

CITY OF HERMANTOWN

City Council Meeting

Monday, November 3, 2025

6:30 PM Central

MEETING CONDUCTED IN PERSON & VIA ZOOM

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; Jim Crace, Director of Public Safety; David Bolf, City Engineer; Gunnar Johnson, City Attorney

VISITORS:

1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL**
4. **ANNOUNCEMENTS**
5. **PUBLIC HEARING**

- A. Public Hearing on an Ordinance amending the Fee Schedule for Licenses, Permits, and Fees – Section 270 of the Hermantown Code of Ordinances

This public hearing opened at 6:32 p.m. and closed at 6:36 p.m. with the following public comment

Rebecca Gramdorf, 4198 Solway Road, Hermantown, MN - Ms. Gramdorf asked why sewer and water rates are increasing this year. Mr. Mulder explained that the city purchases water from Duluth, which raised its rates by 8 to 9%, and Hermantown is increasing its rates by 4.5%. Sewer rates from the Western Lake Superior Sanitary District also increased. Ms. Gramdorf asked if the rate hikes were related to the data center project, and Mr. Mulder clarified that they were not, stating the increases are strictly for operations.

- A. **2025-18 An Ordinance Amending Hermantown Code Of Ordinances**
Section 270 – Fee Schedule

(motion, roll call)

Motion to approve 2025-18 An Ordinance Amending Hermantown Code Of Ordinances Section 270 – Fee Schedule. 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: Yea

Yea: 5, Nay: 0

6. **COMMUNICATIONS**

A. Correspondence 25-538 through 25-683 placed on file

7. **PRESENTATIONS**

A. **3rd Quarter Financials**

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

B. **Special Revenue & Enterprise Fund Budgets**

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

C. **Mediacom Presentation**

(Pre-Agenda Only)

8. **PUBLIC DISCUSSION**

Jonathan Thornton, 5869 Hermantown Road, Hermantown, MN - Mr. Thornton expressed frustration over the lack of council dialogue following extensive public comment at the October 20 meeting. He criticized the process surrounding the data center project, stating that the steering committee for the 2045 Comprehensive Plan was not given the opportunity to review the final plan before it was presented. He emphasized that the process lacked transparency and that trust in the council has been eroded.

Kim Parmeter, 5590 Stark Road, Midway Township, MN - Ms. Parmeter, president and CEO of the Hermantown Area Chamber of Commerce, spoke in support of the data center project. She described how data centers support everyday digital life and argued that Minnesota's strict environmental regulations make it a responsible location for such development. She emphasized the potential benefits, including infrastructure

improvements and job opportunities, and urged the council to consider the long-term advantages for the community.

Paul Fish, 3935 Solway Road, Solway Township, MN - Mr. Fish, a longtime resident, criticized the council for what he described as disrespectful treatment of citizens during previous meetings. He expressed disappointment in how passionate testimony from residents was received.

Jim Klukkert, 206 North 11th Avenue West, Duluth, MN - Mr. Klukkert thanked first responders for maintaining order at meetings and emphasized the importance of civility. He criticized city staff for escalating tensions and warned that when elected officials ignore the will of the people, civil disobedience becomes a justified response.

Derek Strom, 5853 Highway 194, Hermantown, MN - Mr. Strom accused the council of being disrespectful and unresponsive. He challenged the stated water usage figures for the data center, claiming they were misleading, and raised concerns about environmental impacts, noise, and rising utility costs. He criticized the speed of the rezoning decision and warned council members of political consequences.

Jeffrey Donahue, 5540 Pine Hill Road, Midway Township, MN - Mr. Donahue argued that the city does not have the right to approve a data center that affects the broader Twin Ports region. He expressed concern about environmental damage, including to Lake Superior, and claimed that the project lacks public support. He warned that the community would resist the development.

Noel Donahue, 5540 Pine Hill Road, Midway Township, MN - Ms. Donahue expressed deep disappointment in the council, stating that she moved to the area for its rural character. She warned that allowing one data center would lead to more and compared the potential transformation of Hermantown to Phoenix, Arizona. She questioned the motives behind the project and expressed concern about water use and environmental degradation.

Dave Thornton, 5861 Hermantown Road, Hermantown, MN - Mr. Thornton, recounted past community efforts to stop unwanted developments and expressed his desire to stop the data center as well. He emphasized that Hermantown was founded to remain rural and criticized the comprehensive plan for shifting toward urban development.

Peter Taylor, 4198 Solway Road, Hermantown, MN - Mr. Taylor raised concerns about the possibility of additional data centers being planned. He cited an email obtained through a data request that suggested other similar projects were being discussed. He urged the council to be transparent and involve the public in decisions about the city's future.

