

CITY OF HERMANTOWN

AGENDA

**Pre-Agenda Meeting Monday, July 6, 2026 Immediately Following Closed Session
Council Chambers, City Hall - Hermantown Governmental Services Building**

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

1. CALL TO ORDER

2. CLOSED SESSION (4:30 p.m.)

- A. Motion to close the meeting of the Hermantown City Council pursuant to Minnesota Statutes § Section 13D.05 Subd. 3 (b) per the attorney-client privilege for discussions regarding the lawsuits relative to the proposed data center. Following this closed session, the Hermantown City Council will reconvene in an open session.

(motion, roll call)

3. PLEDGE OF ALLEGIANCE

4. ROLL CALL

5. ANNOUNCEMENTS

Council Members may make announcements as needed.

6. COMMUNICATIONS

- A. Correspondence 26-348 through 26-408 placed on file

7. 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.

8. 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 15, 2026 City Council Continuation Minutes and the June 29, 2026 City Council Work Session Minutes
- B. **Accounts Payable** - Approve general city warrants from June 16, 2026 through June 30, 2026 in the amount of \$641,616.36

9. 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. **2026-76 Resolution Appointing Election Judges For The 2026 State Primary And State General Elections**

(motion, roll call)

B. **2026-77 Resolution Authorizing The Director Of Public Safety To Apply For A Towards Zero Deaths (TZD) Enforcement Grant And Authorizing And Directing The Mayor And City Clerk To Execute And Deliver The Grant Agreement On Behalf Of The City Of Hermantown**

(motion, roll call)

C. **2026-78 Resolution Authorizing And Directing Mayor And City Clerk To Execute An Acceptance Of Easement Agreement To The City Of Hermantown From Rachel M. Cobb For The Hermantown Lightning Drive Improvements And Trail Project**

(motion, roll call)

D. **2026-79 Resolution Approving A Special Use Permit For Greenhouse/Nursery, Sales And Production In A S-1, Suburban Zoning District**

(motion, roll call)

E. **2026-80 Resolution Approving A Special Use Permit For A 103 Unit Apartment Building In A HM – Hermantown Marketplace Zoning District**

(motion, roll call)

F. **2026-81 Resolution Authorizing And Directing Mayor And City Clerk To Execute And Deliver Amendment No. 2 To Reimbursement Agreement With Mortenson Development, Inc.**

(motion, roll call)

G. **2026-82 Resolution Authorizing And Directing The Mayor And City Clerk To Execute And Deliver A Reimbursement Agreement With Minnesota Power**

(motion, roll call)

H. **2026-83 Resolution Authorizing And Directing The Mayor And City Clerk To Execute And Deliver An Agreement For Professional Services With Kimley-Horn And Associates, Inc. For Up To \$20,000.00**

(motion, roll call)

10. **RECESS**

2026 CORRESPONDENCE

<u>DATE</u>	<u>LOG #</u>	<u>FROM</u>	<u>TO</u>	<u>REGARDING</u>	<u>FILED</u>
6/11/2026	26-348	Susan Brower, MN State Demographic Center	John Mulder, City Administrator	Correction to 2026 Population Estimates Mailing	6/1/2026
6/11/2026	26-349	Beverly Johnson, johnson.b.k@att.net	Wayne Boucher, Mayor	Resources Re: Data Centers	6/11/2026
6/12/2026	26-350	Tom Sveine, tsveine@frontier.com	Trish Crego, Util. & Infrastructure Dir.	Assessment on Stebner Rd.	6/11/2026
6/12/2026	26-351	Dale Harris@daleoharris@yahoo.com	Trish Crego, Util. & Infrastructure Dir.	Proposed Stebner Road Improvement Project	6/11/2026
6/15/2026	26-352	Timothy Spradau, 4977 Marko Dr.	AUAR Comments	Request for Pause Hermantown Data Ceneter	6/12/2026
6/15/2026	26-353	Danielle Stanich, danirn5@msn.com	AUAR Comments	Data Center	6/12/2026
6/15/2026	26-354	Rebecca Hamilton, countrygirl102@icloud.com	AUAR Comments	Data Center	6/13/2026
6/15/2026	26-355	Alexis Scarbrough, momzy2014@gmail.com	AUAR Comments	Question	6/13/2026
6/15/2026	26-356	Brian Bergeron, bergeronbk@gmail.com	AUAR Comments	AUAR Comments	6/13/2026
6/15/2026	26-357	Tamer Mische-Richter, tmischerichter@gmail.com	AUAR Comments	Opposition to the Proposed Google Data Center	6/13/2026
6/15/2026	26-358	Samantha Benzing, samathabenzling@gmail.com	AUAR Comments	No Data Center	6/13/2026
6/15/2026	26-359	Ginny Burdue, ginnyburdue@gmail.com	AUAR Comments	AUAR Public Comment - Proposed Google Data Center	6/13/2026
6/15/2026	26-360	Karen Holden, kbhkbh.holden@gmail.com	AUAR Comments	Public Comment	6/13/2026
6/15/2026	26-361	Ginny Burdue, ginnyburdue@gmail.com	Wayne Boucher and Mayor, City Council	Hermantown Data Center Considerations	6/13/2026
6/15/2026	26-362	Katie Jorgensen, 5050 Lindahl Rd.	AUAR Comments	AI Data Center Public Comment	6/14/2026
6/16/2026	26-363	Jeffrey Hammerstrom, 4819 Hermantown Rd.	Eric Johnson, Comm. Dev. Dir.	Data Center	6/13/2026
6/16/2026	26-364	Ronnie B, kalemsurvey@gmail.com	AUAR Comments	Say No to Data Center	6/14/2026
6/16/2026	26-365	Alex H, ruggedshinypenny@gmail.com	AUAR Comments	Data Center	6/14/2026
6/16/2026	26-366	Connie Nightwine, connienightwine@gmail.com	AUAR Comments	The Truth About AI Data Centers: It's Not About Your Job. It's About Your Cage	6/14/2026
6/16/2026	26-367	Arlene Kelly, sapphiremom@gmail.com	Eric Johnson, Comm. Dev. Dir.	Data Center	6/15/2026
6/16/2026	26-368	Nancy Hanson, jbnh@earthlink.net	AUAR Comments	Please Vote No to Hermantown Google Data Center	6/15/2026

2026 CORRESPONDENCE

<u>DATE</u>	<u>LOG #</u>	<u>FROM</u>	<u>TO</u>	<u>REGARDING</u>	<u>FILED</u>
6/16//2026	26-369	Nancy Hanson, jbnh@earth	AUAR Comments	Hermantown	6/15/2026
6/16/2026	26-370	Corey Brady, coreybrady2015@gmail.com	AUAR Comments	Public Comment in Opposition to Proposed Data Center	6/15/2026
6/16/2026	26-371	Scott Andrews, scotta818@gmail.com	AUAR Comments	Data Center Comments	6/15/2026
6/16/2026	26-372	Brooke Nelson, brooklynn.nelson.2015@gmail.co m	AUAR Comments	Public Comment: Project Loon AUAR Environmental and Community Objections	6/15/2026
6/16/2026	26-373	Kathy Nelson, kbuyyo2000@yahoo.com	AUAR Comments	Formal Objection to Proposed Data Center Development	6/15/2026
6/16/2026	26-374	Ryan Morff, ryanmorff@gmail.com	AUAR Comments	Public Comment on the Hermantown Data Center Project	6/15/2026
6/16/2026	26-375	Amy LaFlamme, amy.laflamme1@gmail.com	AUAR Comments	Data Center	6/15/2026
6/16/2026	26-376	Matthew LaFlamme, mlaflamme16@gmail.com	AUAR Comments	Data Center Thoughts.	6/15/2026
6/16/2026	26-377	Minnesota Pollution Control Agency	Darlene Carlson, Arrowhead Concrete Works, Inc.	Petroleum Storage Tank Release, 5572 Miller Trunk Hwy.	6/15/2026
6/17/2026	26-378	Eric Johnson, Comm. Dev. Dir.	Planning & Zoning Commission	1LLC SUP, 4818 Maple Grove Rd.	6/16/2026
6/17/2026	26-379	Eric Johnson, Comm. Dev. Dir.	Planning & Zoning Commission	Patty Bastian & Tom Peterson, SUP, 5853 W Arrowhead Rd.	6/16/2026
6/23/2026	26-380	Ray, corpsepumpkins@gmail.com	Wayne Boucher, Mayor	Data Center	6/8/2026
6/23/2026	26-381	Renee Fredrickson, rfred284@gmail.com	Trish Credo, Util. & Infrastructure Dir.	Curious What Happened with June 10 Info Meeting	6/16/2026
6/23/2026	26-382	Samantha Hendrickson, summosammy_27@hotmail.com	AUAR Comments	Opposition to the Hyperscale Google Data Center	6/16/2026
6/23/2026	26-383	Eleanor Dolan, 806 N 23rd Ave. W, Duluth, MN 55806	AUAR Comments	Draft AUAR Public Comments	6/17/2026
6/23/2026	26-384	Councilor Geissler	Bob Kohlmeier, bkkohlmeier@yahoo.com	Google Open House	6/19/2026
6/23/2026	26-385	Ryan Heule, ryan.heule@gmail.com	AUAR Comments	Comment Regarding the Hermantown Data Center Project	6/22/2026
6/23/2026	26-386	JT Haines, jhaines@mncenter.org	AUAR Comments	Request for Extension of Public Comment Period	6/22/2026
6/23/2026	26-387	David Wahlberg, davidswahlberg@gmail.com	AUAR Comments	Data Center	6/23/2026
6/24/2026	26-388	Eric Johnson, Comm. Dev. Dir.	Dan Lessor, Mortenson Development, Inc.	Extension for CIDP and SUP	6/23/2026

2026 CORRESPONDENCE

<u>DATE</u>	<u>LOG #</u>	<u>FROM</u>	<u>TO</u>	<u>REGARDING</u>	<u>FILED</u>
6/24/2026	26-389	Sandra Goode, 3578 Midway Rd.	AUAR Comments	Inadequacy of AUAR	6/23/2026
6/24/2026	26-390	Raymond Kantola, raykantola0420@gmail.com	AUAR Comments	Data Center	6/23/2026
6/25/2026	26-391	Christa Feely, cfeely@yahoo.com	AUAR Comments	Concerns About Draft AUAR for Proposed Hermantown Data Center	6/24/2026
6/25/2026	26-392	Martinique Williams, justniqq@gmail.com	AUAR Comments	AUAR Comments	6/24/2026
6/25/2026	26-393	Linda Herron, 2617 E 5th St., Duluth, MN 55812	AUAR Comments	Google Hermantown Hyperscale Data Center Project	6/24/2026
6/25/2026	26-394	Linda Herron, 2617 E 5th St., Duluth, MN 55812	AUAR Comments	Comments on Hermantown Hyperscale Data Center	6/24/2026
6/25/2026	26-395	Robin Nelson, montnabnd55@gmail.com	Eric Johnson, Comm. Dev. Dir.	Data Center	6/25/2026
6/26/2026	26-396	Brian Meier, brian1meier@gmail.com	AUAR Comments	Google Data Center	6/25/2026
6/29/2026	26-397	John Mulder, City Administrator	Carrie Clement, Ex. Dir., Resource Renewal	Wastewater Treatment Capacity Allocation Permit	6/25/2026
6/29/2026	26-398		Eric Johnson, Comm. Dev. Dir.	Formal Public Comment: Hermantown Data Center	6/28/2026
		fogpenjob@mbo.re			
6/29/2026	26-399	me, egogagfun@fanclub.pm	Eric Johnson, Comm. Dev. Dir.	Formal Public Comment: Hermantown Data Center	6/28/2026
6/29/2026	26-400	Concerned Citizen, upplyshy@quicksend.ch	Eric Johnson, Comm. Dev. Dir.	Formal Public Comment: Hermantown Data Center	6/28/2026
6/29/2026	26-401	Georgia Lane, 4873 Trails End Dr.	AUAR Comments	Requesting Environmental Impact Statement	6/28/2026
7/1/2026	26-402	Alissa McClure, City Clerk	PK&J's, Inc. & Hermantown Tavern, LLC	Acknowledgment of License Management Agreement	6/29/2026
7/1/2026	26-403	M Schmitt, schmitt11m@gmail.com	Eric Johnson, Comm. Dev. Dir.	No Data Center Please	6/29/2026
7/1/2026	26-404	Jo Anne Bates, tomjobates@gmail.com	AUAR Comments	Please Post on Facebook and in the Next SHDC email	6/29/2026
7/1/2026	26-405	Sophia Tran, sophiatran27@gmail.com	AUAR Comments	Google Hyperscale Data Center Project Concerns	6/29/2026
7/1/2026	26-406	Sophia Tran, sophiatran27@gmail.com	AUAR Comments	Please Post on Facebook and in the Next SHDC email	6/30/2026
7/1/2026	26-407	Cindy Olson, 6278 W Bowman Lake Rd.	AUAR Comments	Public Comments	6/30/2026

