballot Board would consist of a sufficient number of election judges as provided in sections 204B.19 to 204B.22 or deputy county auditors trained in the processing and counting of absentee ballots; and

WHEREAS, the City Clerk is hereby authorized and directed to appoint the members of the ballot board, including substitutions and additions as necessary. The clerk shall establish, maintain and update a roster of members appointed to and currently serving on the ballot board with the following as the ballot board:

Liz Shannon	Jerrid Anderson	Delaine Carlson	Vicki Johnson
Alex Strelow	Lindsay Townsend	Mary Melde	Ed Worden
Alissa McClure	Joe Wicklund	Marie Chapinski	

THEREFORE, BE IT RESOLVED THAT, the City of Hermantown City Council hereby establishes an Absentee Ballot Board that would consist of a sufficient number of election judges as provided in sections 204B.19 to 204B.22 or deputy auditors to perform the task.

BE IT FURTHER RESOLVED THAT the City of Hermantown City Council hereby authorized any member of the ballot board to be compensated as required by Minnesota Statutes Section 203B.121, when said member performs any required duty of the ballot board.

Councilor _____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor _____ and, upon a vote being taken thereon, the following voted in favor thereof:

Councilors _____

and the following voted in opposition thereto:

Councilors _____

WHEREUPON, such resolution was declared duly passed and adopted on June 15, 2026.

STATE OF MINNESOTA)
COUNTY OF ST. LOUIS) SS.
CITY OF HERMANTOWN)

I, the undersigned, being the duly qualified and acting Clerk of the City of Hermantown, St. Louis County, Minnesota, a Minnesota municipal corporation, hereby certify that the above and foregoing Resolution 2026-67 is a true and correct copy of the Resolution as adopted by the City Council on the 15th day of June, 2026.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City of Hermantown, the 16th day of June, 2026.

Alissa McClure, City Clerk

CITY COUNCIL MEETING DATE: June 15, 2026

TO: Mayor & City Council

FROM: Zachary Graves, Fire Chief

SUBJECT: Assistants to Firefighters Grant Application

☒ **RESOLUTION:** 2026-68 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Approve a resolution supporting the application for FEMA-AFG (Assistants to Firefighters Grant) monies.

BACKGROUND

Our current radios were bought by the County almost 15 years ago. Radios that are this old have experienced physical wear and tear, such as degraded speakers, malfunctioning knobs or buttons, or issues with the display that are leading to poor performance. If we were to get approved for this grant we will replace 40 portable radios, and 10 mobile radios (vehicle). Assistants for Firefighter Grants require a 5% match for any jurisdiction with 20,000 residents or fewer with a max of 1 million dollars.

SOURCE OF FUNDS (if applicable)

Total Cost of Radio Replacement

\$381,008.50

FEMA pays: \$361,958.07

City Responsibility: \$19,050.43 – 401-422100-580

ATTACHMENTS

Resolution

Resolution No. 2026-68

Resolution Approving A Grant Application For Radio's Between FEMA And The City Of Hermantown And Authorizing And Directing The Mayor And City Clerk To Execute And Deliver Such Grant Application On Behalf Of The City Of Hermantown

WHEREAS, the City of Hermantown ("City") desires to improve public safety services to the residents of Hermantown; and

WHEREAS, the Assistants to Firefighters Grant Program was created to provide funding directly to fire departments for equipment, apparatus and personal protective equipment.; and

WHEREAS, the goal of AFG is to enhance the local fire departments' abilities to comply with department needs to meet response and operational standards established by the NFPA (NFPA 1710 and/or NFPA 1720); and

WHEREAS, the City Council believes that it is in the best interests of the City of Hermantown to approve the Grant Application substantially in the form of the one attached hereto and authorize and direct the Mayor and City Clerk to execute and deliver the Grant Application on behalf of the City of Hermantown.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hermantown, Minnesota as follows:

1. The Mayor and City Clerk are hereby authorized and directed to execute and deliver the Grant Application on behalf of the City.

Councilor _____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor _____ and, upon a vote being taken thereon, the following voted in favor thereof:

Councilors _____

and the following voted in opposition thereto:

Councilors _____

WHEREUPON, such resolution was declared duly passed and adopted June 15, 2026.

STATE OF MINNESOTA)
COUNTY OF ST. LOUIS) SS.
CITY OF HERMANTOWN)

I, the undersigned, being the duly qualified and acting Clerk of the City of Hermantown, St. Louis County, Minnesota, a Minnesota municipal corporation, hereby certify that the above

and foregoing Resolution 2026-68 is a true and correct copy of the Resolution as adopted by the City Council on the 15th day of June, 2026.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City of Hermantown, the 16th day of June, 2026.

Alissa McClure, City Clerk

CITY COUNCIL MEETING DATE: June 15, 2026

TO: Mayor & City Council

FROM: Joe Wicklund, Assistant City Administrator

SUBJECT: Performance Measures

☒ **RESOLUTION:** 2026-69 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Adopt resolution for Performance Measures and implement a minimum of ten performance measures.

BACKGROUND

In 2010, the State Legislature created the Council on Local Results and Innovation and developed a standard set of performance measures that will aid residents, taxpayers and state and local elected officials in determining the efficiency of local services. As of 2018, cities that choose to participate are eligible for a \$0.14 per capita in local government aid (LGA), not to exceed \$25,000 and are also exempt from levy limits under Minnesota statutes sections 275.70 to 275.74 for taxes payable in the following calendar year.

The original Resolution 2018-60 was passed in 2018. Each year going forward, a new Resolution needs to be passed and along with survey results, submitted to Office of State Auditor. 2026 will mark the City's eighth consecutive year of committing to and measuring these performance metrics.

SOURCE OF FUNDS (if applicable)

N/A

ATTACHMENTS

Resolution
2025 Community Survey Overview With Comparatives

Resolution No. 2026-69

Resolution Adopting Performance Measures

WHEREAS, in 2010, the Minnesota Legislature created the Council on Local Results and Innovation; and

WHEREAS, the Council on Local Results and Innovation developed a standard set of performance measures that will aid residents, taxpayers, and state and local elected officials in determining the efficacy of counties in providing services and measure residents' opinion of those services; and

WHEREAS, benefits to the City of Hermantown are outlined in MS 6.91 and include eligibility for a reimbursement as set by State statute; and

WHEREAS, any city/county participating in the comprehensive performance measurement program is also exempt from levy limits for taxes, if levy limits are in effect; and

WHEREAS, the City of Hermantown has adopted and implemented at least ten of the performance measures, as developed by the Council on Local Results and Innovation, and a system to use this information to help plan, budget, manage and evaluate programs and processes for optimal future outcomes; and

NOW, THEREFORE, BE RESOLVED that the City of Hermantown will report the results of the performance measures to its citizenry by the end of the year through publication, direct mailing, posting on the city's website, or through a public hearing at which the budget and levy will be discussed and public input allowed.

BE IT FURTHER RESOLVED, the City of Hermantown will submit to the Office of the State Auditor the actual results of the performance measures adopted by the City.

Councilor _____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor _____ and upon a vote being taken thereon, the following voted in favor thereof:

Councilors _____

and the following voted in opposition thereto:

Councilors _____

WEREUPON, such resolution was declared duly passed and adopted June 15, 2026.

STATE OF MINNESOTA)
COUNTY OF ST. LOUIS) SS.

CITY OF HERMANTOWN)

I, the undersigned, being the duly qualified and acting Clerk of the City of Hermantown, St. Louis County, Minnesota, a Minnesota municipal corporation, hereby certify that the above and foregoing Resolution 2026-69 is a true and correct copy of the Resolution as adopted by the City Council on the 15th day of June, 2026.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City of Hermantown, the 16th day of June, 2026.