Kirk Ilenda, 3913 North 21st Street, Superior, WI - Mr. Ilenda, representing Lakehead Constructors, spoke in support of the data center, highlighting the economic benefits and job opportunities it would bring. He emphasized the importance of data infrastructure and argued that the project would support both the local economy and technological growth.

Nick Rhinehart, 4976 West Arrowhead Road, Hermantown, MN - Mr. Rhinehart expressed concern that residents' emails and questions were being ignored. He acknowledged the volume of communication the council receives but urged them to find ways to engage with the public and rebuild trust.

Abhi Devireddy, 4958 Greystone Street, Hermantown, MN - Mr. Devireddy, an engineer with experience in data centers, acknowledged residents' concerns but defended the project. He explained that rising electricity rates are due to aging infrastructure and that Lake Superior's water supply is vast. He described data centers as quiet and efficient and offered to share more information with the community.

Tom Bates, 5369 Morris Thomas Road, Hermantown, MN - Mr. Bates offered support to the council, stating that if they ever chose to back out of the data center project, the community would stand behind them. He encouraged them to consider that option if necessary.

Bob Kohlmeier, 5757 St. Louis River Road, Hermantown, MN - Mr. Kohlmeier raised concerns about the zoning designation in his neighborhood. He questioned why the city designated the area as light manufacturing instead of heavy manufacturing, which would better reflect the scale of the proposed data center. He expressed concern that the zoning change allows industrial development in a residential area and asked whether a noise study had been conducted for the extended construction period.

Emma Richtman, 5215 Chris Drive, Hermantown, MN - Ms. Richtman shared her emotional distress over the proposed data center, stating that she has lost sleep and feels physically ill due to the project. She described the anxiety caused by nearby substation construction and expressed concern about the long-term impact of the data center on residents' mental and physical health. She criticized the lack of transparency and accused the city of prioritizing corporate interests over community well-being.

Sarah Winter, 3658 Birch Road, Hermantown, MN - Ms. Winter explained that her family chose to stay in Hermantown for its peaceful, rural character. She expressed concern that the data center would bring light pollution, noise, and long-term construction that would degrade the quality of life. She questioned the promised benefits

of the project, including jobs and tax revenue, and warned that large corporations often minimize their tax obligations.

Clarissa Ek, 3505 Solway Road, Solway Township, MN - Ms. Ek criticized the council's voting record, pointing out that nearly all resolutions and ordinances have been approved without opposition. She argued that this pattern suggests a lack of critical oversight. She accused the council of being unresponsive to residents and described the council as a "good old boys club" that fails to represent the community's diverse voices.

Kerry Herron, 37 4th Street, Proctor, MN - Ms. Herron stated that she should not have to be involved in Hermantown's local politics but felt compelled to speak out due to the seriousness of the issue. She emphasized that the process matters and criticized the secrecy and speed with which the data center project has advanced.

Tim Resberg, 3646 Midway Road, Hermantown, MN - Mr. Resberg raised concerns about the impact of the data center on local wells, property values, and the rural character of the Adolf area. He questioned why the project was not located in an already industrial area and criticized the council for ignoring residents' concerns. He also raised environmental concerns, including noise from generators, fuel leaks, and blasting near ledge rock.

Joanne Bates, 5369 Morris Thomas Road, Hermantown, MN - Ms. Bates stated that while she has not felt disrespected at meetings, she has felt frustrated by the lack of answers from the council. She emphasized that using technology does not make residents hypocrites for opposing the data center and urged the council to respond to community questions.

Kylie Rokus, 615 11th Avenue East, Superior, WI - Ms. Rokus thanked those who stayed late at the previous meeting and expressed support for those opposing the data center. She stated that while technology is useful, it should not come at the expense of the environment or community well-being. She emphasized the importance of making sacrifices for the greater good.

Annette Ralph, 5781 St. Louis River Road, Hermantown, MN - Ms. Ralph shared that she had read about data centers being built in remote areas using renewable energy sources and without harming nearby communities. She urged the council to do more research and consider alternatives that would not negatively impact residents.

Gail Johnejack, 5195 Lavaque Junction Road, Hermantown, MN - Ms. Johnejack stated that the council had broken the community's trust through secrecy and lack of transparency. She questioned how the cumulative impacts of multiple data centers would

be assessed and warned that large corporations often find loopholes to avoid fulfilling their promises.

Owen Lyons, 5143 West Arrowhead Road, Hermantown, MN - Mr. Lyons asked the council whether they had found an alternative site for the data center.