2026 CORRESPONDENCE

<u>DATE</u>	<u>LOG #</u>	<u>FROM</u>	<u>TO</u>	<u>REGARDING</u>	<u>FILED</u>
7/1/2026	26-408	Cindy Olson, 6278 W Bowman Lake Rd.	AUAR Comments	Net Jobs	6/30/2026

CITY OF HERMANTOWN

City Council Meeting

Monday, June 15, 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; Jim Crace, Director of Public Safety; Zach Graves, Fire Chief; Trish Crego, Utility & Infrastructure Director; Gunnar Johnson, City Attorney

VISITORS: 45

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

A. Public Hearing on the petition to vacate Williams Drive

This public hearing opened at 6:30 p.m. and closed at 6:32 p.m. with no public comment.

A. 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)

Motion to approve 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. 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

B. 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)

Motion to approve 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. 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

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

(motion, roll call)

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

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**

Gail Paulus, Hermantown, MN – Spoke in opposition of the proposed data center project. She shared her experience with construction data centers in Texas.

Richard Davis, Hermantown, MN – Spoke in opposition of the proposed data center project. He questioned the Mayor on potential future data center projects in Hermantown.

Miranda McKay Chambers, Hermantown, MN – Spoke in opposition of the proposed data center project. She shared concern about working with tech companies like Google and the operational life span of data centers.

Susan Anderson, Hermantown, MN – Spoke in opposition of the proposed data center project. She asked Council when is enough development enough and questioned what the goal of increasing development and population in Hermantown.

Sarah Loflad, Hermantown, MN – Spoke about the Hermantown charter petition. She shared that it brings an opportunity for the residents to work together and engage with the city.

Tom Bates, Hermantown, MN – Spoke in opposition of the proposed data center project. He emphasized for the need of longer life span computer processors, setting up a fund with Google regarding clean up and restoration of the site once they are done, and a town hall meeting.

Virginia Lord, Superior, WI – Spoke in opposition of the proposed data center project. She shared a presentation regarding data centers and deciding for the seven generations of the future.

Tim Resberg, Hermantown, MN – Spoke in opposition of the proposed data center project. He asked questions to the Council regarding property value, effects on the aquifer, electricity fees, pollution control, and runoff. He expressed concern that a contract with the labor unions has not happened.

Dawn LaPointe, Hermantown, MN – Spoke in opposition of the proposed data center project. She shared a list of concerns and deficiencies in the draft development and tax abatement agreements. She emphasized that the proposed agreements represent a significant transfer of risk from a wealthy developer to local taxpayers in Hermantown's small community.

Ashely Anderson, Duluth, MN – Spoke in opposition of the proposed data center project. She expressed concerns regarding Council's capacity to make these decisions and maintaining infrastructure once it is turned over to the city.

Susan Relf, Duluth, MN – Spoke in opposition of the proposed data center project. She shared concerns for potential harms of AI being an inherent risk of the project.

Derek Strom, Hemantown, MN – Spoke in opposition of the proposed data center project. He told Council he will be filling for removal of Council members and filed a complaint form with the IRS.

Bob Kohlmeier, Hermantown, MN – Spoke in opposition of the proposed data center project. He shared concerns regarding the draft AUAR.

Tom Thompson, Brimson, MN – Spoke in opposition of the proposed data center project. He shared that he traveled to support the community efforts and expressed that this project impacts not just Hermantown but all of northeastern Minnesota.

Emma Richtman, Hermantown, MN – Spoke in opposition of the proposed data center project. She emphasized the need for a city-wide moratorium on hyperscale data centers until the true scope and scale of technology is known. She also emphasized the need for good faith legislation and outlined what that could look like. She spoke about similarities of what is happening in Little Rock Arkansas and Hermantown.

Clarissa Ek, Solway Township, Hermantown, MN – Spoke in opposition of the proposed data center project. She shared concerns in regards changes to their current way of life as someone who would live next to the proposed data center.

Jim Klukkert, Duluth, MN – Spoke in opposition of the proposed data center project. He shared that it is the citizen's duty to tear down government who does not preserve the rights to life, liberty, and happiness.

9. **MOTIONS**

- A. Motion to approve the following liquor license renewal application(s) effective July 1, 2026 through June 30, 2026 contingent upon complete applications being received, successful background checks and license fees being paid in full:

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)*

Motion to approve the liquor license renewal application(s) effective July 1, 2026 through June 30, 2027 contingent upon complete applications being received, successful background checks and license fees being paid in full. 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

- B. Motion to approve 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)

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. This motion made by Councilor Peterson 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

10. **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

Motion to the approve the Consent Agenda. 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

11. **RESOLUTIONS**

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

(motion, roll call)

Motion to approve 2026-67 Resolution Establishing An Absentee Ballot Board For The 2026 Primary And General Elections. 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

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)

Motion to approve 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. 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

C. 2026-69 Resolution Adopting Performance Measures

(motion, roll call)

Motion to approve 2026-69 Resolution Adopting Performance Measures. 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

D. **2026-70 Resolution Approving Reliable Insurance Agency As City Insurance Broker**

(motion, roll call)

Motion to approve 2026-70 Resolution Approving Reliable Insurance Agency As City Insurance Broker. This motion, made by Councilor LeBlanc and seconded by Councilor Peterson Carried.

Councilor John Geissler: Yea

Councilor Andy Hjelle: Abstain

Councilor Brian LeBlanc: Yea

Councilor Joseph Peterson: Yea

Mayor Wayne Boucher: Yea

Yea: 4, Nay: 0, Abstain: 1

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)

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

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)

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

12. **RECESS**

Motion to recess at 7:52 p.m. 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

ATTEST:

Mayor

City Clerk



**CITY COUNCIL
WORK SESSION MINUTES
LARGE CONFERENCE ROOM
Monday, June 29th, 2026
at 4:30 P.M.**

ROLL CALL: Councilors Geissler, LeBlanc, Peterson, and Mayor Boucher

ABSENT: Councilor Hjelle

CITY STAFF: John Mulder, City Administrator; Kevin Orme, Director of Finance and Administration; Joe Wicklund, Assistant City Administrator; Gunnar Johnson, City Attorney

OTHERS: 4 visitors (there was no sign in sheet)

DISCUSSION ITEMS

1. Road Improvement Program/Assessment Policy: The Road Improvement Program Special Assessment Policy was included in the packet. John Mulder explained the history of the program and the road conditions inventory. The following projects had been completed since 2020:

2020 – Alexander, Carlson, Johnson, Portland Roads, Hermantown Road between Stebner and Okerstrom, and the streets in the Hermantown Marketplace.

2021 – Sundby & Swan Lake, Lavaque Junction

2022 – No projects

2023 – Ugstad Road from Hwy to Maple Grove and including a portion of Arrowhead Road near the schools.

2024 – Hermantown Road from Ugstad to Hwy 2 including Old Midway Road.

The City has assessed just over \$3 million over those projects. The levy would be 4% higher if the projects would not have been assessed but put on the general levy. Going forward \$1,000,000 in assessments on a project would be between 1% and 2% increase for each project.

The Council discussed perhaps having different assessment amounts for different types improvements (addition of curb, gutter, & sidewalk), different classification of roads (through roads versus distinct neighborhoods), and improving citizen engagement on the type of road projects.

The consensus was to proceed with the Lightning Drive/Getchell Road project, and not have residential assessments but have commercial assessments. The Stebner Road project needs more discussion particularly as it relates to the timing of the project with the proposed improvements to Blatnik Bridge.

2. Financial Management Plan/2027 Preliminary Budget Discussions: Director of Finance and Administration Kevin Orme talked about some of the pressures on the 2027 general fund budget that aren't specific to any specific department increases.

LGA reduction – 100,000

Legal new contract

Inflation

Assessment reduction debt service Hermantown Rd – 51,000

Fichtner deficit – 170,000

Ladder Truck – 161,000

Keeping the tax rate the same is going to be difficult.

Assuming a 5% growth over the next 10 years, maintaining the tax rate at the current rate would mean that there would be no room for improving local roads, Capital Improvements would have to stay at the current \$500,000 each year (and no maintenance on City Hall) no new staff, and eliminate the current budgeted contingency.

We will schedule a work session on the budget later in the process.

3. Recess to July 6th, 2026 City Council Meeting: Following the discussion, the City Council recessed the meeting at approximately 5:40 p.m. until Monday, July 6, 2026.

ATTEST:

Mayor

City Administrator

CITY OF HERMANTOWN

CHECKS #73179-73225
06/16/2026 - 06/30/2026

PAYROLL CHECKS

Electronic Checks - #-62197-62277	\$142,857.60
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LIABILITY CHECKS

Electronic Checks - #-62189-62196	\$97,504.34
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Checks - #73220-73225	\$5,577.85
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PAYROLL EXPENSE TOTAL	\$245,939.79
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ACCOUNTS PAYABLE

Checks - #73179-73219	\$123,161.48
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Electronic Payments #-97210-97238	\$272,515.09
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ACCOUNTS PAYABLE TOTAL	\$395,676.57
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TOTAL	\$641,616.36
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CITY OF HERMANTOWN, MN 06/16/2026-06/30/2026
Check # is between 73179 and 73219 or Check # is between -97238 and -97210

6/26/2026

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Fun d	Account	Department	Vendor Name	Description	Amount	Check #
101	421100	Police Administration	WEX HEALTH INC	2nd QTR VEBA B 2026	208.34	-97238
101	212200	Credit Card Payable	FIRST BANKCARD	ANJohnson IAPE	360.00	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Esterbrooks Various Meals	228.13	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	ASJohnson Sirchie	75.28	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Orme AICPA	360.00	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Mulder LMC	425.00	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Heinbuch Sam's	63.63	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	SJohnson Apple	0.99	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	SJohnson Essenita (accidental)	428.13	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Holmes Fleet Farm	130.00	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Pfeiffer Vaious Establishments	329.32	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Gottschald NPCA	110.00	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	McClure Travel Meals	67.24	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Gottschald Sheepdog Guardian	256.25	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Heinbuch Sam's	38.87	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Heinbuch Sam's	132.73	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	SJohnson Walgreens	8.98	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Holmes MN Dept Labor & Indust	85.00	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Crace MNCPA Legal Assistnace	150.00	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Esterbrooks Courtyard Marriot	1,447.74	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Orme King of Creams	13.16	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Knapp Amazon	22.99	-97237
602	212200	Credit Card Payable	FIRST BANKCARD	Senst Adobe	10.88	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Knapp Amazon	40.99	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Knapp Amazon	133.48	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Orme Zoom	16.45	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Dwyer Best Buy	49.98	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Enright MNBCA	75.00	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Heinbuch Sam's	38.88	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Graves Napa Auto Parts	155.30	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Dwyer Tessco	55.01	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Heinbuch ICC	32.61	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	McClure Residence Inn	1,045.20	-97237
601	212200	Credit Card Payable	FIRST BANKCARD	Senst Adobe	10.88	-97237
602	212200	Credit Card Payable	FIRST BANKCARD	Orme Zoom	5.48	-97237
601	212200	Credit Card Payable	FIRST BANKCARD	Bjonskaas USP	116.38	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Enright Walmart	26.92	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Mulder Interncontinental Hotel	225.48	-97237