Alissa McClure, City Clerk

City of Hermantown

2025 Community Survey Overview

2022 2023 2024  2025

98%	99%	98%	Agree Hermantown is a safe city	96%
68%	74%	82%	Agree fire protection is good/excellent	86%
70%	61%	78%	Agree city services is good/excellent	60%
70%	69%	82%	Agree the overall appearance of Hermantown good/excellent	76%



Condition of streets is good/excellent

2024 2025
60% 67%

2021 2022 2023
45% 35% 39%
2018 2019 2020
42% 43% 47%



Quality of snowplowing is good/excellent

2024 2025
84% 82%

2021 2022 2023
78% 73% 65%
2018 2019 2020
65% 74% 77%



Quality of water supply is good/excellent

2024 2025
78% 95%

2021 2022 2023
80% 75% 71%
2018 2019 2020
65% 68% 74%



Quality of sanitary service is good/excellent

2024 2025
74% 95%

2021 2022 2023
70% 70% 60%
2018 2019 2020
58% 67% 71%



Quality of parks and trails is good/excellent

2024 2025
62% 74%

2021 2022 2023
45% 53% 48%
2018 2019 2020
38% 54% 50%

Changes in Taxable Market Value 2025 to 2026

Assessor's Estimated Market Value	Assessor's Taxable Market Value	Net Tax Capacity	Taxable Net Tax Capacity	% Change in Tax Net Capacity
\$1,825,939,800	\$1,772,661,040	\$22,003,529	\$21,843,739	8.86%

CITY COUNCIL MEETING DATE: June 15, 2026

TO: Mayor & City Council

FROM: Kevin Orme, Director of Finance and Administration

SUBJECT: Insurance Broker

☒ **RESOLUTION:** 2026-70 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Approve 2026-2027 City insurance broker.

BACKGROUND

The City put out an RFP for insurance broker services for our 2026-2027 City Insurance. The City received two responses. One was from our current provider North Risk Partners and one was from Reliable Agency, Inc.

North Risk Partners is currently charging the City on a percentage basis that comes out to around \$28,000 for the current year. Their proposal is to switch to a flat rate fee of \$15,000 per year for the next five years or \$75,000 over the next five years which is a substantial reduction.

Reliable Agency, Inc. proposed a % fee that would change as our premiums change. If our premiums did not increase the next five years it would cost the City \$99,888 over the next five years. If our premiums go up 5-10% per year, which is typical, the proposed premiums would be \$115,908 and \$134,162 over the next five years, respectfully.

We recommend we continue with our current provider, North Risk Partners.

SOURCE OF FUNDS (if applicable)

ATTACHMENTS

Resolution
RFP's

Resolution No. 2026-70

Resolution Approving North Risk Partners As City Insurance Broker

WHEREAS, the City carries insurance coverage at part of its operations, and

WHEREAS, the City issued a Request for Proposal for insurance broker services, and

WHEREAS, the City's Director of Finance and Administration and Administrator have reviewed the Request for Proposals and the most cost-effective proposal is from our current insurance broker, and

WHEREAS, the City's desires to and recommends the City keep insurance broker services with our current insurance broker, North Risk Partners.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Hermantown, Minnesota, as follows:

1. The City of Hermantown City Council hereby accepts the recommendation from the Director of Finance and Administration and Administer and approves the five-year proposal from North Risk Partners
2. The policy term will be from July 21, 2026 to July 21, 2031
3. The Director of Finance and Administration is hereby directed to take the necessary action to implement the insurance broker services for the City

Councilor _____ introduced the forgoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor _____ and upon a vote being taken thereon the following voted in favor thereof:

Councilors _____

and the following voted in opposition thereto:

Councilors _____

WHEREUPON, such resolution was declared duly passed and adopted on June 15, 2026.

STATE OF MINNESOTA)
COUNTY OF ST. LOUIS) SS.
CITY OF HERMANTOWN)

I, the undersigned, being the duly qualified and acting Clerk of the City of Hermantown, St. Louis County, Minnesota, a Minnesota municipal corporation, hereby certify that the above

and foregoing Resolution 2026-70 is a true and correct copy of the Resolution as adopted by the City Council on the 15th day of June, 2026.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City of Hermantown, the 16th day of June, 2026.

Alissa McClure, City Clerk

City of Hermantown

Minnesota

Request for Proposals

Insurance Agent of Record Services

For the periods of
July 21, 2026 to July 21, 2027
July 21, 2027 to July 21, 2028
July 21, 2028 to July 21, 2029
July 21, 2029 to July 21, 2030
July 21, 2030 to July 21, 2031

Kevin Orme
Director of Finance and Administration

PROPOSALS MUST BE RECEIVED BY 4:00 PM, JUNE 5, 2026

I. INTRODUCTION

A. General Information

The City of Hermantown has the following insurance coverage:

Workers' compensation - BITCO

Cybersecurity - CFC

Property, liability, automobiles, other - League of Minnesota Cities Insurance Trust (LMCIT)

LMCIT requires member cities to utilize the services of an agent of record to assist and advise the city on matters related to insurance coverage. The City of Hermantown (City) invites written proposals from insurance brokers (Broker) to act as the Agent of Record on behalf of the City for Property/Casualty insurance for a five (5) year period beginning on July 21, 2026. The City will make its selection of an agent based on the insurance agency or broker's qualifications, experience, references, and cost of providing service to the City.

B. Scope of Services

Background

The City is requesting insurance consulting and brokerage services to assist in the acquisition of property/casualty and worker's compensation insurance coverage. Brokerage and consulting services must be provided for annual policy renewals on an as needed basis. The selected broker(s) must provide a thorough renewal presentation each year with policy recommendations to include an analysis of available alternatives in consideration of the City's exposures. Brokerage services must also include insurance market research, policy endorsements, certificates of insurance and coverage consultation on City claims.

A copy of the City of Hermantown's insurance coverage for 2025/2026 is included as Appendix A for reference.

Broker Duties and Responsibilities

1. Assist with the completion of the LMCIT and any other policy renewal forms using the data supplied by the City.
2. Advise and assist the City in evaluating and selecting coverage alternatives such as deductibles, limits, optional coverage, alternative coverage forms, etc. Advise the City on potential gaps or overlaps in coverage. Provide the City's Finance Director with

access to the broker's working files of City business upon request, at the City's convenience and discretion.

3. Review the LMCIT and any other insurance policies for completeness and accuracy. Confirm the schedules have been updated for the new data supplied during the renewal process.
4. Provide the City with a recap of insurance costs and an explanation of premium increases for each renewal.
5. Provide explanations of insurance coverage, coverage options and make recommendations as requested.
6. Conduct quarterly review of open claims. Review claim reserves for appropriateness.
7. Assist the City in identifying risk exposures and developing appropriate strategies to address those exposures.
8. Assist as requested with safety and loss control activities.
9. Evaluate and advise the City on whether comparable insurance can be provided by someone other than the League of Minnesota Cities, including self-insurance.
10. Other usual functions expected of an insurance broker and requested by the City such as, but not limited to, accurately amending policies, providing interpretation of coverage, policy maintenance, binders and certificates, timely delivery of policies and/or binders, providing unbiased recommendations, answering questions and resolving issues.

C. Compensation

The insurance agency shall indicate in its proposal the compensation to service the City's LMCIT and other insurance coverages for the policy periods of:

July 21, 2026 to July 21, 2027
July 21, 2027 to July 21, 2028
July 21, 2028 to July 21, 2029
July 21, 2029 to July 21, 2030
July 21, 2030 to July 21, 2031

The compensation proposed for each period shall be listed on the form attached as Appendix B to this proposal. It is anticipated the agent will be appointed for a minimum of a five-year period. An annual review process will be required with the understanding the City or Agent reserves the right to cancel the contract with a 30-day written notice.

