

CITY OF HERMANTOWN

City Council Meeting

Monday, May 4, 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; Zach Graves, Fire Chief; David Bolf, City Engineer; Gunnar Johnson, City Attorney

VISITORS: 102

1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL**
4. **ANNOUNCEMENTS**
5. **PRESENTATIONS**
 - A. **Hermantown Data Center – Fiscal Impacts**
Todd Hagen, Ehlers
 - B. **Section 14 Update**
David Bolf, City Engineer
(Pre-Agenda Only)
 - C. **First Quarter Financials**
Kevin Orme, Director of Finance & Administration
(Pre-Agenda Only)
6. **PUBLIC HEARING**
 - A. Public Hearing regarding a proposed tax abatement

This public hearing opened at 6:50 p.m. and closed at 10:27 p.m. with the following public comments:

Jack Carlson, 8482 Swan Lake Road, Hermantown, MN – Spoke in support of the proposed resolution. He discussed the union trade job opportunities that would come with it the proposed data center project.

Joe Pike, 3729 Johnson Road, Hermantown, MN – Spoke in support of the proposed resolution. He discussed the potential benefits outweighing the potential downsides.

Chris Adatte, 4907 Lightening Drive, Hermantown, MN – Spoke in support of the proposed resolution. He shared that he wants to see the data center project happen as a part of a global infrastructure and economy.

Laura Krollman, 2783 Lauren Road, Duluth, MN – Spoke in support of the of the proposed resolution. She shared her excitement for school district revenue.

Brian Hanson, 2731 Jefferson Street, Duluth, MN – Spoke in support of the proposed resolution. He discussed support for the proposed data center project site and jobs produced.

Dan Nordling, 4238 Lavaque Road, Hermantown, MN – Spoke in support of the proposed resolution. Shared his perspective on the proposed data center project as a Hermantown resident, employee of Minnesota Power, and a parent with children in the Hermantown school district.

Kim Parmeter, 5590 Stark Road, Midway, MN – Spoke in support of the proposed resolution on behalf of the Hermantown Area Chamber of Commerce. She discussed city taxes and a healthy economic cycle.

Keith Musolf, 4914 Radar Road, Hermantown, MN – Spoke support of the proposed resolution. He spoke about the proposed data center project bringing growth and jobs to the region.

Dillon Messick, 23 W Owatonna Street, Duluth, MN – Spoke in support of the proposed resolution. He discussed the lack of opportunities in the region as a UMD graduating senior and the need for growth.

Eric Palmer, 3712 Linda Road, Hermantown, MN – Spoke in support of the proposed resolution. He discussed the future opportunities the project can create for future generations in Hermantown

Hannah Ballavance, 5491 Hermantown Road, Hermantown, MN – Spoke in support of the proposed resolution. She discussed the benefit of funding for Hermantown School district.

Chris Aepelbacher, 4382 Sugar Maple Drive, Hermantown, MN – Spoke in support of the proposed resolution. He spoke about reviewing the agreements and support for school district funding.

David Lislegard, 720 Arrowhead Street, Aurora, MN – Spoke in support of the proposed resolution on behalf of Jobs for Minnesotans. He discussed how the proposed abatement and agreement will benefit Hermantown.

Roger Anderson, 6000 South Pike Lake Road, Duluth, MN – Spoke in support of the proposed resolution. He discussed the opportunity it will bring to the region in similarity to the Duluth papermill and a data center previously built in the region.

Emma Richtman, 5215 Chris Drive, Hermantown, MN – Spoke in opposition to the proposed resolution. She discussed lack of information provided and urged Council to vote no or table agreements as a concerned Hermantown resident.

Dawn Lapointe, 4731 Portland Road, Hermantown, MN – Spoke in opposition to the proposed resolution. She discussed her concerns regarding the proposed development agreement and abatement agreement.

Nicole Karnowski, 5907 Cant Road, Duluth, MN – Spoke in support of the proposed resolution. She discussed importance of keeping an open mind and not rejecting new opportunities.

Rachel Johnson, 5702 Oneida Street, Duluth, MN – Spoke in support of the proposed resolution. She spoke about the main benefits of the agreements and how it would benefit Councils constituents.

Mickey Pearson, Duluth, MN – Spoke in support of the proposed resolution. He discussed what Hermantown can gain from the proposed agreements.

Jackie Dolentz, 5842 Old Hwy 2, Hermantown, MN – Spoke in opposition to the proposed resolution. She questioned Council and city staff regarding the proposed agreements and presentations.