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Fun d	Account	Department	Vendor Name	Description	Amount	Check #
101	212200	Credit Card Payable	FIRST BANKCARD	Hedin NPCA	110.00	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Heinbuch Sam's	22.72	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Pfeiffer Various Meals	214.96	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	ANJohnson MNAPET	250.00	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Mulder Culvers	7.58	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Mulder LMC (Hjelle)	425.00	-97237
101	212200	Credit Card Payable	FIRST BANKCARD	Dwyer Batteries Plus	104.25	-97237
601	212200	Credit Card Payable	FIRST BANKCARD	Orme Zoom	5.48	-97237
602	494900	Sewer Administration and General	MEDIACOM	Internet PW	71.38	-97236
101	431100	Street Department	MEDIACOM	Phone PW	22.95	-97236
101	431100	Street Department	MEDIACOM	Internet PW	118.96	-97236
275	452200	Community Building	MEDIACOM	EWC - Internet	354.90	-97236
101	419901	City Hall & Police Building Maintenance	MEDIACOM	Internet CH	163.92	-97236
275	452200	Community Building	MEDIACOM	EWC - Line for Elevator	190.32	-97236
275	452200	Community Building	MEDIACOM	EWC - Telephone	522.20	-97236
601	494400	Water Administration and General	MEDIACOM	Phone PW	9.18	-97236
602	494900	Sewer Administration and General	MEDIACOM	Phone PW	13.77	-97236
101	419901	City Hall & Police Building Maintenance	MEDIACOM	Phone CH	409.91	-97236
601	494400	Water Administration and General	MEDIACOM	Internet PW	47.58	-97236
275	452200	Community Building	MEDIACOM	EWC - Cable TV	181.51	-97236
101	422901	Firehall #1 Maple Grove Road	MEDIACOM	Internet FD	40.98	-97236
101	422901	Firehall #1 Maple Grove Road	MEDIACOM	Phone FD	102.48	-97236
260	456101	Cable	MEDIACOM	Internet for Cameras - Fichtne	150.00	-97235
101	422902	Firehall #2 Morris Thomas Road	MN ENERGY RESOURCES CORP	Natural Gas FH2	124.20	-97234
601	494300	Water Distribution	CITY OF DULUTH COMFORT SYSTEMS	May 2026 Water Charges	129,966.76	-97233
601	494400	Water Administration and General	MN POWER	4995600000 4971 Lightning Dr	167.88	-97232
605	431160	Street Lighting	MN POWER	3060281959 Street Lights (Roun	20.66	-97232
275	452200	Community Building	MN POWER	3481871314 EWC Garage	24.89	-97232
605	431160	Street Lighting	MN POWER	0041881181 Street Lights	471.25	-97232
101	452100	Parks	MN POWER	0606881181 Murphy House	38.76	-97232
101	452200	Community Building	MN POWER	0606881181 Community Bldg	541.89	-97232
605	431160	Street Lighting	MN POWER	0733871171 Traffic Lights	802.38	-97232
605	431160	Street Lighting	MN POWER	0247020000 Street Lights	397.34	-97232
101	452100	Parks	MN POWER	0606881181 Parks	1,379.01	-97232
601	494400	Water Administration and General	MN POWER	3623400000 Water	836.02	-97232
101	422902	Firehall #2 Morris Thomas Road	MN POWER	4995600000 FH #2 MorrisThomas	121.88	-97232
101	422903	Firehall #3 Midway Road	MN POWER	4995600000 FH #3 Midway/Rose	81.91	-97232
101	431901	City Garage	MN POWER	4995600000 5255 Maple Grove Rd	29.11	-97232

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Fun d	Account	Department	Vendor Name	Description	Amount	Check #
101	422901	Firehall #1 Maple Grove Road	MN POWER	4995600000 City Hall/Police/Fi	1,921.23	-97232
101	431901	City Garage	MN POWER	4995600000 4971 Lightning Dr	279.81	-97232
275	452200	Community Building	MN POWER	5498955531 4289 Ugstad Rd/EWC	11,997.75	-97232
605	431160	Street Lighting	MN POWER	0234310000 Overhead St Lights	475.31	-97232
101	419901	City Hall & Police Building Maintenance	MN POWER	4995600000 City Hall/Police/Fi	3,004.99	-97232
602	494900	Sewer Administration and General	MN POWER	4995600000 4971 Lightning Dr	111.92	-97232
605	431160	Street Lighting	MN POWER	6175310000 Street Lights	732.92	-97232
605	431160	Street Lighting	MN POWER	1424100000 Street Lights	364.35	-97232
602	494900	Sewer Administration and General	MN POWER	0973881171 Sewer	730.47	-97232
101	452200	Community Building	ACP CREATIVIT, LLC	Jun 2026 Maintenance	10.05	-97231
101	431100	Street Department	ACP CREATIVIT, LLC	Jun 2026 Maintenance	16.75	-97231
101	419901	City Hall & Police Building Maintenance	ACP CREATIVIT, LLC	Jun 2026 Maintenance	237.85	-97231
101	422901	Firehall #1 Maple Grove Road	ACP CREATIVIT, LLC	Jun 2026 Maintenance	70.35	-97231
101	411100	Council	CIT	SonicWall Firewall Upgrade	190.88	-97230
101	421100	Police Administration	CIT	SonicWall Firewall Upgrade	1,383.96	-97230
101	422100	Fire Administration	CIT	SonicWall Firewall Upgrade	286.17	-97230
601	494400	Water Administration and General	CIT	SonicWall Firewall Upgrade	71.54	-97230
101	431100	Street Department	CIT	SonicWall Firewall Upgrade	190.88	-97230
602	494900	Sewer Administration and General	CIT	SonicWall Firewall Upgrade	47.80	-97230
101	424100	Building Inspection	CIT	SonicWall Firewall Upgrade	95.29	-97230
101	419100	Community Development	CIT	SonicWall Firewall Upgrade	71.54	-97230
101	415300	Administration & Finance	CIT	SonicWall Firewall Upgrade	477.05	-97230
101	417200	Communications	CIT	SonicWall Firewall Upgrade	143.09	-97230
101	413100	Mayor	CIT	SonicWall Firewall Upgrade	47.80	-97230
475	431150	Street Improvements	BOLTON & MENK, INC.	Hermantown/Lightning Dr Recons	40,936.50	-97229
230	214500	Escrow Deposits Payable	BRAUN INTERTEC CORPORATION	Environmental Review RGU Assis	9,862.75	-97228
475	431150	Street Improvements	BRAUN INTERTEC CORPORATION	Hermantown/Lightning Dr Recons	4,717.50	-97228
101	421100	Police Administration	CONFITREK, INC.	Training Compliance Co-Pilot R	1,636.00	-97227
101	416100	City Attorney	KENNEDY & GRAVEN, CHARTERED	Hermantown Road Special Assess	1,399.00	-97225
101	421100	Police Administration	NASCAR TOWING, LLC	Towing - ICR#26079049	65.00	-97224
101	421100	Police Administration	NASCAR TOWING, LLC	Towing - ICR#26079649	65.00	-97224
101	419901	City Hall & Police Building Maintenance	MIDWEST MACHINERY CO, INC.	Tractor Repair	1,184.35	-97223
101	416100	City Attorney	OVEROM LAW, PLLC	Data Practices Procedures	90.00	-97222
101	416100	City Attorney	OVEROM LAW, PLLC	City Clerk Matters	60.00	-97222
101	416100	City Attorney	OVEROM LAW, PLLC	Department of Labor and Indust	90.00	-97222
240	433500	Water Improvements	OVEROM LAW, PLLC	Purchase of Willman Property -	69.00	-97222
101	416100	City Attorney	OVEROM LAW, PLLC	General Matters/Retainer	2,300.00	-97222
230	214500	Escrow Deposits Payable	OVEROM LAW, PLLC	Project Loon Environmental Rev	1,080.00	-97222

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Fun d	Account	Department	Vendor Name	Description	Amount	Check #
602	494900	Sewer Administration and General	OVEROM LAW, PLLC	Utility Commission	22.50	-97222
101	419100	Community Development	OVEROM LAW, PLLC	Correction of Airport Restrict	90.00	-97222
101	419100	Community Development	OVEROM LAW, PLLC	Peyton Acres Development Matte	252.00	-97222
101	416100	City Attorney	OVEROM LAW, PLLC	Data Practices Requests	210.00	-97222
101	419100	Community Development	OVEROM LAW, PLLC	Community Development Matters	45.00	-97222
101	416100	City Attorney	OVEROM LAW, PLLC	Williams Drive Vacation	812.00	-97222
101	421100	Police Administration	OVEROM LAW, PLLC	Police Prosecution Procedure	30.00	-97222
101	424100	Building Inspection	OVEROM LAW, PLLC	Point Superior Mobile Estates	360.00	-97222
101	416100	City Attorney	OVEROM LAW, PLLC	Fichtner Playground Warranty D	45.00	-97222
101	416100	City Attorney	OVEROM LAW, PLLC	Old Midway and Hermantown Road	840.00	-97222
101	424100	Building Inspection	OVEROM LAW, PLLC	Point Superior Mobile Home Par	195.00	-97222
240	432510	Trunk Sewer Construction	OVEROM LAW, PLLC	Reinke Road Sewer Line Extensi	60.00	-97222
101	416100	City Attorney	OVEROM LAW, PLLC	2025 Purchasing Matters	30.00	-97222
230	214500	Escrow Deposits Payable	OVEROM LAW, PLLC	Project Loon Stop the Data Cen	558.00	-97222
230	214500	Escrow Deposits Payable	OVEROM LAW, PLLC	Project Loon MCEA Litigation	540.00	-97222
230	214500	Escrow Deposits Payable	OVEROM LAW, PLLC	HEDA: Project Loon Development	3,429.00	-97222
601	494400	Water Administration and General	OVEROM LAW, PLLC	Utility Commission	22.50	-97222
101	419100	Community Development	OVEROM LAW, PLLC	Stauber Apartment Project	156.00	-97222
240	433500	Water Improvements	OVEROM LAW, PLLC	Second Water Connection with D	165.00	-97222
475	431150	Street Improvements	OVEROM LAW, PLLC	Lighting Drive-Thunderchief Dr	555.00	-97222
415	465200	Community Development	OVEROM LAW, PLLC	State Grant - Bond Financed Pr	12.00	-97222
415	465200	Community Development	OVEROM LAW, PLLC	Arena Construction - Rec Facil	558.00	-97222
475	433500	Water Improvements	OVEROM LAW, PLLC	Hawkline Infrastructure Develo	396.00	-97222
475	431150	Street Improvements	OVEROM LAW, PLLC	Hermantown Lighting Drive Impr	33.00	-97222
101	421100	Police Administration	PER MAR SECURITY SERVICES INC	CCTV 7/01/2026 - 9/30/2026	102.36	-97221
101	415300	Administration & Finance	PITNEY BOWES GLOBAL FINANCIAL SVCS	Quarterly Postage Meter Lease	295.29	-97220
232	132700	Loan Receivable- HTF Loan	RELIABLE HERMANTOWN PROPERTIES, LLC	Menards – Apt 2 Kitchen Cabine	8,048.00	-97219
475	431150	Street Improvements	SRF CONSULTING GROUP, INC.	ROW Acquisitions	5,084.74	-97218
101	422100	Fire Administration	TREVIPAY	Floor Dry	125.29	-97217
602	494500	Sewer Maintenance	BRENT'S SEPTIC SERVICE LLC	Lift Station Pump - Ugstad/Ros	950.00	-97216
601	494400	Water Administration and General	GOPHER STATE ONE-CALL INC	May 26 Locates	134.46	-97215
602	494900	Sewer Administration and General	GOPHER STATE ONE-CALL INC	May 26 Locates	89.64	-97215
602	494500	Sewer Maintenance	GREAT LAKES PIPE SERVICE INC	Sanitary Cleaning	11,895.00	-97214
101	431100	Street Department	INTER CITY OIL CO INC	Fuel	811.27	-97213
101	431100	Street Department	INTER CITY OIL CO INC	Fuel	1,217.20	-97213
101	419901	City Hall & Police Building Maintenance	MENARD INC	General Maintenance	36.91	-97212
101	452100	Parks	MENARD INC	Mix Fuel/Air Guns at Old Shop	45.17	-97212
101	431100	Street Department	MENARD INC	All Thread/Ball Valve/Steel Tu	62.73	-97212