D. Rights of Review

The City of Hermantown reserves the right to reject any or all proposals or to request additional information from any or all applicants as determined to be in the best interest of the City.

The City of Hermantown reserves the right, where it may serve the City of Hermantown's best interest, to request additional information or clarification from proposers or to allow corrections of errors or omissions. At the discretion of the City, firms submitting proposals may be requested to make oral presentations as part of the evaluation process. Following a review of the proposals, a recommendation for award will be made by the Finance Director to the City Council. A final decision for award of the work will be made by majority vote of the City Council.

The City of Hermantown reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the proposing firm of the conditions contained in this request for proposal, unless clearly and specifically noted in the proposal submitted and confirmed in the letter of engagement between the City of Hermantown and the firm selected.

E. Term of Engagement

A five-year engagement is contemplated, subject to annual review and renewal. Based on satisfactory performance, the concurrence of the City Council and the annual availability of an appropriation, the City may extend the agreement annually without solicitations from other firms. In the event of unsatisfactory performance, or when in the best interest of the City, proposals may be solicited before the end of the five-year period.

The agreement between the City of Hermantown and the insurance broker shall be in the form of a written contract.

F. Subcontracting

Following the award of the contract, no subcontracting will be allowed without the express prior written consent of the City.

II. INSTRUCTIONS

A. Proposal Submission and Evaluation

An electronic copy of the proposal must be received by 4:00 PM on June 5, 2026. Proposals should be e-mailed:

Kevin Orme, Director of Finance and Administration
korme@hermantownmn.com

All questions, correspondence and responses shall be directed to Kevin Orme, Director of Finance and Administration. In the interest of fairness, do not contact other staff or elected/appointed officials with respect to this RFP.

B. Schedule

- | | |
|---|---|
| 1. City distributes Request for Proposal | May 26, 2026 |
| 2. Proposal due date | June 5, 2026 |
| 3. Contract consideration by City Council | Either June 15, or July 6, 2025, but no later than July 6, 2026 |

NOTE: ALL PROPOSALS MUST BE RECEIVED BY 4:00 PM, June 5, 2026.

C. Proposal Format

Responses to this Request should include the information in the format and order prescribed on Appendix B and Appendix C to this RFP.

D. Evaluation Criteria

The City shall select a broker with the qualifications and proposal best meeting the needs of the City. Proposals shall be evaluated based several criteria including, but not limited to:

1. The fees listed in Appendix B.
 2. The responses to the questions listed in Appendix C.
 3. Number of years the agency has been in business.
 4. Experience of working with municipalities insured by the LMCIT during the last five years.
 5. The qualifications, experience, and professional designations of the agency's staff proposed to service the City's account.
 6. Agency premium volume excluding personal lines of coverage (health, life, etc.).
 7. Present limit of errors and omissions coverage in place for the agency.
-
1. At least three references from clients with contact information. If you represent municipalities – please include those as references

2. Any other agency resources or special qualifications that would be advantageous to the City, such as health insurance, life insurance and disability insurance.

III. CONTRACT EXECUTION

The information below is being provided as part of this Request for Proposal to give proposers an understanding of the City's expectations with respect to contract execution.

A. Negotiations and Contract Execution

The City reserves the right to negotiate the final terms and conditions of the contract to be executed. Should the City and agency be unable to agree upon the entire contract, the City reserves the right to discontinue negotiations, select another agency, or reject all of the proposals. Upon completion of negotiations agreeable to the City and the agency, the Broker shall enter into a Professional Services Contract with the City (see Appendix D).

B. Contracting Ethics

1. No elected official or employee of the City of Hermantown who exercises any responsibilities in the review, approval, or implementation of the proposal shall participate in any decision, which affects his or her direct or indirect financial interests.
2. It is a breach of ethical standards for any person to offer, give, or agree to give any City of Hermantown employee or Council person, or for any City of Hermantown employee or Council person to solicit, demand, accept, or agree to accept from another person or firm, a gratuity or an offer of employment whenever a reasonable prudent person would conclude that such consideration was motivated by an individual, group or corporate desire to obtain special, preferential, or more favorable treatment than is normally accorded the general public.
3. The agency shall not assign any interest in this contract and shall not transfer any interest in the same without the prior written consent of the City.
4. The agency shall not accept any private client or project which, by its nature, places it in ethical conflict during its representation of the City of Hermantown.

**CITY OF HERMANTOWN
INSURANCE COVERAGE FOR 2025/2026**

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**CITY OF HERMANTOWN
AGENT OF RECORD RFP COMPENSATION PROPOSAL**

For the periods of	Fee
2026-2027	\$15,000
2027-2028	\$15,000
2028-2029	\$15,000
2029-2030	\$15,000
2030-2031	\$15,000

CITY OF HERMANTOWN

INFORMATION ON THE FIRM	
Name of Firm: North Risk Partners	
Branch Office:Mendota Heights, MN	National Office: (if applicable)
Address:2010 Centre Point Blvd Mendota Heights, MN 55120	Address:
List Prior Names of Business if changes have been made:	
Telephone Number of Office:	FAX Number:
Branch:651-379-7800	Branch:
National:	National:
Number of Years In Business: 13 years as North Risk Partners but our organization has an agency history of over 100 years.	

Number of Years In Business:

Our firm has roots dating back over 100 years. The North Risk Partners name was established in 2013 when three of Minnesota's leading independent insurance agencies, Apollo Insurance, C.O. Brown Agency, and Johnson McCann, merged under a common ownership partnership. Over the past five years North Risk Partners has become one of the fastest growing insurance brokers in the nation through acquisition and organic growth. In the near and far future our agency is determined to maintain its current growth strategy by expanding farther into Nebraska and other states in the Midwest. We have over 450 employees, 28 locations and over \$1 Billion in written premium.

CITY OF HERMANTOWN

Describe your firm's experience and expertise regarding public entity risks by relating the markets to which the firm has access, the information technology capabilities of your firm, other public sector clients with whom you have a relationship and which of the clients are self-funded.

North Risk Partners represents more public entities with LMCIT than any other insurance broker with over 85 in total. Each city is assigned a dedicated Risk Advisor, Account Manager, and Marketing Manager, which delivers consistency in handling and servicing our city clients. North Risk Partners' service capabilities rival even the largest global brokers as proven by the number of cities we serve in MN and the Midwest overall.

- Dedicated service team

- Educational Resources (Webinars, Seminars, Workshops)

- Added Values Services in Human Resources, Safety and Legal Services

North Risk Partners also has an exclusive carrier option outside of LMCIT for workers compensation coverage(Bitco) which provides our client options for potential reduction in insurance costs.

Describe the steps you would take in reviewing our current program and designing changes in the program. Include specific techniques and procedures your firm may use to assist in identifying current and anticipated new loss exposures to the City. Describe the Loss Control, Risk Management, Wellness and Legal services offered by your firm.

Our review of your risks and exposures is an ongoing process. This is done with continuous communication with the City. It involves both a pre-renewal meeting and a renewal meeting to go over city operations and any new exposures. We also have ongoing communication and education with LMCIT to help our agency stay informed on both the insurance program and risk management. We use loss control services provided by LMCIT and we also use a national safety consultant named KPA. We also offer a free online safety and HR training called Lezage. Our legal support comes from Hellmuth & Johnson which is a MN based law firm.

CITY OF HERMANTOWN

What are the transition expectations if the City uses your services?

There would not be a transition as we are the current insurance broker for the City of Hermantown so our team is in place and ready to get to work.

After the risk assessment is complete, how does your organization formulate a long-term Risk Management strategy for the next five years?

Our recommended long-term strategy would be a collaboration with Hermantown city leaders. It would include an overall review of the comprehensive plan for the city and making sure the insurance program aligns with all future city projects and activities. This would be an ongoing strategy and continual communication as there are always ongoing changes happening.