Josh Sandstrom, 3892 Munger Shaw Road, Solway Township, MN - Mr. Sandstrom, who lives about 2.5 miles from the proposed site, expressed concern about declining property values and the impact of nearby power lines. He urged the council to ensure that residents close to the site are compensated and that the project benefits the entire community, not just a corporation.

Kathy Peterson, 4601 Otsego Road, Duluth, MN - Ms. Peterson expressed sadness over the potential impact of the data center on property values and the environment. She urged the council to reconsider the project and not harm the community.

Sarah Lofald, 5502 Hermantown Road, Hermantown, MN - Ms. Lofald reiterated her opposition to the data center and criticized the lack of transparency and rushed approval process. She questioned the validity of the AUAR and expressed concern about the scale of the project and its environmental impact. She asked whether the council would stop the project if enough residents voiced opposition.

James Thorstensen, 5784 Hermantown Road, Hermantown, MN - Mr. Thorstensen stated that the city's comprehensive plan did not mention a data center and that public engagement was lacking. He expressed concern about who would bear the financial burden if the project failed and urged the council to have a contingency plan.

9. **MOTIONS**

10. **CONSENT AGENDA**

- A. **Minutes** - Approval or correction of October 20, 2025 City Council Continuation Minutes
- B. **Accounts Payable** - Approve general city warrants from October 16, 2025 through October 31, 2025 in the amount of \$834,889.29.

Motion to the approve the Consent Agenda. 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

11. **ORDINANCES**

A. **2025-19 An Ordinance Amending Hermantown Code Of Ordinances By Amending Section 350, Accepted And Opened Streets And Roads**

(first reading)

12. **RESOLUTIONS**

A. **2025-161 Resolution Adopting Final Assessment Roll For Road Improvement District No. 541 & 542 (Hermantown Road & Bridge and Old Midway Road)**

(motion, roll call)

Jonathan Thornton, 5869 Hermantown Road, Hermantown, MN - Mr. Thornton formally objected to the \$9,400 assessment levied on his properties at 5869 and 5417 Hermantown Road. He cited Minnesota Statute 429.051, arguing that the assessment does not reflect a benefit to his property. Drawing on his 35 years of experience in residential real estate, he criticized the appraisal methodology used, stating that it relied on commercial data irrelevant to single-family homes. He also noted that multiple local realtors supported his position and concluded that the assessment was not legally justified.

Nathan Gilbertson, 5854 Hermantown Road, Hermantown, MN - Mr. Gilbertson argued that the assessment process was flawed due to a conflict of interest. He stated that Sanford Hoff, the appraiser, is a developer with ties to the city and should not have been selected. He warned that the city could lose in court due to procedural errors and emphasized that the assessment does not reflect an increase in market value.

Derek Strom, 5853 Highway 194, Hermantown, MN - Mr. Strom criticized the council for cutting off speakers at the three-minute mark and accused them of ignoring public input. He reiterated his belief that the council had already made up its mind about the data center and other issues, and warned of political consequences.

Tim White, 5467 Hermantown Road, Hermantown, MN - Mr. White, who also owns an adjacent undeveloped parcel, objected to the assessment, stating that it unfairly burdens homeowners for what should be standard public road improvements. He pointed out inaccuracies in the city's findings, including claims of improvements that were either unchanged or worsened. He argued that the assessment does not

meet the legal standard for a special benefit and requested that the resolution be reconsidered.

Sarah Lofald, 5502 Hermantown Road, Hermantown, MN - Ms. Lofald questioned why the city does not allow partial payments for the assessment. She explained that paying the full amount upfront or over 15 years with interest is financially burdensome and suggested that partial payments would be more manageable for many residents.

Motion to approve 2025-161 Resolution Adopting Final Assessment Roll For Road Improvement District No. 541 & 542 (Hermantown Road & Bridge and Old Midway Road). This motion, made by Councilor Hjelle and seconded by Councilor Peterson, Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Yea

Councilor Brian LeBlanc: Nay

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Yea

Yea: 4, Nay: 1

B. 2025-162 Resolution Approving Application Of Assessment Roll Number 541A-35 For Deferral Of Assessment Against The Property For The Construction Of Road Improvement District No. 541 & 542 ("Hardship Deferral")

(motion, roll call)

Motion to approve 2025-162 Resolution Approving Application Of Assessment Roll Number 541A-35 For Deferral Of Assessment Against The Property For The Construction Of Road Improvement District No. 541 & 542 ("Hardship Deferral"). 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. **2025-163 Resolution Approving Application Of Assessment Roll Number 541A-39 For Deferral Of Assessment Against The Property For The Construction Of Road Improvement District No. 541 & 542 (“Hardship Deferral”)**

(motion, roll call)