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Fun d	Account	Department	Vendor Name	Description	Amount	Check #
601	494300	Water Distribution	MENARD INC	Test Pipe Parts	79.02	-97212
101	431901	City Garage	MENARD INC	Garbage Bags/Shelf/Dolly	168.41	-97212
601	494300	Water Distribution	MENARD INC	Vac Trailer Repair Parts	25.56	-97212
101	452100	Parks	MENARD INC	Garbage Cans	107.98	-97212
601	494300	Water Distribution	MENARD INC	Bleach & Chlorine Tablets	103.96	-97212
101	431100	Street Department	MENARD INC	Tick Spray	38.84	-97212
601	494300	Water Distribution	MENARD INC	Screwdriver for Water Radios	11.98	-97212
101	419901	City Hall & Police Building Maintenance	MENARD INC	Lawn/Landscaping	59.89	-97212
101	452100	Parks	MENARD INC	Hose Fitting	5.99	-97212
101	421100	Police Administration	MENARD INC	Misc Supplies	182.48	-97212
101	431100	Street Department	VIKING INDUSTRIAL CENTER	Safety Glasses, Vests & Hearin	377.40	-97211
101	214500	Escrow Deposits Payable	JMF CONSTRUCTION INC	Erosion Control/BMP Deposit Re	500.00	-97210
101	214500	Escrow Deposits Payable	JMF CONSTRUCTION INC	Erosion Control/BMP Deposit Re	500.00	-97210
101	214500	Escrow Deposits Payable	3W PROPERTIES INC	Erosion Control/BMP Deposit Re	1,000.00	73179
101	422100	Fire Administration	BOUND TREE MEDICAL, LLC	Medical Supplies	111.45	73180
101	452100	Parks	BRENTS BIFFIES INC	Portable Toilets	307.00	73181
101	452100	Parks	BRENTS BIFFIES INC	Portable Toilets	207.25	73181
101	452100	Parks	BRENTS BIFFIES INC	Portable Toilets	136.10	73181
101	452100	Parks	BRENTS BIFFIES INC	Portable Toilets	307.00	73181
101	214000	Security Deposits Payable	BROSKA, CARTER	Pavillion Deposit Refund	75.00	73182
601	494300	Water Distribution	CENTRAL PENSION FUND	Training Per Contract	164.92	73183
602	494500	Sewer Maintenance	CENTRAL PENSION FUND	Training Per Contract	164.92	73183
101	431100	Street Department	CENTRAL PENSION FUND	Training Per Contract	164.91	73183
101	431901	City Garage	CINTAS CORPORATION	Mats/Supplies	71.21	73184
101	431100	Street Department	CINTAS CORPORATION	Uniforms	7.92	73184
101	419901	City Hall & Police Building Maintenance	CINTAS CORPORATION	Mats at CH	18.11	73184
101	431100	Street Department	CINTAS CORPORATION	Uniforms	19.07	73184
101	419901	City Hall & Police Building Maintenance	CINTAS CORPORATION	Mats at CH	74.98	73184
101	431100	Street Department	CONDON, DRAKE	Boot Reimbursement	125.00	73185
601	494300	Water Distribution	CONDON, DRAKE	Boot Reimbursement	62.50	73185
602	494500	Sewer Maintenance	CONDON, DRAKE	Boot Reimbursement	62.50	73185
475	431150	Street Improvements	DALSTAR PARTNERS LLP	Lighting Rd Easement	4,600.00	73186
601	494300	Water Distribution	DAN'S FEED BIN	Grass Seed	398.89	73187
275	490000	Miscellaneous Functions	DAYLIGHT SPECIALISTS	EWC Skylight Repairs	14,947.00	73188
101	452100	Parks	DENNY'S LAWN & GARDEN	Trimmer Heads	70.18	73189
230	214500	Escrow Deposits Payable	DLA PIPER LLP (US)	Loon Development Contract Revi	8,325.00	73190
322	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	326.92	73191
328	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	11.54	73191

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Fun d	Account	Department	Vendor Name	Description	Amount	Check #
326	471000	Debt Service	EHLERS & ASSOCIATES INC	Arbitrage Reporting	3,750.00	73191
324	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	11.54	73191
325	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	11.54	73191
330	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	11.54	73191
230	214500	Escrow Deposits Payable	EHLERS & ASSOCIATES INC	2026 Hermantown Data Center Pr	12,500.00	73191
327	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	326.92	73191
325	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	326.92	73191
320	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	326.92	73191
315	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	326.92	73191
318	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	326.92	73191
318	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	11.54	73191
326	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	11.54	73191
329	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	326.93	73191
324	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	326.92	73191
330	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	326.93	73191
322	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	11.54	73191
328	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	326.93	73191
331	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	326.93	73191
323	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	11.54	73191
327	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	11.54	73191
331	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	11.52	73191
460	465100	HEDA	EHLERS & ASSOCIATES INC	TIF Reporting - 2025	790.00	73191
101	415300	Administration & Finance	EHLERS & ASSOCIATES INC	2025 Financial Management Plan	295.00	73191
315	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	11.54	73191
326	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	326.92	73191
320	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	11.54	73191
329	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	11.54	73191
323	471000	Debt Service	EHLERS & ASSOCIATES INC	26 Continuing Disclosure	326.92	73191
330	471000	Debt Service	FERDINAND F. PETERS, ESQ. LAW FIRM	Road Assessment Refund	37,600.00	73192
601	494300	Water Distribution	FERGUSON WATERWORKS #2516	Water Corps Hydrant Grease	836.20	73193
601	494300	Water Distribution	FERGUSON WATERWORKS #2516	Valve Bolts	461.70	73193
101	214000	Security Deposits Payable	GILBERTSON, ANGELA	Pavilion Deposit Refund	75.00	73194
101	419901	City Hall & Police Building Maintenance	GOODIN COMPANY INC	Plumbing Repair	334.24	73195
101	431901	City Garage	GREYSTONE CONSTRUCTION, INC.	2026 Annual Maintenance Inspec	950.00	73196
601	220100	Refund Payable	HALL, JEREMY OR KRISTA	Overpayment on Acct 0609-18	39.85	73197
603	441100	Storm Water	HALVOR LINES, INC	Haul Sweeper Back	1,595.00	73198
402	431150	Street Improvements	HERMANTOWN STAR LLC	Public Hearing - Rd Improvemen	198.00	73199
101	431150	Street Improvements	HERMANTOWN STAR LLC	Public Hearing - Petition to V	74.25	73199

CITY OF HERMANTOWN, MN 06/16/2026-06/30/2026
Check # is between 73179 and 73219 or Check # is between -97238 and -97210

6/26/2026

Page 7

Fun d	Account	Department	Vendor Name	Description	Amount	Check #
101	415300	Administration & Finance	HERMANTOWN STAR LLC	May 18, 2026 Minutes	90.75	73199
101	419100	Community Development	HERMANTOWN STAR LLC	Public Hearing Planning & Zoni	33.00	73199
601	220100	Refund Payable	JOHNSON, MACY	Overpayment on Acct 1432-02	179.08	73200
101	214500	Escrow Deposits Payable	LINNUM, ROSS	Erosion Control/BMP Deposit Re	500.00	73201
101	214000	Security Deposits Payable	LOCKHART, NICOLE	Pavilion Deposit Refund	75.00	73202
601	220100	Refund Payable	MERCIL, JERAMY	Overpayment on Acct 0065-06	79.55	73203
101	422100	Fire Administration	MN FIRE SERVICE CERTIFICATION BOARD	Officer Certification Exam/Ret	730.00	73204
101	422100	Fire Administration	MN FIRE SERVICE CERTIFICATION BOARD	Officer Certification Exam	131.00	73204
101	452100	Parks	NAPA AUTO PARTS	Oil Filters - Big Mower	59.52	73205
101	422100	Fire Administration	NAPA AUTO PARTS	Wiper Blades - Rescue 2	30.98	73205
101	452100	Parks	NAPA AUTO PARTS	Kubota Battery	144.84	73205
601	220100	Refund Payable	NICHOLS, CRAIG	Overpayment Acct 3400-01	114.40	73206
601	494300	Water Distribution	PACE ANALYTICAL SERVICES, LLC	Drinking Water Testing	999.00	73207
601	494300	Water Distribution	POLLARD WATER	Water Tapping Bits	4,608.85	73208
601	220100	Refund Payable	RIVARD, PAUL OR JULIA	Overpayment refund (0457-03)	153.06	73209
230	465100	HEDA	RONCHETTI, CHAD	Claude Subscription - Annual	200.00	73210
101	421100	Police Administration	TACTICAL SOLUTIONS	Radar Certifications	450.00	73211
601	494300	Water Distribution	TENET	Erosion Blanket	260.01	73212
101	421100	Police Administration	THOMSON REUTERS - WEST	Clear Subscription - May 26	181.91	73213
330	471000	Debt Service	THORNTON, DAVID	Road Assessment Refund Per Res	4,700.00	73214
330	471000	Debt Service	THORNTON, JONATHON	Road Assessment Refund Per Res	4,700.00	73215
475	431150	Street Improvements	TOMS, JOSHUA JOHN & ADRIENNE RITCHIE	Easement for Lightning Road 39	1,800.00	73216
101	421100	Police Administration	TROY'S SERVICE CENTER	Vehicle Repair - SQD 14	3,741.52	73217
101	421100	Police Administration	TROY'S SERVICE CENTER	Coolant Pressure Test - SQD 11	46.48	73217
101	421100	Police Administration	TROY'S SERVICE CENTER	Oil & Filter/Battery - SQD 16	295.94	73217
101	422100	Fire Administration	TROY'S SERVICE CENTER	AC Condenser - Rescue 3	984.92	73217
601	494400	Water Administration and General	VALLI INFORMATION SYSTEMS, INC	May 2026 Bill Print	598.45	73218
603	441100	Storm Water	VALLI INFORMATION SYSTEMS, INC	May 2026 Bill Print	598.44	73218
602	494900	Sewer Administration and General	VALLI INFORMATION SYSTEMS, INC	May 2026 Bill Print	598.45	73218
101	417200	Communications	WICKLUND, JOE	Subscription Reimbursements	756.18	73219

Totals: 258 records printed

395,676.57



CITY COUNCIL MEETING DATE: July 6, 2026

TO: Mayor & City Council

FROM: Alissa McClure, City Clerk

SUBJECT: Appointment of Election Judges for the 2026 Election Cycle

☒ **RESOLUTION:** 2026-76 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Approve the resolution appointing election judges for the August 11, 2026 State Primary Election and the November 3, 2026 State General Election.