CITY OF HERMANTOWN

Please comment on your anticipated involvement in monitoring and assisting in claims preparation, management, negotiation and settlement.

North Risk Partners has an experienced claims team to help you navigate through the claims process by:

1. Providing direct reporting instruction to ensure faster processing, efficient investigation, and handling by the insurance company.
2. Actively advocating on your behalf regarding challenging claims while keeping you informed. Facilitating and coordinating claim discussions with all involved parties while maintaining comprehensive documentation of all communications and actions taken. This will include quarterly reports on all Open claims.
3. Review of denials, reservation of rights letters, and complex claim issues. We do a thorough exam of the claim, the policy, and any correspondence from the insurer to identify any ambiguities or clauses that support your position and then effectively present them to the insurer.
4. Escalating matters to higher authorities within the insurance company when necessary. Leveraging strong relationships with carriers and knowledgeable staff to navigate the claims process effectively. After resolving a dispute, provide feedback to the carrier for potential improvement.

What services would you classify within the fee income and what services would you classify outside the fee income? List your fees for any additional services which may exceed the scope of duties and responsibilities contemplated within the set fee?

All our services are included in the fee income.

CITY OF HERMANTOWN

PERSONNEL INFORMATION	
Provide the names, professional qualifications and educational background of the Account Executives and key support personnel who would be responsible for our account:	
Jon Launstein: Risk Advisor Associate in Risk Management BA in Marketing from St. Thomas Vicki Juelfs: Account Manager Tammy Collins: Claims Manager Branch:	National:
Total Personnel: 470 Branch: 65	Total Personnel: National:
Licensed Brokers: 100 Branch: 40 Central Division	Licensed Brokers: National:
Claims Administration: 11 Branch: 5	Claims Administration: National:
Safety/Loss Control Personnel: KPA- 15 Branch:	Safety/Loss Control Personnel: National:
Licensed Insurance Consultants: 100 Branch: 11	Licensed Insurance Consultants: National:
Licensed Excess & Surplus Lines Broker: We use numerous wholesale brokers for this marketplace Branch:	Licensed Excess & Surplus Line Broker: National:
Legal Personnel: Hellmuth&Johnson Branch:	Legal Personnel: National:
Wellness Personnel: 5 Branch: 1	Wellness Personnel: National:

CITY OF HERMANTOWN



Contact For:

- Coverage Questions
- General Questions/Concerns
- P&C or Group Health Needs
- Carrier or Value Added Questions

Jon Launstein, CIC, ARM

V.P. Commercial Lines, Risk Advisor, Partner
Mendota Heights
Phone: (651) 379-7844
Fax: (651) 379-7801
jon.launstein@northriskpartners.com



Contact For:

- General Questions
- Endorsements/Certificates
- Coverage/Carrier Questions
- Property & Casualty Miscellaneous

Vicki Juelfs

Account Manager – Commercial Lines
Mendota Heights
Phone: (651) 379-7831
Fax: (651) 379-7801
vicki.juelfs@northriskpartners.com



Contact For:

- Short and Long-Term Benefits Strategy
- Coverage and General Questions
- Carrier Negotiations and Advocacy
- Value-Added Services Questions

Charles Seivert

Risk Advisor, Partner
Mendota Heights
Phone: (651) 379-7855
Fax: (651) 379-7801
charlie.seivert@northriskpartners.com



Contact For:

- Workers' Compensation Claims Advocacy
- Workers' Compensation Claims Questions
- Workers' Compensation Carrier Follow-up
- Workers' Compensation Claims Miscellaneous

Tammy Collins

Sr. Claims Administrator
Mendota Heights
Phone: (651) 379-7818
Fax: (651) 379-7801
tammy.collins@northriskpartners.com



Contact For:

- Bonding Assistance

Surety & Bonds Department

Surety & Bonds Support
Phone: (651) 379-7800
Fax: (651) 379-7801
bonds@northriskpartners.com

CITY OF HERMANTOWN

AGENCY PERSONNEL INFORMATION
List principals in firm and denote those who would work with the City of Hermantown. Chris Meidt: CEO Mike Jacobs: President Barry Quernemoen: VP of Commerical Lines *Jon Launstein: Senior Risk Advisor & Partners *Vicki Juelfs: Account Manager
List the number of clerical/support staff in service office. 44
Discuss the claims process as it relates to your firm. North Risk Partners has 11 full-time claims staff. We assist clients in the entire claims process which includes notifying the insurance company; reviewing coverage forms; and assisting in communication with the insurance adjuster. We support our clients and advocate for a fair and timely settlement on any claims.
In no more than 100 words, offer any additional information related to why your firm should be the City of Hermantown's selected broker. North Risk Partners has a significant commitment to working with MN cities. As stated previously, we currently insure the largest number of cities in the LMCIT program. We have a vertical operation within our agency that is dedicated to servicing and supporting our city clients. The account manager for the City of Hermantown is Vicki Juelfs. Vicki works with 35 cities and brings a lot of knowledge and experience to our team. Our agency has certainly appreciated the City of Hermantown being a loyal client and we would definitely appreciate being able to continue as your selected insurance broker.

CITY OF HERMANTOWN

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CITY OF HERMANTOWN

INSURANCE COMPANY INFORMATION		
Commercial Property/Casualty (list your top 5 companies by premium volume written and indicate the dollars of premium written):		
AutoOwners: \$84 million		
Travelers: \$50 million		
Western National: \$33 million		
Acuity: \$32 million		
Secura: \$27 million		
LMCIT: \$7.8 million		
Over \$1 billion in total written premium.		
Branch:	National:	
What is your Annual Premium Volume by Coverage Area?	Branch	National
Property/Boiler Machinery.....		
General Liability.....		
Auto Liability.....		
Public Officials/E&O.....		
Crime.....		
Workers Compensation.....		
Professional Liability.....		
Names of governmental entities insured by the agency through the LMCIT during the last five years. For each client reference, include the scope of the service, time performed, and name, title, address and phone number of the principal contact person.		
City of Hermantown City of Plymouth City of Chisago City Lakes Area Police City of Big Lake City of Monticello City of Clearwater City of Andover City of Annandale City of Arden Hills City of Rochester City of Elko New Market Additional cities can be provided on request		

CITY OF HERMANTOWN

REFERENCES
List three references:

The name and telephone number of three client references.



City of Chisago City
Cassie Gemuenden
10625 Railroad Ave.
Chisago City, MN 55013
(651)257-4162



City of Big Lake, MN
Deb Wegeleben
160 Lake St N. Big Lake, MN 55309
(763) 251-2974
dwegeleben@biglakemn.org



City of Monticello, MN
Tracy Ergen
505 Walnut St, Suite 1, Monticello, MN 55362
(763) 271-3235
tracy.ergen@monticellomn.gov

CITY OF HERMANTOWN
AGENT OF RECORD RFP COMPENSATION PROPOSAL

Policy Period	Fee
July 21, 2026 – July 21, 2027	5% with LMCIT; 7% with BITCO; 10% with CFC
July 21, 2027 – July 21, 2028	5% with LMCIT; 7% with BITCO; 10% with CFC
July 21, 2028 – July 21, 2029	5% with LMCIT; 7% with BITCO; 10% with CFC
July 21, 2029 – July 21, 2030	5% with LMCIT; 7% with BITCO; 10% with CFC
July 21, 2030 – July 21, 2031	5% with LMCIT; 7% with BITCO; 10% with CFC