Allison Hafften, 5971 Saint Louis River Road, Proctor, MN – Spoke in opposition to the proposed resolution. She discussed the presentations given and proposed agreements.

Todd Pelkey, 3609 Midway Road, Hermantown, MN – Spoke in support of the proposed resolution. He discussed the site location being ideal for the project and support for union trade jobs.

Rick Davis, 3915 Lindahl Road, Hermantown, MN – Spoke in opposition to the proposed resolution. He discussed his concerns regarding the location and effects of the proposed data center.

Owen Lyons, 5143 W. Arrowhead Road, Hermantown, MN Spoke in opposition to the proposed resolution. He questioned Council about the workings of construction and union trade jobs for the proposed project and discussed additional concerns.

Rebecca Gramdorf, 4198 Solway Road, Hermantown, MN – Spoke in opposition to the proposed resolution. She discussed concerns regarding the AUAR, lack of EIS, and waste water.

Sarah Lofald, 5502 Hermantown Road, Hermantown, MN – Spoke in opposition to the proposed resolution. She discussed concerns regarding public transparency, open lawsuits against the City, and the proposed agreements.

Richard Hilton, 5502 Hermantown Road, Hermantown, MN – Spoke in opposition to the proposed resolution. He discussed his concerns with the proposed agreements, lack of information, and urged Council to vote no or table the resolution.

Don Romano, 5555 Saint Louis River Road, Hermantown, MN – Spoke in opposition to the proposed resolution. He expressed he was strongly against proposed tax abatements or financial incentives for companies involved.

Eric Enberg, 5425 Morris Thomas Road, Hermantown, MN – Spoke in opposition to the proposed resolution. He discussed his concerns regarding an unsettled AI atmosphere and the proposed development and abatement agreements.

Tim Resberg, 3646 Midway Road, Hermantown, MN – Spoke in opposition to the proposed data center project. He expressed concerns regarding effects on water and zoning language for a residential area.

Jeff Richtman, 5215 Chris Drive, Hermantown, MN – Spoke in opposition to the proposed resolution. He discussed lack of information and short comings in the development agreement.

Jim Klukkert, 206 N 11 Ave West, Duluth, MN – Spoke in opposition to the proposed resolution. He shared to not trust larger corporations and protect the rural environment.

Alicia Navetta, 5219 Wadena Street #2, Duluth, MN – Spoke in opposition to the proposed resolution. She discussed concerns regarding job longevity, sound pollution, and need for future infrastructure.

Matt Butorac, 4089 Lavaque Road, Hermantown, MN – Spoke in opposition to the proposed resolution. He discussed concerns and questioned Council regarding the proposed agreements.

David Thornton, 5861 Hermantown Road, Hermantown, MN – Spoke in opposition to the proposed resolution. He urged Council to not enter any agreements with Google.

Lisa Fitzpatrick, 5229 Peabody St, Duluth, MN – Spoke in opposition to the proposed resolution. She shared concerns about Lake Superior water usage and AI technology.

Sarah Winter, 3659 Birch Road, Hermantown, MN – Spoke in opposition to the proposed resolution. She expressed concerns for residents, as well as the proposed project and agreements.

Kaia Winter, 3659 Birch Road, Hermantown, MN – Spoke in opposition to the proposed resolution. She shared that the data center will drive more individuals away from staying in or returning to Hermantown.

Christina Gallup, 2512 Hammond Avenue, Superior, WI – Spoke in opposition to the proposed resolution. She discussed concerns for residents of Hermantown and environmental concerns.

JoAnne Bates, 5369 Morris Thomas Road, Hermantown, MN – Spoke in opposition to the proposed resolution. She urged Council to listen to the community and why they should not enter the proposed agreements with Google.

Tom Bates, 5369 Morris Thomas Road, Hermantown, MN – Spoke in opposition to the proposed resolution. He shared his concerns for noise pollution.

Cindy Olson, 6278 W Bowman Lake Road, Duluth, MN – Spoke in opposition to the proposed resolution. She discussed clarifications on revenue for the Hermantown School District

Georgia Lane, 4873 Trails End Drive, Hermantown, MN – Spoke in opposition to the proposed resolution. She expressed concerns that Google does not know what the community needs.

Michael Koppy, 5124 Beaver Creek Road, Hermantown, MN – Spoke in opposition to the proposed resolution. He discussed the number of data centers in the US and their negative impacts.