BACKGROUND

Minnesota Statutes § 204B.21 requires the City Council to appoint election judges for each election. The attached resolution appoints the individuals identified by the City Clerk to serve as election judges for the August 11, 2026 State Primary Election and the November 3, 2026 State General Election. The resolution also authorizes the City Clerk to appoint additional qualified election judges as necessary to ensure adequate staffing and compliance with Minnesota election law throughout the election cycle.

SOURCE OF FUNDS (if applicable)

101-414100-105

ATTACHMENTS

Resolution

Resolution No. 2026-76

Resolution Appointing Election Judges For The 2026 State Primary And State General Elections

WHEREAS, Minnesota Statutes § 204B.21 require municipalities conducting elections to appoint qualified election judges to administer elections; and

WHEREAS, the City Clerk has recruited and reviewed applications from individuals willing to serve as election judges for the 2026 election cycle; and

WHEREAS, the City Council finds it necessary and appropriate to appoint election judges for the August 11, 2026 State Primary Election and the November 3, 2026 State General Election.

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

1. The individuals listed on Exhibit A, attached hereto and incorporated herein by reference, are hereby appointed to serve as election judges for the City of Hermantown for the August 11, 2026 State Primary Election and the November 3, 2026 State General Election.
2. The City Clerk is authorized to assign election judges to precincts and polling places as necessary to conduct the elections in accordance with Minnesota law.
3. The City Clerk is further authorized to appoint additional qualified election judges, trainee election judges, student trainee election judges, and substitute election judges as needed to fill vacancies or meet operational needs, provided such appointments comply with applicable provisions of Minnesota election law.
4. Election judges shall receive compensation in accordance with the election judge pay rates established by the City Council.

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 July 6, 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 2026-76 is a true and correct copy of the Resolution as adopted by the City Council on the 6th day of July, 2026.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City of Hermantown, the 7th day of July, 2026.

Alissa McClure, City Clerk

EXHIBIT A

Craig Amundson	Jerrid Anderson	Laura Anderson	David Bosley
Delaine Carlson	Marie Chapinski	Carol Christenson	Christopher Edgecumbe
Eric Enberg	David Flemming	Kandise Garrison	Jolynn Hill
Vicki Johnson	Ellie Jones	Alexandra Kaufman	Vicki Klein
Cora Knutson	Lisa Konicek	Maryanne Korsch	Susan Lenz
Patricia Merrier	James Nelson	Judy Ness	Linda Peterson
Melody Poggio	Barb Radosevich	Jeanette Sandstrom	Liz Shannon
Patricia Shogren	Danielle Stanich	Todd Steen	Alexandra Strelow
John Voss	Mary Voss	Carol Walch	Joseph Wicklund
Dietrich Winter			

CITY COUNCIL MEETING DATE: July 6, 2026

TO: Mayor & City Council

FROM: Jim Crace, Director of Public Safety

SUBJECT: TZD Grant Application

☒ **RESOLUTION:** 2026-77 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Approve a Resolution authorizing the Chief of Police to apply for a Towards Zero Deaths “TZD” Enforcement Grant from the State of MN-DPS.

BACKGROUND

Previously, the State of Minnesota administered the Towards Zero Deaths (TZD) Enforcement Grant through regional law enforcement partnerships. The Hermantown Police Department participated in a collaborative partnership with the Duluth Police Department, St. Louis County Sheriff's Office, Proctor Police Department, University of Minnesota Duluth Police Department, and the Floodwood Police Department. This partnership allowed participating agencies to work together toward the common goal of reducing traffic crashes, serious injuries, and fatalities while efficiently administering grant funding.

The State has recently changed its grant administration process and now requires each law enforcement agency to submit its own independent grant application. While this represents a change in the administrative process, it does not diminish the importance or effectiveness of the program. Instead, it provides each agency with greater flexibility to tailor enforcement efforts to the unique traffic safety challenges within its own jurisdiction while continuing to support the statewide goal of eliminating traffic fatalities and serious injuries.

As a result of this change, the Hermantown Police Department will now apply directly for TZD grant funding. Receiving this grant will allow the Department to continue conducting high-visibility traffic enforcement focused on impaired driving, speeding, distracted driving, seat belt compliance, and other dangerous driving behaviors. These targeted enforcement efforts have proven to improve driver behavior, reduce crashes, and enhance the safety of everyone who travels through our community—all while minimizing the financial impact on local taxpayers through state reimbursement of eligible enforcement costs.

SOURCE OF FUNDS (if applicable)

General Fund – Police



ATTACHMENTS

Resolution

Resolution No. 2026-77

Resolution Authorizing The Director Of Public Safety To Apply For A Towards Zero Deaths (TZD) Enforcement Grant And Authorizing And Directing The Mayor And City Clerk To Execute And Deliver The Grant Agreement On Behalf Of The City Of Hermantown

WHEREAS, the Minnesota Department of Public Safety administers the Towards Zero Deaths (TZD) Enforcement Grant Program to support high-visibility traffic enforcement efforts aimed at reducing traffic crashes, serious injuries, and fatalities; and

WHEREAS, the Minnesota Department of Public Safety now requires each law enforcement agency to submit its own independent application for TZD grant funding; and

WHEREAS, the Hermantown Police Department desires to apply for grant funding to continue conducting targeted traffic safety enforcement activities focused on impaired driving, speeding, distracted driving, seat belt compliance, and other dangerous driving behaviors; and

WHEREAS, participation in the Towards Zero Deaths Enforcement Grant Program will enhance public safety while allowing eligible enforcement costs to be reimbursed by the State of Minnesota.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Hermantown, Minnesota, that the Director of Public Safety is hereby authorized to apply for a grant agreement with the Minnesota Department of Public Safety for traffic safety enforcement projects during the period from October 1, 2026, through September 30, 2027.

BE IT FURTHER RESOLVED, that, if the grant is awarded, the Mayor and City Clerk are hereby authorized and directed to execute and deliver the grant agreement and any other documents necessary to carry out the grant on behalf of the City of Hermantown.

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 July 6, 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 2026-77 is a true and correct copy of the Resolution as adopted by the City Council on the 6th day of July, 2026.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City of Hermantown, the 7th day of July, 2026.

Alissa McClure, City Clerk



CITY COUNCIL MEETING DATE: July 6, 2026

TO: Mayor & City Council

FROM: Trish Crego, Utility and Infrastructure Director

SUBJECT: Permanent and Temporary Easement from Rachel M. Cobb

☒ **RESOLUTION:** 2026-78 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Approve a Permanent and Temporary Easement Agreement from Rachel M. Cobb

BACKGROUND

As you know, the City will be reconstructing Lightning Drive, a portion of Getchell Road, and building a section of trail in 2026-2027. In order to complete this construction, we will be acquiring permanent and/or temporary easements for parcels along the project. Therefore, we approached Rachel M. Cobb who is a Getchell Road resident. The City made an offer based upon an uncomplicated appraisal by SRF for the easement and Ms. Cobb accepted.

SOURCE OF FUNDS (if applicable)

475-431150-510 Proj. 547

ATTACHMENTS

Resolution
Easement Agreement

Resolution No. 2026-78

Resolution Authorizing And Directing Mayor And City Clerk To Execute An Acceptance Of Easement Agreement To The City Of Hermantown From Rachel M. Cobb For The Hermantown Lightning Drive Improvements And Trail Project

WHEREAS, the City of Hermantown (“City”) desires to construct road, utilities, and a trail on along Getchell Road in the City of Hermantown (“Project”); and

WHEREAS, the City needs to obtain an easement (“Easement”) from Rachel M. Cobb to construct the Project and Rachel M. Cobb has executed and delivered the required Easement to the City; and

WHEREAS, the City desires to accept the Easement as described in and granted by the 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 Mayor and City Clerk are hereby authorized and directed to execute and deliver the Acceptance of the Easement from Rachel M. Cobb.

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 July 6, 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 2026-78 is a true and correct copy of the Resolution as adopted by the City Council on the 6th day of July, 2026.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City of Hermantown, the 7th day of July, 2026.

Alissa McClure, City Clerk

EXHIBIT A

PERMANENT EASEMENT AGREEMENT AND TEMPORARY EASEMENT AGREEMENT

[TOP THREE INCHES RESERVED FOR RECORDING DATA]

THIS INDENTURE is made and entered into this ____ day of _____, 2026, between **Rachel M. Cobb**, a single individual, (“Grantor”) and **City of Hermantown**, a Minnesota municipal corporation, (“Grantee”) in response to the following situation:

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

B. Grantee desires to construct roadway, trail, and utility improvement as part of Project 547 in the area of Lightning Drive (“Project”).

C. Grantor has agreed to provide a permanent easement (“Permanent Easement”) for all public purposes, including, but not limited to, the construction and maintenance of the Project, over, under, and across the Property owned by Grantor, within the Permanent Easement Area identified on the legal description for the Permanent Easement and legally described on Exhibit B and depicted on Exhibit C attached hereto.

D. Grantor has also agreed to provide a temporary easement (“Temporary Easement”) for the construction of the Project within the Temporary Easement area legally described on Exhibit B and depicted on Exhibit C attached hereto.

NOW, THEREFORE, in consideration of mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The Recitals are included as a part hereof.
2. Grantor grants Grantee the Permanent Easement on, over and across the Permanent Easement area, together with the right to locate the Permanent Easement area by surveying and the placement of appropriate markers, if necessary, the right to enter upon and occupy as much of the Permanent Easement area as may be necessary to construct the Project thereon, including any required slope and fill, and the right to remove any and all trees and shrubs and herbages thereon and the right

to clear and keep the Permanent Easement area cleared so as to allow Grantee to have access to the public improvements.

3. Grantor grants the Temporary Easement to Grantee, its agents and employees, with necessary equipment, to enter upon and have access to the Temporary Easement areas for the purpose of construction work relating to the Project. The Temporary Easement shall expire and be of no force and effect after December 31, 2029.

4. The Permanent Easement shall be perpetual and shall run with the land and shall be binding upon the heirs, successors and assigns of the parties.

5. Prior to expiration of the Temporary Easement, Grantee shall reasonably restore the Temporary Easement area to substantially the same condition prior to Grantee's entry and to the Temporary Easement area.

[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.

Rachel M. Cobb

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

The foregoing instrument was acknowledged before me this _____ day of _____, 2026, by Rachel M. Cobb, a single individual.

(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: _____

CITY OF HERMANTOWN

By _____
Its Mayor

And By _____
Its City Clerk

STATE OF MINNESOTA)
) ss.
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)

THIS INSTRUMENT WAS DRAFTED BY:
Gunnar B. Johnson
Overom Law, PLLC
802 Garfield Avenue
Suite 101
Duluth, MN 55802
218-625-8463

EXHIBIT A
Legal Description

That part of the NE 1/4 of the SW 1/4, Section 14, Township 50, Range 15, described as follows:
Commencing at the SE corner of the NE 1/4 of the SW 1/4 Section 14, Township 50, Range 15,
thence North along the East line of said quarter a distance of 208 feet; thence at right angles West
a distance of 208 feet; thence at right angles South a distance of 208 feet; thence at right angles
East a distance of 208 feet to the point of beginning.