CITY OF HERMANTOWN

INFORMATION ON THE FIRM	
Name of Firm: Reliable Agency, Inc.	
Branch Office: Hermantown	National Office: (if applicable) N/A
Address: 5115 Miller Trunk Hwy Hermantown, MN 55811	Address:
List Prior Names of Business if changes have been made: None	
Telephone Number of Office:	FAX Number:
Branch: 218-729-6791	Branch: 218-879-6619
National: N/A	National: N/A
Number of Years In Business: 54 years	
<i>Describe your firm's experience and expertise regarding public entity risks by relating the markets to which the firm has access, the information technology capabilities of your firm, other public sector clients with whom you have a relationship and which of the clients are self-funded.</i> Experience & Expertise – Public Entity Risks Reliable Agency has been working with local municipalities and public entities since our agency's inception in 1974. We have extensive experience with self-insured group programs such as the League of Minnesota Cities Insurance Trust (LMCIT), as well as fully insured options through standard carriers. As an independent insurance agency, we maintain direct access to a broad range of carriers that insure all policy types for public entities — including Travelers, Liberty Mutual, EMC, Hanover, and Cincinnati Insurance — and we have the ability to pair specialty coverages such as Workers' Compensation, Cyber Liability, and Builders' Risk with insurance companies that specialize in those areas. This flexibility allows us to customize coverage programs to fit each client's current needs and future direction, rather than being limited to a single market or program. Information Technology Capabilities Data security is a top priority for our agency. We utilize one of the top agency management systems in our industry (Applied EPIC) providing secure, centralized management of client policy data, claims information, and renewal documentation. Clients have access to our Client Portal for on-demand access to policy documents, certificate requests, and auto ID cards. We utilize proper data security practices when communicating with clients with encrypted file sharing through Citrix. Other Public Sector Clients Our agency currently serves Minnesota municipalities and public entities through LMCIT. We also serve multiple public school districts across northern Minnesota through fully insured programs. All of our LMCIT municipal clients participate in LMCIT's member-owned, self-funded pool structure.	

CITY OF HERMANTOWN

Describe the steps you would take in reviewing our current program and designing changes in the program. Include specific techniques and procedures your firm may use to assist in identifying current and anticipated new loss exposures to the City. Describe the Loss Control, Risk Management, Wellness and Legal service offered by your firm.

Program Review, Exposure Identification, and Risk Management Services

Our approach to reviewing the City of Hermantown's insurance program begins with a thorough, document-driven audit of all existing coverages — including the City's LMCIT property, liability, and automobile policies, BITCO workers' compensation program, and CFC cybersecurity coverage. We request and review current policy declarations, endorsements, coverage schedules, loss runs for the prior five years, payroll and vehicle schedules, property values, union contracts, and any joint powers or vendor agreements. This initial audit allows us to establish a complete picture of the City's current risk transfer strategy before recommending any changes.

Following the document review, we conduct department-level interviews with key City staff — including public works, parks and recreation, law enforcement, and administration — to understand day-to-day operations, recent changes in services or staffing, and any areas of concern. We supplement these interviews with on-site walkthroughs of City facilities, including City Hall, public works yards, parks infrastructure, and any other owned or leased properties. These walkthroughs allow us to identify physical hazards, operational exposures, and coverage gaps that may not be apparent from policy documents alone.

We then perform a formal coverage gap and overlap analysis, benchmarking the City's limits, deductibles, and coverage terms against similarly situated Minnesota municipalities and LMCIT's own benchmarking data. This analysis identifies where the City may be underinsured, overinsured, or carrying unnecessary duplication. We present findings in a written coverage analysis memo and discuss recommendations with the Finance Director prior to each renewal.

Identifying Current and Anticipated New Loss Exposures

To identify current exposures, we review OSHA 300 logs, accident and incident reports, prior claim files, and contract indemnification provisions in City agreements, leases, and construction contracts. We evaluate whether vendors and contractors are providing appropriate certificates of insurance and additional insured endorsements.

For anticipated emerging exposures, we actively monitor trends affecting Minnesota public entities, including: the evolving cyber threat landscape and adequacy of the City's CFC coverage relative to ransomware and data breach risks; climate-related property exposures such as flooding and severe weather; social inflation trends affecting law enforcement liability and public officials E&O; and changes in Minnesota statutory workers' compensation benefits. We collaborate with LMCIT's loss control resources and BITCO's risk engineering team to stay ahead of these developing exposure patterns.

Loss Control Services

Our loss control services include safety program development and review, task-specific employee training, job hazard analyses, fleet safety programs (including driver training, MVR monitoring, and telematics evaluation – if utilized), facility inspections, and assistance with Minnesota OSHA compliance. We work directly with City supervisors and department heads to implement practical, cost-effective safety improvements that reduce claim frequency and severity over time.

Risk Management Services

We provide annual renewal strategy meetings, mid-year program reviews, and written coverage analysis presentations to City leadership. We evaluate alternative risk transfer options — including higher deductibles, self-insurance feasibility, and coverage outside of LMCIT where appropriate — and present objective, data-

CITY OF HERMANTOWN

driven recommendations. LMCIT always serves as our baseline comparison given its tailored coverage for Minnesota municipalities and its member-owned structure.

Wellness Services

We support the City's employee wellness objectives through ergonomics assessments, mental health and chronic condition resources, and return-to-work and transitional duty program development. We coordinate closely with HR, department supervisors, and BITCO to facilitate early return-to-work outcomes, reduce workers' compensation costs, and improve employee health and retention.

Legal Services

We provide coverage interpretation support, assist in preparing responses to reservation-of-rights and denial letters, and coordinate with the City Attorney and LMCIT's defense counsel in coverage disputes. We also review insurance and indemnification provisions in City contracts, leases, and construction agreements to ensure the City's interests are protected. During claims, we participate in quarterly review meetings and provide settlement evaluation support, ensuring alignment among LMCIT, BITCO, defense counsel, and City leadership throughout the process.

What are the transition expectations if the City uses your services?

Transition Expectations

If the City selects Reliable Agency, our primary objective is a smooth, low-effort transition with no disruption in coverage. Because we currently serve multiple LMCIT members — including nearby cities and authorities in the region — we are very familiar with the League of Minnesota Cities Insurance Trust's processes and timelines and can move quickly on your behalf.

Immediately upon appointment, we will:

- Prepare and file the LMCIT Agent of Record appointment form to formally recognize Reliable Agency as the City of Hermantown's agent
- Confirm existing policies with LMCIT, BITCO, and CFC to ensure there are no gaps or changes in effective dates, limits, or deductibles
- Schedule an introductory transition meeting with your designated staff to review current programs, priorities, and any open claims
- Collect current policies, schedules, applications, and loss runs so we can verify accuracy and identify improvement opportunities

We will ask the City to: (1) designate a primary staff contact for coordination, (2) provide copies of current insurance documents and relevant contracts, and (3) participate in the initial transition meeting. Beyond that, we will do the heavy lifting — working directly with LMCIT, BITCO, and CFC on your behalf.

Given the July 21, 2026 renewal date, our transition plan anticipates immediate activity in the first week after selection. During this period, we will complete the Agent of Record change with LMCIT, review renewal applications, and confirm any upcoming rating or underwriting deadlines. Our experience with other LMCIT members allows us to ensure all renewal materials are complete and submitted well in advance.

All existing carriers — LMCIT for property/liability/auto, BITCO for workers' compensation, and CFC for cybersecurity — would remain in place unless directed otherwise by the City, ensuring continuity of coverage. Throughout the transition, you will have a single dedicated point of contact at Reliable Agency who will coordinate all activities, including quarterly claims reviews and safety/loss control support, so the process is organized, transparent, and minimally disruptive to City operations.

CITY OF HERMANTOWN

After the risk assessment is complete, how does your organization formulate a long-term Risk Management strategy for the next five years?

Long-Term Risk Management Strategy

After completing the initial risk assessment, we translate our findings into a written, prioritized five-year Risk Management Strategy tailored specifically to the City of Hermantown. We begin by organizing identified exposures — across workers' compensation, cyber, property, liability, auto, and public officials — into a risk register that ranks items by frequency, severity, and controllability. Using LMCIT loss runs, benchmarking data for Minnesota municipalities, and the City's own claims history, we define clear risk themes (e.g., fleet safety, cyber resilience, employment practices, facilities and infrastructure) and assign measurable objectives to each.