Lisa Bodine, 2001 Hartley, Duluth, MN – Spoke in support of the proposed resolution. She shared support for Google and positive impacts of the proposed project.

I. **2026-45 Resolution Approving A Development Agreement And A Tax Abatement Agreement With Harmony Group, LLC For The Hermantown Data Center Project**

(motion, roll call)

The Council discussed needing more time to know more about legal aspects of the proposed agreements as well wanting to see a cleanup of language and exhibits in the proposed agreements. Council asked questions and had discussion regarding drilling of wells and how funds for the school district will work.

Motion to table 2026-45 Resolution Approving A Development Agreement And A Tax Abatement Agreement With Harmony Group, LLC For The Hermantown

Data Center Project. 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

7. **COMMUNICATIONS**

A. Correspondence 26-120 through 26-206 placed on file

8. **MOTIONS**

A. Motion made to move “Public Comment” to the final item on the agenda. 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

9. **CONSENT AGENDA**

A. **Minutes** - Approval or correction of April 20, 2026 City Council Continuation Minutes and the April 27, 2026 City Council Work Session Minutes

B. **Accounts Payable** - Approve general city warrants from April 16, 2026 through April 30, 2026 in the amount of \$724,216.63

Motion to the approve the Consent Agenda. This motion, made by Councilor Geissler 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

10. **RESOLUTIONS**

A. **2026-46 Resolution Approving Special Use Permit For Construction Of An Accessory Structure In Excess Of 1,200 Square Feet In The R-3 Zoning District At 4311 Sugar Maple Drive (395-0134-00250) And Imposing Conditions Thereon**

(motion, roll call)

Monica Prom, 4341 Sugar Maple Drive, Hermantown, MN – Spoke in opposition of the proposed resolution. She expressed concerns regarding land use compatibility, precedence, and long-term character of the community.

Derek Misiewicz, 4329 Sugar Maple Drive, Hermantown, MN – Spoke in opposition of the proposed resolution. He shared a timeline of events including the purchasing and clearing of the property.

Jerid Pahl, 4311 Sugar Maple Drive, Hermantown, MN – Spoke in support of the proposed resolution. He shared the actions taken to get the project approved through the HOA and the Planning and Zoning Commission.

Walt Pahl, 5152 2nd Ave, Fredenberg, MN – Spoke in support of the proposed resolution. He shared that the project had received HOA approval.

Councilors and City staff discussed if there were previously any SUPs that were similar to this project and if a precedence would be set by approving this resolution. Councilors and City staff also discussed utility easements and if a fill permit was done.

Motion to approve 2026-46 Resolution Approving Special Use Permit For Construction Of An Accessory Structure In Excess Of 1,200 Square Feet In The R-3 Zoning District At 4311 Sugar Maple Drive (395-0134-00250) And Imposing Conditions Thereon. 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

B. 2026-47 Resolution Authorizing And Directing The Mayor And City Clerk To Execute And Deliver Utility Agreement With Michael And Kenrea Perell

(motion, roll call)

Motion to approve 2026-47 2026-47 Resolution Authorizing And Directing The Mayor And City Clerk To Execute And Deliver Utility Agreement With Michael And Kenrea Perell. 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

11. PUBLIC COMMENT

Sarah Loflad, 5502 Hermantown Road, Hermantown, MN – Spoke in opposition to the proposed data center project. She expressed concerns regarding creation of jobs and the effects of the proposed tax abatement

Richard Hilton, 5502 Hermantown Road, Hermantown, MN – Spoke in opposition to the proposed data center project. He expressed concerns about the proposed tax abatement agreement with Google, and stated employment differences between data centers and large employers in the area.

Dawn LaPointe, 4731 Portland Road, Hermantown, MN – Spoke in opposition to the proposed data center project. She shared knowledge regarding working with contracts and expressed concerns with how things could be done differently with the proposed agreements.

Jackie Dolentz, 5842 Old Hwy 2, Hermantown, MN – Spoke in opposition to the proposed data center project. She expressed frustrations surrounding the handling of the proposed development and tax abatement agreements.

Emma Richtman, 5215 Chris Drive, Hermantown, MN – Spoke in opposition to the proposed data center project. She expressed disappointment that Council would still approve the proposed agreements from the public hearing if they get cleaned up.

12. RECESS

Motion to recess at 11:29 p.m. 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

ATTEST:

Mayor

City Clerk