EXHIBIT B

EXHIBIT B

PERMANENT EASEMENT

That part of the Northeast Quarter of the Southwest Quarter of Section 14, Township 50 N., Range 15 W., St. Louis County, Minnesota, described as follows:

Beginning at the southeast corner of said Northeast Quarter of the Southwest Quarter; thence North 00 degrees 21 minutes 49 seconds West, along the east line of said Northeast Quarter of the Southwest Quarter, a distance of 59.98 feet; thence South 89 degrees 39 minutes 50 seconds West, a distance of 208.00 feet; thence South 00 degrees 21 minutes 49 seconds East, a distance of 59.98 feet to the south line of said Northeast Quarter of the Southwest Quarter; thence North 89 degrees 39 minutes 50 seconds East, along said south line, a distance of 208.00 feet to the point of beginning.

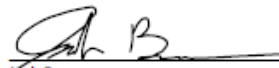
TEMPORARY EASEMENT

That part of the Northeast Quarter of the Southwest Quarter of Section 14, Township 50 N., Range 15 W., St. Louis County, Minnesota, described as follows:

Commencing at the southeast corner of said Northeast Quarter of the Southwest Quarter; thence North 00 degrees 21 minutes 49 seconds West, along the east line of said Northeast Quarter of the Southwest Quarter, a distance of 59.98 feet to the point of beginning; thence North 00 degrees 21 minutes 49 seconds West, along said east line, a distance of 15.00 feet; thence South 89 degrees 39 minutes 50 seconds West, a distance of 208.00 feet; thence South 00 degrees 21 minutes 49 seconds East, a distance of 15.00 feet; thence North 89 degrees 39 minutes 50 seconds East, a distance of 208.00 feet to the point of beginning.

SURVEYOR'S CERTIFICATION

I hereby certify that this survey, plan, or report was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota.



Josh Barsness
License Number 62289

02/10/2026
Date

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Premises Tax PID = 395-0010-04102

CERTIFICATE OF EASEMENT HERMANTOWN, MINNESOTA



**BOLTON
& MENK**

4960 MILLER TRUNK HWY
SUITE 500
DULUTH, MN 55811
(218) 729-5939

THAT PART OF NE1/4 OF SW1/4, SECTION 14,
TOWNSHIP 50 N., RANGE 15 W., ST. LOUIS COUNTY,
MINNESOTA

FOR: CITY OF HERMANTOWN

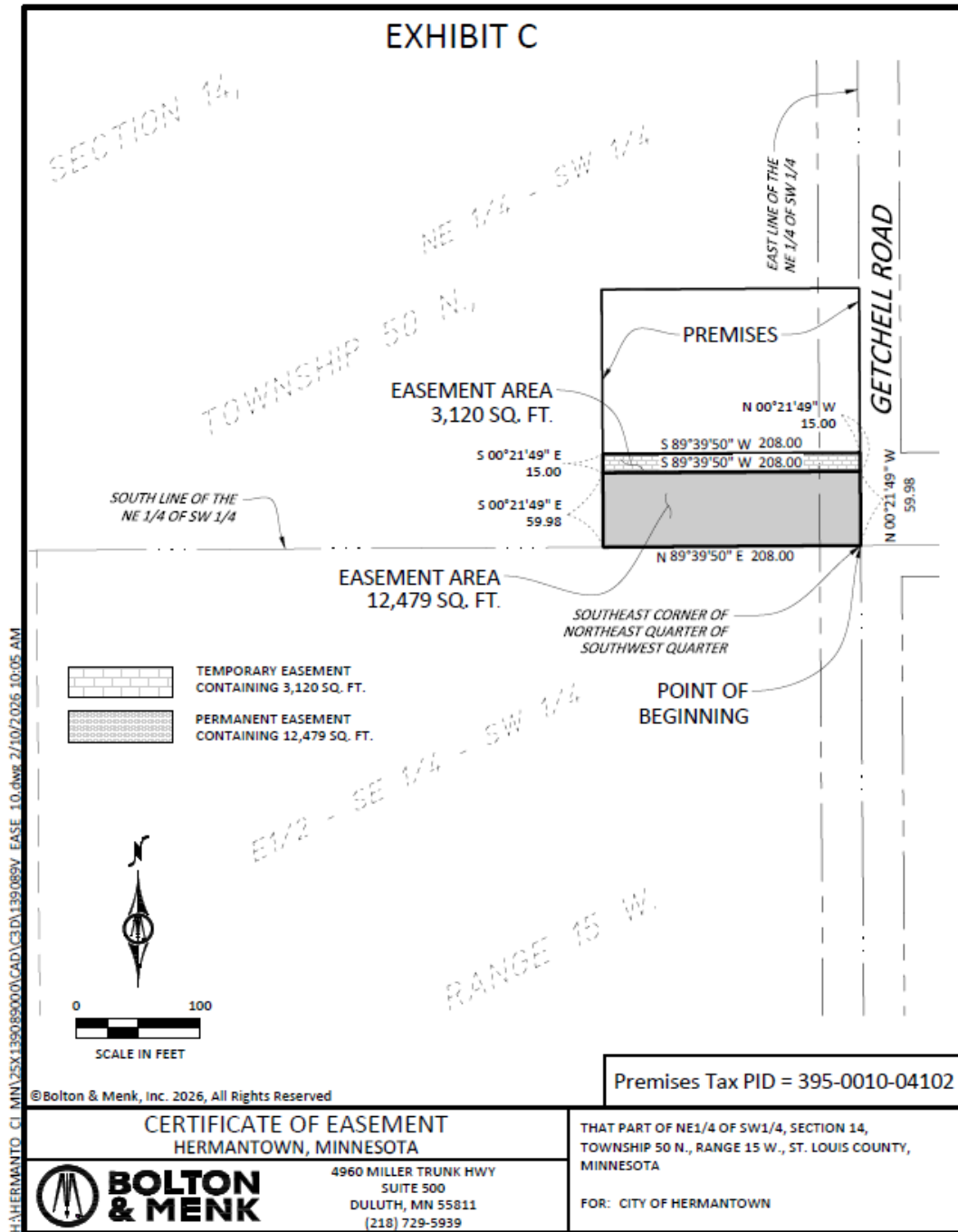
JOB NUMBER: 25X.139089.000

FIELD BOOK:

DRAWN BY: JPB

H:\HERMANTOWN CI MIN\25X139089000\CAD\C3D\139089V EASE 10.dwg 2/10/2026 10:11 AM

EXHIBIT C



EASEMENT COMPENSATION AGREEMENT

Rachel M. Cobb ("Owner") hereby acknowledges and accepts the conditions specified in Resolution No. 2026-77 and covenants and agrees to comply with each and every such condition.

The City of Hermantown will pay Owner \$20,000 for the temporary and permanent easements across 4155 Getchell Road, Hermantown, MN (PID 395-0010-04102).

The City of Hermantown has also agreed that the Owner will not have to pay future utility connection fees (approx. \$10,225), if and when that the current owner wishes to connect to city utilities.

The Owner will pay for the construction and installation of any future utility connections at PID 395-0010-04102.

The Owner agrees to pay all assessments related to the Lightning Drive Project.

IN WITNESS WHEREAS, Rachel M. Cobb and the City of Hermantown have executed this Agreement this 6th day of July, 2026.

CITY:

City of Hermantown

By _____
Its Mayor

And By _____
Its City Clerk

Rachel M. Cobb

CITY COUNCIL MEETING DATE: July 6, 2026

TO: Mayor & City Council

FROM: Eric Johnson, Community Development Director

SUBJECT: Special Use Permit – Greenhouse/nursery, sales and production in a S-1, Suburban zoning district

☒ **RESOLUTION:** 2026-79 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Approval of a Special Use Permit for a greenhouse/nursery, retail sales and production at the applicants property at 5853 W. Arrowhead Road, in a S-1, Suburban zoning district.

DESCRIPTION OF REQUEST

Recommend approval of a Special Use Permit for a greenhouse/nursery, retail sales and production at the applicants property at 5853 W. Arrowhead Road, in a S-1, Suburban zoning district.

SITE INFORMATION:

Parcel Size: 10 acres
Legal Access: 5853 W. Arrowhead Road
Wetlands: Yes, per the National Wetland Inventory but not affected by the proposed use
Existing Zoning: S-1, Suburban
Airport Overlay: None
Shoreland Overlay: None
Comprehensive Plan: Rural Residential

Development Details

The applicants (Patty Bastian and Tom Peterson) are proposing to utilize their existing property for a greenhouse/nursery, sales and production, which is a permitted use with a Special Use Permit in a S-1, Suburban zoning district. The applicant is proposing to demolish an existing pole building, regrade the pad area and construct a new 30' x 60' greenhouse on the property and utilize the existing gravel driveway as a parking lot for 3 – 5 cars. The applicant is proposing landscaping around the proposed greenhouse with a mixture of trees, shrubs and native plants. The applicant will continue to use the existing home as a residence.

The applicant currently conducts floral workshops at the property twice a month. Typically, there are 8 people partaking in the classes. In addition, the applicant grows vegetables for a Community Supported Agriculture (CSA) with the majority of the boxes assembled being delivered.

The applicant is proposing to expand upon the CSA model with the proposed greenhouse being open to the public 2 days a week with their season being from late spring to early fall and their anticipated hours of operation being from 9:00 – 3:00.

The property is located in a rural part of the City with adjacent property owners located to the east, west and south. The closest residential structure to the proposed greenhouse is approximately 300 feet away.

There was a public hearing at the June 16, 2026 Planning and Zoning Commission meeting. There were no members of the public who spoke about the project, however staff did speak to two residents prior to the meeting, who expressed concern regarding an increase in traffic due to the proposed use. The commission unanimously recommended the application to the City Council for their review and approval.

Wetlands

There are existing wetlands located on the north portion of the property. The proposed use of the property does not impact the wetland.

Special Use Permit

The Special Use Permit is for a greenhouse/nursery, retail sales and production. There are general conditions for all SUPs. Staff finds the following in regard to the criteria for Special Use Permits in the Zoning Ordinance:

No special use permit shall be approved unless positive findings are made with respect to each and every one of the following criteria:

- 1. The proposed development is likely to be compatible with development permitted under the general provisions of this chapter on substantially all land in the vicinity of the proposed development;**

The property is located in a rural portion of the City with adjacent neighbors to the east, west and south, with the closest residential structure being approximately 300 feet away from the proposed greenhouse. Wetland impacts are not permitted as part of this Special Use Permit.

- 2. The proposed use will not be injurious to the use and enjoyment of the environment, or detrimental to the rightful use and enjoyment of other property in the immediate vicinity of the proposed development;**

The property is located in a rural portion of the City with adjacent neighbors to the east, west and south, with the closest residential structure being approximately 300 feet away from the proposed greenhouse.

3. The proposed use is consistent with the overall Hermantown Comprehensive Plan and with the spirit and intent of the provisions of this chapter;

The property is within an area marked for residential development in the Hermantown Comprehensive Plan. The property is located in a rural portion of the City with adjacent neighbors to the east, west and south, with the closest residential structure being approximately 300 feet away from the proposed greenhouse.

4. The proposed use will not result in a random pattern of development with little contiguity to existing programmed development and will not cause negative fiscal and environmental effects upon the community.

The property is located in a rural portion of the City with adjacent neighbors to the east, west and south, with the closest residential structure being approximately 300 feet away from the proposed greenhouse.

5. Other criteria required to be considered under the provisions of this code for any special use permit.

The applicant will utilize the existing upland area of the property for the greenhouse/nursery. No wetland impacts are permitted as part of this approval.