The five-year plan is structured in three phases. Year 1 focuses on high-impact, achievable actions: addressing adverse loss drivers revealed in the assessment, tightening key policies and procedures, deploying targeted training, and aligning coverages with Hermantown's risk profile across BITCO, CFC, and LMCIT programs. Years 2–3 emphasize embedding risk management into operations — refining return-to-work programs, rolling out multi-year safety initiatives, improving data quality and reporting, and piloting projects (such as telematics or cyber awareness programs) informed by LMCIT resources and best practices. Years 4–5 concentrate on long-term resilience: capital planning for risk-related investments, evaluating alternative risk financing or retention options as appropriate, and ensuring the City's risk posture keeps pace with growth and regulatory changes.

This strategy is not static. Each year, in conjunction with the required annual renewal presentation, we perform a structured review of the plan. We analyze updated LMCIT and carrier loss data, quarterly claims review outcomes, operational and staffing changes, and emerging risks — including evolving cyber threats, climate-related severe weather, public officials liability trends, and workforce and employment practices issues. Based on this analysis, we reprioritize initiatives approved by City leaders, adjust coverage recommendations, and update milestones for the coming year.

Throughout the process, we collaborate closely with City leadership — the Finance Director, City Administrator, department heads, and other key personnel. Together, we set priorities, validate assumptions, and align the risk strategy with Hermantown's strategic plan and budget. We explicitly balance risk transfer costs (premiums, retentions, deductibles) with loss control investments (training, technology, infrastructure improvements) to achieve the best long-term value for taxpayers. Our experience with other LMCIT-member municipalities allows us to bring tested, repeatable practices and practical benchmarks, ensuring Hermantown's five-year risk management strategy is both disciplined and adaptable. Our involvement throughout this process varies by client and their desires — we provide information and options for City leaders to make educated decisions.

CITY OF HERMANTOWN

Please comment on your anticipated involvement in monitoring and assisting in claims preparation, management, negotiation and settlement.

Claims Preparation, Management, Negotiation and Settlement

We view claims advocacy as one of our most important responsibilities and anticipate being actively involved from the first notice of loss through final resolution. When an incident occurs, City staff will have direct access to our dedicated public entity team by phone and email. We will provide simple incident reporting tools and guidance, so supervisors know what to document — facts of loss, photos, witness statements, police and incident reports — what to preserve, and how to promptly notify us. Upon notice, we will confirm coverage triggers and immediately coordinate reporting to LMCIT, BITCO, or CFC, as appropriate.

In claims preparation, we will assist the City in assembling complete and timely submissions tailored to each carrier's requirements. For LMCIT, this includes detailed loss descriptions, applicable policies and procedures, and supporting documentation. For BITCO workers' compensation claims, we will help ensure injury reports, medical documentation, and wage information are accurate and complete. For CFC cyber claims, we will coordinate with the City's IT and legal teams to document timelines, incident response steps, and any regulatory considerations.

We will actively monitor all open claims, maintain a centralized claims log, and regularly review reserve adequacy and claim strategies with carrier adjusters. Our team will track key milestones, ensure adjusters are responsive, and keep City leadership informed of all material developments.

At least quarterly — and more often as needed — we will conduct structured claims review meetings with City leaders covering all open claims across LMCIT, BITCO, and CFC. These sessions will focus on reserve appropriateness, recovery opportunities, litigation status, and action plans to move files toward resolution while protecting the City's interests.

During negotiation and settlement, our firm will serve as the City's advocate — challenging inappropriate denials, excessive reserves, or unreasonable positions, and providing independent evaluation of settlement proposals. When claims escalate to litigation, we will coordinate closely with LMCIT-assigned defense counsel and the City Attorney to align strategy, ensure coverage issues are addressed, and maintain clear communication throughout.

Following claim closure, we will perform post-claim analyses to identify trends by department, cause of loss, and line of coverage. We will use this information to recommend practical risk control measures, inform training priorities, and support the City's long-term risk management strategy over the duration of our relationship with the City.

CITY OF HERMANTOWN

What services would you classify within the fee income and what services would you classify outside the fee income? List your fees for any additional services which may exceed the scope of duties and responsibilities contemplated within the set fee?

Fee Income and Additional Services

Our firm operates on an all-inclusive service model in which the vast majority of broker services are provided within the agreed annual fee for the duration of the five-year engagement.

Services Included Within the Fee:

- Program marketing, renewal management, and placement of all lines of coverage
- Coverage analysis and recommendations, including benchmarking and gap identification
- Coordination with LMCIT and all other carriers and TPAs
- Quarterly claims reviews and loss trends with follow-up action plans
- Ongoing risk assessment and consultation on emerging exposures
- Annual renewal strategy meetings and formal renewal presentations to City leadership
- Issuance of certificates of insurance and evidence of coverage
- Processing of policy endorsements, audits, and day-to-day service requests
- Four one-hour training sessions per year with North States Safety (NSS)

Outside the Fee:

The only service we anticipate falling outside the set fee is any additional training session with North States Safety beyond the four sessions included annually. These optional sessions would be billed separately at the prevailing NSS rate of \$120 per hour, subject to City review and approval before scheduling.

CITY OF HERMANTOWN

PERSONNEL INFORMATION	
<i>Provide the names, professional qualifications and educational background of the Account Executives and key support personnel who would be responsible for our account:</i>	
Lead Advisor: Scott Wojtysiak, CIC CSRM – Accounting degree from UW-Superior Account Manager: Adriana Wickett – English degree from the College of St Benedict Claims Advocates: Manda Bauer, CISR Licensed Independent Adjuster Property & Casualty and Workers Compensation Courtney Piepho – Business Marketing and Finance degree from Bethel University Customer Service Representative: Jill Morgan	
Branch: Hermantown, MN	National: N/A
Total Personnel:	Total Personnel:
Branch:	National:
Licensed Brokers: M3 Insurance Solutions, Inc.	Licensed Brokers:
Branch: Madison, WI	National:
Claims Administration:	Claims Administration:
Branch:	National:
Safety/Loss Control Personnel: North States Safety Joshua Malenius – Masters Degree in Environmental Health & Safety from UM-Duluth Jayme Malenius – Masters Degree in Safety Science from Embry Riddle Aeronautical University Branch: Duluth, MN	Safety/Loss Control Personnel: National:
Licensed Insurance Consultants: Scott Wojtysiak, CIC CSRM	Licensed Insurance Consultants:
Branch: Hermantown, MN	National:
Licensed Excess & Surplus Lines Broker: Arlington/Roe & Co., Inc.	Licensed Excess & Surplus Line Broker:
Branch: Indianapolis, IN	National:
Legal Personnel:	Legal Personnel:
Branch:	National:
Wellness Personnel:	Wellness Personnel:
Branch:	National:

CITY OF HERMANTOWN

AGENCY PERSONNEL INFORMATION
<i>List principals in firm and denote those who would work with the City of Hermantown.</i> Scott Wojtysiak, CIC CSRM – lead advisor for the City of Hermantown Micki Wojtysiak, CIC CISR CLCS Kyle Wojtysiak, CISR Travis Hansen, CIC Sarah Rautell, CIC CISR Laura Hansen, HR Certified
<i>List the number of clerical/support staff in service office.</i> Commercial Account Team Our Commercial Department consists of 4 Commercial Advisors, 4 Commercial Account Managers, 2 Claims Advocates, and 5 Customer Service Representatives – all of which are licensed agents.
<i>Discuss the claims process as it relates to your firm.</i> Our Claims Process Our firm's claims process is built around a key differentiator: we provide the City with a dedicated Claims Manager whose sole focus is supporting you when losses occur. Many brokers treat claims as an afterthought; we treat it as a core service. From the City's perspective, the process is straightforward. When an incident occurs — whether a workers' compensation injury, cyber event, property loss, or liability claim — City staff report it to us through your preferred channel (email, phone, or online). Your dedicated Claims Manager is the first point of contact, supported by your Account Manager, CSR, and Lead Advisor, Scott Wojtysiak. The Claims Manager immediately verifies coverage, gathers key facts, and submits the claim to the appropriate carrier: LMCIT for property, municipal liability, auto, and related lines; BITCO for workers' compensation; and CFC for cybersecurity. They coordinate directly with the assigned adjusters, ensuring timely acknowledgment, appropriate investigation, and clear communication of next steps back to the City. Throughout the life of the claim, the Claims Manager monitors status, reviews reserves for appropriateness, and proactively advocates for the City on compensability, coverage interpretation, and settlement strategy. We formalize this support through structured quarterly claims review meetings with City staff. These agenda-driven sessions focus on open claim status, reserve adequacy, trends and root causes, opportunities for modified duty or return-to-work, and recommended loss control or training initiatives. For complex, high-severity, or politically sensitive claims, Scott Wojtysiak is directly involved — working alongside the Claims Manager to engage senior carrier personnel at LMCIT, BITCO, or CFC and to develop a strategy aligned with the City's risk, budget, and community considerations. The City reports the claim; our team handles the rest.

CITY OF HERMANTOWN

In no more than 100 words, offer any additional information related to why your firm should be the City of Hermantown's selected broker.

Why Reliable Agency

Reliable Agency is your neighbor — locally rooted in the Hermantown community with a deep understanding of the challenges facing Minnesota municipalities. Our dedicated account team brings a combined 52 years of industry experience, backed by a structure few brokers can match: a lead advisor, account manager, dedicated claims manager, and CSR all focused on your account. We pride ourselves on being Resourceful — finding solutions, not just answers; Honest & Fair — clear, up-front, with no surprises; and delivering Unmatched Responsiveness — quick replies, accurate information, and consistent follow-up. Reliable Agency isn't just a broker; we're a long-term partner invested in Hermantown's success.

CITY OF HERMANTOWN

INSURANCE COMPANY INFORMATION		
<i>Commercial Property/Casualty (list your top 5 companies by premium volume written and indicate the dollars of premium written):</i>		
1. Auto Owners	\$3,059,701	
2. SFM	\$1,539,061	
3. Secura	\$1,185,119	
4. EMC	\$1,182,537	
5. LMCIT	\$1,034,407	
Branch:	National:	
<i>What is your Annual Premium Volume by Coverage Area?</i>	Branch	National
Property/Boiler Machinery.....	\$4,037,939	
General Liability.....	\$2,520,290	
Auto Liability.....	\$2,614,730	
Public Officials/E&O.....	\$185,467	
Crime.....	\$28,721	
Workers Compensation.....	\$3,348,508	
Professional Liability.....	\$86,538	
<i>Names of governmental entities insured by the agency through the LMCIT during the last five years. For each client reference, include the scope of the service, time performed, and name, title, address and phone number of the principal contact person.</i> ➤ City of Cloquet ➤ City of Rice Lake ➤ City of Proctor ➤ City of Scanlon ➤ City of Wrenshall ➤ City of Brookston ➤ Cloquet Area Fire District ➤ Carlton Housing and Redevelopment Authority ➤ Cloquet Housing and Redevelopment Authority		

CITY OF HERMANTOWN

REFERENCES	
<i>List three references:</i>	
1.	Entity: City of Cloquet Coverage/Service: All Property & Casualty coverage including Workers Compensation, claims and loss control services. 1974-Present Ancillary Employee Benefits 2000-Present Contact (Name, Title, Address & Tel. No.): Tim Peterson, City Administrator 101 14th Street Cloquet, MN 55720 (218) 879-3347
2.	Entity: City of Rice Lake Coverage/Service: All Property & Casualty coverage including Workers Compensation, claims and loss control services. 2015-Present Contact (Name, Title, Address & Tel. No.): Toni Blomdahl, City Administrator 4107 W Beyer Rd Duluth, MN 55803 (218) 721-3778
3.	Entity: City of Proctor Coverage/Service: All Property & Casualty coverage, claims and loss control services. 2025-Present Contact (Name, Title, Address & Tel. No.): Jessica Rich, City Administrator 100 S Pionk Dr Proctor, MN 55810 (218) 624-3641



CITY COUNCIL MEETING DATE: June 15, 2026

TO: Mayor & City Council

FROM: John Mulder, City Administrator

SUBJECT: Amended Assessment Roll

☐ **RESOLUTION:** 2026-71 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Approve an amended assessment roll for the Hermantown Road improvement project.

BACKGROUND

Late 2025, the City Council approved an assessment roll for the Hermantown Road improvement project. The City reached a mediated settlement on the appeals of that assessment. Based on those mediated settlements, the City Council directed staff to reduce the all of the assessments on that project. The attached resolution reduces the assessment as directed. This assessment roll does not include those parties that were part of the settlements that were approved. It also does not include those property owners who paid their assessment in full, since there is no longer an assessment on their property tax bill. For those who paid the original assessment in full, they will receive a refund.

For those properties that are paying the assessment through their property tax, they will be given credit for the payments in 2026, and the remaining amount will be put on their property tax for the remaining time on the original assessment at the same interest rate. Those residents will have the option to pay it in full before the end of the year to avoid having it placed on their property tax bill.

SOURCE OF FUNDS (if applicable)

ATTACHMENTS

Resolution
Exhibit A - Assessment Roll
Exhibit B - Draft Letter

Resolution No. 2026-71

Resolution Amending Final Assessment Roll For Road Improvement District No. 541 & 542 (Hermantown Road & Bridge And Old Midway Road)

WHEREAS, pursuant to proper notice duly given as required by the law, the City Council held a hearing on the proposed assessment roll for the construction of Road Improvement District No. 541 & 542 (Hermantown Road & Bridge and Old Midway Road) (“Project”); and

WHEREAS, the City Council adopted the Final Assessment Roll for Road Improvement District No. 541 & 542 (Hermantown Road & Bridge and Old Midway Road) with the adoption of Resolution 2025-161 on November 3, 2025, and

WHEREAS; several residents appealed the Assessment, and the City settled at an assessment level of \$4,700 to avoid continued litigation, and

WHEREAS, the City Council wishes to have the same assessment amount for all affected properties on the project,

WHEREAS, the amount on the attached amended assessment roll, assumes that residents have paid the first year of the original assessment in 2026.

WHEREAS, the properties that were part of the appeal and settlements are not included in this assessment roll, as they are covered by respective settlements.

WHEREAS, those properties that paid the original assessment in full are not included in the amended assessment roll, they will receive a refund of \$4,700.

THEREFORE, BE IT RESOLVED, the City Council of the City of Hermantown hereby resolved as follows:

1. The final assessment roll attached hereto as Exhibit A is hereby adopted and shall constitute the special assessment against each piece and parcel of property named therein.
2. Residents who have paid the original assessment of \$9,400 in full, will be reimbursed \$4,700.
3. The assessments listed on the assessment roll attached hereto as Exhibit B shall be payable in equal annual installments, including principal and interest, extending over a period of fourteen (14) years, with interest at the rate of five and a half (5.5%) per annum, from and after December 31, 2026 in an amount annually required to pay the principal over such period at such interest rate. The first of such installments is to be paid with the general taxes for the year 2026, collectible with such taxes during the year 2027.
4. The owner of any property so assessed may, at any time, prior to December 31, 2026 pay the whole of the assessment against such property without interest to the City of Hermantown, and thereafter at any time prior to November 15 of any year, prepay to the City of Hermantown the whole amount of the principal amount of the assessment remaining due, provided that no such prepayment shall be accepted without payment

of (i) all installments, including interest and principal due to and including December 31 of the year of prepayment, and (ii) the original principal amount reduced only by the amount of principal included in such installment computed on an annual amortization basis. Partial prepayments of assessment have not been authorized by ordinance of the City of Hermantown.