Motion to approve 2025-163 Resolution Approving Application Of Assessment Roll Number 541A-39 For Deferral Of Assessment Against The Property For The Construction Of Road Improvement District No. 541 & 542 (“Hardship Deferral”). 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. **2025-164 Resolution Approving Application Of Assessment Roll Number 541A-89 For Deferral Of Assessment Against The Property For The Construction Of Road Improvement District No. 541 & 542 (“Hardship Deferral”)**

(motion, roll call)

Motion to approve 2025-164 Resolution Approving Application Of Assessment Roll Number 541A-89 For Deferral Of Assessment Against The Property For The Construction Of Road Improvement District No. 541 & 542 (“Hardship Deferral”). 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

E. **2025-165 Resolution Approving A Special Use Permit For Grading And Filling Within A Natural Shoreland Overlay Area**

(motion, roll call)

Owen Lyons, 5143 West Arrowhead Road, Hermantown, MN - Mr. Lyons expressed concern about environmental regulations, stating that he owns riverfront property and is not allowed to disturb vegetation within 150 feet of a trout stream. He emphasized that Hermantown should follow the same rules.

Allison Hafften, 5971 St. Louis River Road - Ms. Hafften asked whether the property in question had already received a special use permit for grading and filling within a shoreland overlay. Mr. Johnson clarified that the Planning and Zoning Commission only makes recommendations, and the final decision rests with the city council. Ms. Hafften also asked about the size of the area being disturbed and the applicable setback requirements. Mr. Johnson responded that approximately 7,000 square feet would be affected and that the 200-foot setback is measured from the ordinary high-water level, as defined by the DNR. Ms. Hafften expressed concern about transparency and potential conflicts of interest involving individuals connected to the project.

Jordan Urshan, 557x Hermantown Road - Mr. Urshan requested approval for a special use permit to build a single-family home and storage building on his property. He explained that the proposed location is within the 200–300 foot shoreland buffer and that the area is already cleared. He emphasized that no wetlands would be disturbed and that the scrutiny of his application is likely due to unrelated controversies in the city.

Motion to approve 2025-165 Resolution Approving A Special Use Permit For Grading And Filling Within A Natural Shoreland Overlay Area. 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: Yea

Yea: 5, Nay: 0

F. 2025-166 Resolution Approving Special Use Permit For Construction Of An Accessory Structure In Excess Of 2,400 Square Feet In The S-1 Zoning District At 557x Hermantown Road (395-0010-05560 and 395-0010-05566) And Imposing Conditions Thereon

(motion, roll call)

Motion to approve 2025-166 Resolution Approving Special Use Permit For Construction Of An Accessory Structure In Excess Of 2,400 Square Feet In The S-1 Zoning District At 557x Hermantown Road (395-0010-05560 and 395-0010-05566) And Imposing Conditions Thereon. 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. **2025-167 Resolution Approving A Special Use Permit For The Keeping Of Livestock At 5053 Morris Thomas Road, In A R-3, Residential Zoning District**

(motion, roll call)

Motion to approve 2025-167 Resolution Approving A Special Use Permit For The Keeping Of Livestock At 5053 Morris Thomas Road, In A R-3, Residential Zoning District. 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

H. **2025-168 Resolution Declaring That The Road Jenny Farms Lane And The Related Public Infrastructure Have Been Accepted And Opened By The City Of Hermantown And Authorizing The Mayor And City Clerk To Execute And Deliver An Appropriate Certificate Thereof**

(motion, roll call)

Motion to approve 2025-168 Resolution Declaring That The Road Jenny Farms Lane And The Related Public Infrastructure Have Been Accepted And Opened By The City Of Hermantown And Authorizing The Mayor And City Clerk To Execute

And Deliver An Appropriate Certificate Thereof. 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

I. **2025-169 Resolution Approving Pay Request Number 1 For Keene Creek Trail Segment 4 Construction To Veit & Company In The Amount Of \$46,242.20**

(motion, roll call)

Motion to approve 2025-169 Resolution Approving Pay Request Number 1 For Keene Creek Trail Segment 4 Construction To Veit & Company In The Amount Of \$46,242.20. 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: Yea

Yea: 5, Nay: 0

J. **2025-170 Resolution Approving Application To Conduct Off-Site Gambling For Hermantown Amateur Hockey Association (“HAHA”)**

(motion, roll call)

Motion to approve 2025-170 Resolution Approving Application To Conduct Off-Site Gambling For Hermantown Amateur Hockey Association (“HAHA”). 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

13. **CLOSED SESSION**

14. **RECESS**

Motion to recess at 9:04 p.m. This motion, made by Councilor LeBlanc 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

ATTEST:

Mayor

City Clerk