RECOMMENDATIONS:

Staff recommends approval of the Special Use Permit based on the findings set forth in the Staff report, subject to the following conditions:

1. The approval is for a Special Use Permit for greenhouse/nursery, sales and production at the applicants property located at 5853 W. Arrowhead Road.
2. The applicant shall sign a consent form assenting to all conditions of this approval.
3. The Applicant shall apply for a separate sign permit in the event they wish to install signage on the property
4. The applicant shall pay an administrative fine of \$750 per violation of any condition of this approval.

SOURCE OF FUNDS (if applicable)

N/A

ATTACHMENTS

- Resolution
- Site Location Map
- Proposed site plan

Resolution No. 2026-79

Resolution Approving A Special Use Permit For Greenhouse/Nursery, Sales And Production In A S-1, Suburban Zoning District

WHEREAS, Patty Bastian and Tom Peterson (“Applicants”), owner of the property at 5853 W. Arrowhead Road, submitted an application for a Special Use Permit for a greenhouse/nursery, retail sales and production at 5853 W. Arrowhead Road, located in the S-1, Suburban Zoning District; and

WHEREAS, Applicants seeks to operate a greenhouse/nursery, retail sales and production at the property at 5853 W. Arrowhead Road, (the “Project”), with a legal description as described in Attachment A; and

WHEREAS, The Hermantown Planning and Zoning Commission held a public hearing on the Special Use Permit application at its meeting on June 16, 2026 and recommended approval of the Special Use Permit at such meeting; and

WHEREAS, after due consideration of the entire City file, the testimony at the public hearing and all other relevant matters the City Council hereby makes the following findings related to the Special Use Permit.

FINDINGS OF FACT

- 1. The proposed development is likely to be compatible with development permitted under the general provisions of this chapter on substantially all land in the vicinity of the proposed development;**

The property is located in a rural portion of the City with adjacent neighbors to the east, west and south, with the closest residential structure being approximately 300 feet away from the proposed greenhouse. Wetland impacts are not permitted as part of this Special Use Permit.

- 2. The proposed use will not be injurious to the use and enjoyment of the environment, or detrimental to the rightful use and enjoyment of other property in the immediate vicinity of the proposed development;**

The property is located in a rural portion of the City with adjacent neighbors to the east, west and south, with the closest residential structure being approximately 300 feet away from the proposed greenhouse.

- 3. The proposed use is consistent with the overall Hermantown Comprehensive Plan and with the spirit and intent of the provisions of this chapter;**

The property is within an area marked for residential development in the Hermantown Comprehensive Plan. The property is located in a rural portion of the City with adjacent

neighbors to the east, west and south, with the closest residential structure being approximately 300 feet away from the proposed greenhouse.

4. **The proposed use will not result in a random pattern of development with little contiguity to existing programmed development and will not cause negative fiscal and environmental effects upon the community.**

The property is located in a rural portion of the City with adjacent neighbors to the east, west and south, with the closest residential structure being approximately 300 feet away from the proposed greenhouse.

5. **Other criteria required to be considered under the provisions of this code for any special use permit.**

The applicant will utilize the existing upland area of the property for the greenhouse/nursery. No wetland impacts are permitted as part of this approval.

6. The proposed Project is consistent with the Hermantown Comprehensive Plan.
7. The proposed SUP meets the intent of the S-1, Suburban Zoning District and the overall goals and policies of the Zoning Ordinance.
8. Greenhouse/nursery, retail sales and production is a permitted use within the S-1, Suburban Zoning District with the approval of a Special Use Permit.

CONCLUSION

On the basis of the foregoing Findings of Fact, the City Council of the City of Hermantown is hereby resolved as follows:

1. The Special Use permit for the Project is hereby approved.
2. The proposed SUP meets the intent of the S-1, Suburban Zoning District and the overall goals and policies of the Zoning Ordinance.
3. The proposed development meets the Comprehensive Plan for rural residential.
4. Special Use Permit is hereby approved is hereby expressly subject to the following conditions:
 - 4.1 That the Project will be constructed as described in the plans accompanying the Application and the conditions contained herein.
 - 4.2 The Zoning Administrator of the City of Hermantown shall be notified at least five (5) days in advance of the commencement of the work authorized hereunder and shall be notified of its completion within five (5) days thereafter.

- 4.3 No change shall be made in the Project without written permission being previously obtained from the City of Hermantown.
- 4.4 Applicant shall grant access to the site at all reasonable times during and after construction to authorized representatives of the City of Hermantown for inspection of the Project to see that the terms of this permit are met.
- 4.5 Applicant is initially and continually in compliance with all of the ordinances and regulations of the City of Hermantown.
- 4.6 Applicant will operate the proposed use 2 days a week within the hours of 9:00-3:00.
- 5. The Applicant is responsible for all City Engineer and Attorney fees related to the review and approval of the SUP.
- 6. The Applicant shall apply for a separate sign permit in the event they wish to install signage on the property
- 7. The Applicant shall sign a consent form assenting to all conditions of this approval.
- 8. The Applicant shall pay an administrative fine of \$750 per violation of any condition of this approval.

The approval made by this resolution extends only to the Project as defined in this resolution.

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 July 6, 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 2026-79 is a true and correct copy of the Resolution as adopted by the City Council on the 6th day of July, 2026.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City of Hermantown, the 7th day of July, 2026.

Alissa McClure, City Clerk

ATTACHMENT A

SW1/4 OF SW1/4 EX W1/2 & EX W1/2 OF E1/2 SECTION 7 TOWNSHIP 50 RANGE 15

Property ID: 395-0010-02230

(TOP THREE INCHES RESERVED FOR RECORDING DATA)

SPECIAL USE PERMIT

Permission is hereby granted to Patty Bastian and Tom Peterson (“Applicants”), owner of the property at 5853 W. Arrowhead Road (395-0010-02230), submitted an application for the purpose of Greenhouse/nursery, Sales and Production at 5853 W. Arrowhead Road (395-0010-02230 (“Project”), and legally described in Attachment A.

The permission hereby granted is expressly conditioned as follows:

- a. That the Project will be constructed as described in the plans accompanying the application and the conditions contained herein.
- b. The Zoning Officer of the City of Hermantown shall be notified at least five (5) days in advance of the commencement of the work authorized hereunder and shall be notified of its completion within (5) days thereafter.
- c. No change shall be made in the Project without written permission being previously obtained from the City of Hermantown.
- d. Applicant shall grant access to the site at all reasonable times during and after construction to authorized representatives of the City of Hermantown for inspection of the Project to see the terms of this permit are met.
- e. The permit is permissive only. No liability shall be imposed upon or incurred by the City of Hermantown or any of its officers, agents or employees, officially or personally, on account of the granting hereof or on account of any damage to any person or property resulting from any act or omission of Applicant or any of Applicant’s agents, employees or contractors relating to any matter hereunder. This permit shall not be construed as estopping or limiting any legal claims or right of action of any person against Applicant, its agents, employees of contractors, for any damage or injury resulting from any such act or omission, or as estopping or limiting any legal claim or right of action of the City of Hermantown against Applicant, its agents, employees or contractors for violation of or failure to comply with the permit or applicable provisions of law.

- f. This permit may be terminated by the City of Hermantown at any time it deems necessary for the conservation of water resources, or in the interest of public health and welfare, or for violation of any of the provisions of this permit.
- g. Applicant is initially and continually in compliance with all of the ordinances and regulations of the City of Hermantown Building Code and the Hermantown Fire Code.
- h. All state licenses and other permits required for the Project have been obtained by the Applicant and copies are provided to the City of Hermantown.
- i. That Applicant pay all direct costs incurred by the City of Hermantown in connection with the enforcement and administration of this permit within fifteen (15) days of Applicant being invoiced by the City for such costs.
- j. The approval is for a Special Use Permit for greenhouse/nursery, sales and production at the applicants property located at 5853 W. Arrowhead Road
- k. Applicant will operate the proposed use 2 days a week within the hours of 9:00-3:00.
- l. The applicant shall sign a consent form assenting to all conditions of this approval.
- m. The applicant shall pay an administrative fine of \$750 per violation of any condition of this approval.

IN WITNESS WHEREOF, the Mayor and City Clerk have hereunto set their hands on behalf of the City of Hermantown on the ____ day of _____, 2026.

CITY OF HERMANTOWN

By _____

Its Mayor

By _____

Its Clerk

STATE OF MINNESOTA)
)**ss.**
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 on behalf of the City.

Notary Public

ATTACHMENT A

SW1/4 OF SW1/4 EX W1/2 & EX W1/2 OF E1/2 SECTION 7 TOWNSHIP 50 RANGE 15

Property ID: 395-0010-02230

ACCEPTANCE OF RESOLUTION

Patty Bastian and Tom Peterson (“Applicants”) hereby acknowledges and accepts the conditions specified on the foregoing Resolution and covenants and agrees to comply with each and every such condition.

Applicants acknowledge that the failure to comply with all of the modifications and conditions shall constitute a violation of the Hermantown Zoning Ordinance and that the City of Hermantown may, in such event, exercise and enforce its rights against the undersigned by instituting any appropriate action or proceeding to prevent, restrain, correct or abate the violation including, without limitation, exercising and enforcing its rights against any security that the undersigned may provide to the City to insure its compliance with the conditions contained in the foregoing Resolution.

Applicant acknowledges that this Resolution shall be recorded with the title to the property described in the text of the Resolution.

IN WITNESS WHEREAS, Patty Bastian and Tom Peterson have executed this acceptance this ____ day of _____, 2026.

Patty Bastian

Tom Peterson

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

The foregoing instrument was acknowledged before me this ____ day of _____, 2026, Patty Bastian and Tom Peterson.

Notary Public

Location Map





CITY COUNCIL MEETING DATE: July 6, 2026

TO: Mayor & City Council

FROM: Eric Johnson, Community Development Director

SUBJECT: Special Use Permit – Hermantown Apartments

☒ **RESOLUTION:** 2026-80 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Approval of a Special Use Permit (SUP), to construct a 4 story, 103-unit apartment building on 6.2 acres in the HM – Hermantown Marketplace Zoning District at 4818 Maple Grove Road.

DESCRIPTION OF REQUEST

Applicant (1 LLC) is requesting a Special Use Permit (SUP), to construct a 4 story, 103-unit apartment building on 6.2 acres in the HM – Hermantown Marketplace Zoning District at 4818 Maple Grove Road.

SITE INFORMATION

Lot Size:	6.2 acres
Legal Access:	4818 Maple Grove Road
Wetlands:	Yes, have been delineated and approved by the TEP
Existing Zoning:	HM – Hermantown Marketplace
Airport Overlay:	No
Shoreland Overlay:	No
Comprehensive Plan:	Mixed Use

Background

1 LLC (Applicant) is the property owner of 30 acres of which 6.2 acres is being proposed to be used for this project. The applicant is proposing the Hermantown Apartment project, which consists of a 4 story, 103-unit apartment building. The site is currently undeveloped with topography generally sloping from the west to the east. There is a large wetland along the southern portion of the proposed project as well as numerous wetlands of varying sizes throughout the overall 30 acre parcel. The property has access from Maple Grove Road to the north and is proposing to utilize the access driveway to Stebner Park for the project until there is additional development of a road network in this area.

The proposed project consists of a mix of studio, one and two-bedroom apartments ranging in size from 418 square feet to 1026 square feet. The proposed building is 45 feet in height, to the mid point of the roof and has a footprint of approximately 19,370 square feet. The project

proposes 206 surface parking spaces which meets the City requirements of two parking spaces per residential unit.