5. The Utility Billing Clerk shall file the assessment roll pertaining to this assessment in her office and shall certify in its entirety to the St Louis County Auditor on or before November 30, 2026 the total amount due.
6. The City Clerk shall mail a notice of the adoption of the assessment roll to the owners of each piece and parcel of the property affected by this assessment. Such notice shall be in substantially the form of the one attached as Exhibit B.

Councilor _____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor _____ and, upon a vote being taken thereon, the following voted in favor thereof:

Councilors _____

and the following voted in opposition thereto:

Councilors _____

WHEREUPON, such resolution was declared duly passed and adopted June 15, 2026.

STATE OF MINNESOTA)
COUNTY OF ST. LOUIS) SS.
CITY OF HERMANTOWN)

I, the undersigned, being the duly qualified and acting Clerk of the City of Hermantown, St. Louis County, Minnesota, a Minnesota municipal corporation, hereby certify that the above and foregoing Resolution 2026-71 is a true and correct copy of the Resolution as adopted by the City Council on the 15th day of June, 2026.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City of Hermantown, the 16th day of June, 2026.

Alissa McClure, City Clerk

EXHIBIT A
FINAL ASSESSMENT ROLL

Parcel ID	Amount	Interest Rate	# of Years	Project Code	Annual Amount	SID No.
395-0010-08882	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-08880	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-05325	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0049-00250	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0049-00240	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0049-00210	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0049-00200	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0049-00190	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0049-00120	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0049-00110	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0049-00100	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0049-00090	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0049-00070	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0049-00030	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0049-00010	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-05268	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-05267	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-05311	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-08930	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-08902	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-05280	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-08900	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0049-00280	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-08675	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-05532	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-08630	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-08635	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-05570	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-05572	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-05734	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-05733	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-05730	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-05756	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-05757	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-08481	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-08480	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-08470	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-08420	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-08410	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-05800	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-05806	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-05799	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-08407	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-05807	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-08674	\$ 3,763.52	5.5%	14	39584	\$ 392.46	541A
395-0010-05326	\$ 3,763.52					Deferral Res 2025-162
395-0010-08940	\$ 3,763.52					Deferral Res 2025-163
395-0010-05809	\$ 3,763.52					Deferral Res 2025-164
395-0049-00310	\$ 3,763.52					Deferral Res 2025-182
49	\$ 184,412.48					

EXHIBIT B

NOTICE OF FINAL ASSESSMENT

Month Day, 2026

Resident Name

Address

City, State, Zip

RE: Notice of Final Assessment

Resident Name:

This is to notify you that the amended assessment for the construction of Road Improvement District No. 541 & 542 (“Project”) was adopted by the City Council of the City of Hermantown on June 15, 2026 pursuant to Minnesota Statutes, Chapter 429. The final assessment is on file for inspection in the office of the City Clerk.

As a result of the adoption of the assessment roll, the assessment against the property owned/occupied/leased by you which has been assigned CVT-Plat-Parcel Number _____, is **\$3,763.52**. Such assessment will be payable, together with interest at the rate of 5.5% per annum with real estate taxes during the years 2026-2041 inclusive payable in the years 2027-2041 inclusive. Such assessment may be prepaid in full without interest, if payment is received by the City prior to December 31, 2026 and thereafter the assessment may be prepaid at any time prior to November 15 of any year if such prepayment includes (i) all installments, including interest and principal due to and including December 31 of the year of prepayment and (ii) the original principal amount reduced only by the amount of principal included in such installments computed on an annual amortization basis. Partial prepayments of the assessment have not been authorized by ordinance of the City of Hermantown.

Under Minnesota Statutes, Sections 435.193 to 435.195, the Council may, in its discretion, defer the payment of a special assessment for any homestead property owned by a person sixty-five (65) years of age or older or a person who is retired due to permanent disability or a person in the military ordered into active military service for whom it would be a hardship to make the payments. When deferment of the special assessment has been granted and is terminated for any reason provided in that law, all amounts accumulated plus applicable interest become due. Any assessed property owner meeting the requirements of such law and City of Hermantown Resolution No. 2024-09 may, on a form obtained from the City Clerk, apply for such deferral of payment of a special assessment.

The amount assessed against your particular lot, piece or parcel of land, is **\$3,763.52**. You may at any time prior to December 31, 2026, pay the entire assessment on such property without interest, to the City of Hermantown. No interest shall be charged if the entire assessment is paid by December 31, 2026. You may at any time thereafter pay to the City of Hermantown the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Any such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the

assessment before December 31, 2026, the rate of interest that will apply is 5.5% percent over fourteen years. Partial prepayments of the assessments have not been authorized by ordinance of the City of Hermantown.

Payments of the amount assessed may be made by check or credit card. If a credit card is used, a credit card service fee of three percent (3%) of the amount paid will be added to the amount paid on the assessment.

CITY OF HERMANTOWN

By Alissa McClure

Its City Clerk



CITY COUNCIL MEETING DATE: June 15, 2026

TO: Mayor & City Council

FROM: John Mulder, City Administrator

SUBJECT: Budget Transfer – Hermantown Road Assessment

☐ **RESOLUTION:** 2026-72 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Approve Budget Transfers for the Hermantown Road Debt Service.

BACKGROUND

When the City issued debt for the Hermantown Road Project, it was anticipated that a portion of the debt would be paid by the assessment revenue. Since the City Council had reduced the assessments that debt service will need to be funded by the General Fund. This resolution authorizes the Director of Finance and Administration to make the transfer from the General Fund to the appropriate Debt Service Fund to pay the debt service for the project.

The original assessment total was \$940,000. The amended amount is \$470,000. The debt service on this amended amount is approximately \$51,000 per year for 14 years. This is approximately half percent levy impact.

SOURCE OF FUNDS (if applicable)

ATTACHMENTS

Resolution

Resolution No. 2026-72

Resolution Authorizing The Director Of Finance & Administration To Make The Necessary Transfers For Debt Service For Road Improvement District No. 541 & 542

WHEREAS, the City reduced the amount to be assessed for Road Improvement District No. 541 & 542 (Hermantown Road & Bridge and Old Midway Road); and

WHEREAS, the cumulative effect of that reduction was \$480,000 that would be collected and used to service the debt issued for the project; and

WHEREAS, the City issued debt to finance the cost of the road improvements; and

WHEREAS, the estimated amount to service \$480,000 of debt is \$51,000 per year for 14 years.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hermantown hereby authorize the Director of Finance & Administration to make the necessary transfers from the General Fund to the appropriate Debt Service Fund.

Councilor _____ introduced the foregoing resolution and moved its adoption.

The motion for the adoption of such resolution was seconded by Councilor _____ and, upon a vote being taken thereon, the following voted in favor thereof:

Councilors _____

and the following voted in opposition thereto:

Councilors _____

WHEREUPON, such resolution was declared duly passed and adopted June 15, 2026.

STATE OF MINNESOTA)
COUNTY OF ST. LOUIS) SS.
CITY OF HERMANTOWN)

I, the undersigned, being the duly qualified and acting Clerk of the City of Hermantown, St. Louis County, Minnesota, a Minnesota municipal corporation, hereby certify that the above and foregoing Resolution 2026-72 is a true and correct copy of the Resolution as adopted by the City Council on the 15th day of June, 2026.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City of Hermantown, the 16th day of June, 2026.

Alissa McClure, City Clerk