The project proposes a paved, 10 foot wide trail connecting the proposed apartment to the City's trail system located just south of the building.

There was a public hearing at the May 19, 2026 Planning and Zoning Commission meeting with questions from the board concerning the use of Stebner Park driveway as the entrance to this development and when/if the driveway would be rebuilt to a roadway status. The application was tabled at the May 19, 2026 meeting.

This application was continued at the June 16, 2026 Planning and Zoning Commission meeting with City staff presenting information on timelines associated with the conversion of the existing park driveway into a City road. There were no members of the public who spoke about the project. Upon review of the presented information, the commission unanimously recommended the application to the City Council for their review and approval.

Zoning Analysis

The Hermantown Marketplace allows a multiple family dwelling with the approval and issuance of a Special Use Permit. The Planning and Zoning Commission is a recommending body to the City Council with this type of application.

In addition, City staff will administratively review the site, grading, utility, stormwater and building plans associated with the project. Upon approval of these documents, permits will be issued to commence with the project construction.

Setbacks

Setbacks within the marketplace are generally less than other commercially zoned property. The Hermantown Marketplace zone district is intended to create a dynamic, easily identifiable commercial district that can accommodate daytime, evening, and weekend activity, incorporating a mix of uses that feature superior design and are easily accessible and pedestrian friendly. This is the first proposed development on the south side of Maple Grove Road within the marketplace with master planning of this area continuing in the near future.

Setback standards in the HM Zoning District and proposed setbacks are shown in Table 1:

Table 1. HM – Hermantown Marketplace Requirements	HM Requirement	Proposed
Minimum lot area	None	6.2 acre property
Minimum lot width (at setback line)	None	+/-268 feet
Minimum front yard	5 feet from public ROW	85' minimum from ROW
Minimum side yard	5 feet	100 feet minimum
Minimum rear yard	5 feet	280 feet minimum
Parking	2 spaces per unit – 206 spaces	206 spaces

Stormwater

The proposed plan shows a stormwater pond for the development on the north portion of the project. Stormwater will be collected through a series of inlets located in the parking lot and drive aisle and then piped to the stormwater pond with eventual discharge to the adjacent wetland. The applicant's engineer has submitted preliminary stormwater calculations for the proposed project which will be reviewed and approved by the City Engineer.

The stormwater pond and inlet/drainage system will be owned and maintained by the Applicant.

Utilities

The Applicant will connect to public water and sewer main which are located on the eastern side of the Stebner Park drive. Detailed plans for new public utilities will be reviewed and approved by the City Engineer prior to issuance of the building permit. No new public utilities will be accepted by the City until reviewed by the City Engineer and accepted by resolution of the City Council. The applicant is required to pay all applicable connection and availability fees associated with the utility work.

Driveway, Parking, and Traffic

The Applicant plans to connect to the existing Stebner Park asphalt driveway at two points. These driveway connections and parking lot/islands will have curb and gutter driveway and will be privately owned and maintained. The SE corner of the parking lot proposes a future stub to land located to the east.

The internal drive aisles are 26 feet in width which can accommodate City fire equipment.

City staff has discussed the driveway and its future use. There are 80% construction documents currently done for the future roadway with the anticipated construction date for the road being shortly after the completion of this proposed project. The rationale being that the City wants to avoid construction traffic on a new roadway surface and rather use the existing driveway during the construction of the proposed project, then the new road would be constructed.

City staff would coordinate access to this project site and the soccer fields as the plans for the road project are closer to finalization. In addition, the Applicant has contacted Hermantown Youth Soccer Association to discuss coordination between the two sites as well.

Park Dedication Fees

The property owner will be required to pay park dedication fees consistent with the requirements of the City Zoning Ordinance. Park dedication fees will be paid according to the following schedule. Payments are due at the time of approval of the SUP or at the time of building permit issuance.

Development Type	Recommended
Multi-family, 2+ bedroom units	\$800
Multi-family, 1 bedroom and studio	\$400
Per bedroom fee	\$150

Stormwater Utility Fees

Upon the completion of the project, a stormwater utility will be assessed on a square foot basis of impervious surface (building, sidewalk, parking lot). The site is eligible for a 50% credit by constructing the stormwater pond which will address stormwater quality and quantity.

Architecture

The exterior materials for the proposed apartment consist of LP siding & trim (horizontal & vertical mix), stone accents on the base of the building, and architectural shingles for roofing. The proposed structure is 45 feet in height measured at the mid point of the roofline.

There is an exterior trash enclosure located in the NW corner of the site. The trash enclosure will use similar LP siding as the building and is approximately 8 feet in height. The trash enclosure is setback approximately 30 feet from the western property line and 80 feet from the north property line.

Landscaping/Buffer

The Applicant is proposing a mixture of interior and perimeter deciduous trees a minimum of 2.5 inches in caliper diameter. The Applicant will continue coordination with City staff on the tree species and extent of seed/sodded areas.

Special Use Permit

The Special Use Permit is for the construction of multiple family residential within the Hermantown Marketplace Zoning District. There are general conditions for all SUPs. Staff finds the following in regard to the criteria for Special Use Permits in the Zoning Ordinance:

No special use permit shall be approved unless positive findings are made with respect to each and every one of the following criteria:

- 1. The proposed development is likely to be compatible with development permitted under the general provisions of this chapter on substantially all land in the vicinity of the proposed development;**

The City's Comprehensive Plan envisions this area for mixed use development. The proposed project is the first phase of development, with the Applicant working with the City on future master planning.

- 2. The proposed use will not be injurious to the use and enjoyment of the environment, or detrimental to the rightful use and enjoyment of other property in the immediate vicinity of the proposed development;**

Conditions placed on the SUP to meet the intent of the zoning ordinance to promote mixed use development. The development of multiple family housing is an allowed use within the HM – Hermantown Zoning District with a Special Use Permit.

- 3. The proposed use is consistent with the overall Hermantown Comprehensive Plan and with the spirit and intent of the provisions of this chapter;**

The property is within an area marked for mixed use development on the Hermantown Comprehensive Plan. Mixed use development is typically a combination of residential and commercial uses, with this project being the first phase of development.

- 4. The proposed use will not result in a random pattern of development with little contiguity to existing programmed development and will not cause negative fiscal and environmental effects upon the community.**

The proposed use (multiple family housing) is allowed with a Special Use Permit under the HM – Hermantown Marketplace Zoning District.

- 5. Other criteria required to be considered under the provisions of this code for any special use permit.**

The Applicant will be required to submit final construction plans including site, grading, utility, stormwater and building plans. These plans will need to be reviewed and approved by City staff prior to construction.

Summary

Staff recommends approval of the Special Use Permit (SUP), to construct a 103 unit apartment building with site improvements on an 6.2 acre property located in a HM – Hermantown Marketplace Zoning District with the following conditions:

1. The proposed SUP meets the intent of the HM – Hermantown Marketplace Zoning District and the overall goals and policies of the Zoning Ordinance.
2. The proposed development meets the Comprehensive Plan for mixed use development.
3. The Special Use Permit is hereby approved is hereby expressly subject to the following conditions:
 - 3.1 That the Project will be constructed as described in the plans accompanying the Application and the conditions contained herein.
 - 3.2 The Zoning Administrator of the City of Hermantown shall be notified at least five (5) days in advance of the commencement of the work authorized hereunder and shall be notified of its completion within five (5) days thereafter.
 - 3.3 No change shall be made in the Project without written permission being previously obtained from the City of Hermantown.
 - 3.4 Applicant shall grant access to the site at all reasonable times during and after construction to authorized representatives of the City of Hermantown for inspection of the Project to see that the terms of this permit are met.
 - 3.5 Applicant is initially and continually in compliance with all of the ordinances and regulations of the City of Hermantown.
 - 3.6 Trees and brush cannot be burned on the property, but may be chipped and shredded.
 - 3.7 An MPCA Stormwater Permit and erosion control measures must be in place prior to the start of operations.
 - 3.8 All utility line easements shall be observed and any encroachment into the utility right-of-way shall only be permitted with the written approval of the utility.

3.9 The Applicant shall take measures to control erosion that has the potential to damage adjacent land, and control sedimentation that has the potential to leave the site.

- 4 Dimensional requirements of lot, setbacks, and roadways shall be according to the attached site plan and table 1.

Table 1. HM – Hermantown Marketplace Requirements	HM Requirement	Proposed
Minimum lot area	None	6.2 acre property
Minimum lot width (at setback line)	None	+/-268 feet
Minimum front yard	5 feet from public ROW	85' minimum from ROW
Minimum side yard	5 feet	100 feet minimum
Minimum rear yard	5 feet	280 feet minimum
Parking	2 spaces per unit – 206 spaces	206 spaces

- 5 The Applicant will have one year from the date of the SUP approval to commence with construction.
- 6 Applicant to submit final construction documents (site, water, storm sewer, sanitary sewer, etc.) according to City standards and coordinated with the City Engineer as part of the Final SUP process.
- 7 The applicant is responsible for all City and WLSSD availability, hook-up and CAF fees associated with the SUP.
- 8 The applicant is responsible for all City Engineer and Attorney fees related to the review and approval of the SUP.
- 9 The applicant shall pay park dedication fees according to the following schedule. Payments are due at the time of approval of the SUP/building permit.

Development Type	Recommended
Multi-family, 2+ bedroom units	\$800
Multi-family, 1 bedroom and studio	\$400
Per bedroom fee	\$150

- 10 The Applicant shall sign a consent form assenting to all conditions of this approval.
- 11 The Applicant shall pay an administrative fine of \$750 per violation of any condition of this approval.
- 12 The approval made by this resolution extends only to the Project as defined in this resolution.

SOURCE OF FUNDS (if applicable)

N/A

ATTACHMENTS

- Resolution
- Location Map
- Site Plan
- Grading Plan
- Utility Plan
- Landscape Plan
- Floor Plan
- Building Elevation

Resolution No. 2026-80

Resolution Approving A Special Use Permit For A 103 Unit Apartment Building In A HM – Hermantown Marketplace Zoning District

WHEREAS, 1 LLC (“Applicant”), owner of the property at 4818 Maple Grove Road, submitted an application for a Special Use Permit for a 103 unit apartment building at 4818 Maple Grove Road, located in the HM – Hermantown Marketplace Zoning District; and

WHEREAS, Applicant seeks to construct a 103 unit apartment building with associated site improvements at the property at 4818 Maple Grove Road (the “Project”), with a legal description as described in Attachment A; and

WHEREAS, The Hermantown Planning and Zoning Commission held a public hearing on the Special Use Permit application at its meeting on May 19, 2026 at which time the application was tabled for additional information; and

WHEREAS, The Hermantown Planning and Zoning Commission held a public hearing on the Special Use Permit application at its meeting on June 16, 2026 and recommended approval of the Special Use Permit at such meeting; and

WHEREAS, after due consideration of the entire City file, the testimony at the public hearing and all other relevant matters the City Council hereby makes the following findings related to the Special Use Permit.

FINDINGS OF FACT

- 1. The proposed development is likely to be compatible with development permitted under the general provisions of this chapter on substantially all land in the vicinity of the proposed development;**

The City’s Comprehensive Plan envisions this area for mixed use development. The proposed project is the first phase of development, with the Applicant working with the City on future master planning.

- 2. The proposed use will not be injurious to the use and enjoyment of the environment, or detrimental to the rightful use and enjoyment of other property in the immediate vicinity of the proposed development;**

Conditions placed on the SUP to meet the intent of the zoning ordinance to promote mixed use development. The development of multiple family housing is an allowed use within the HM – Hermantown Zoning District with a Special Use Permit.

3. **The proposed use is consistent with the overall Hermantown Comprehensive Plan and with the spirit and intent of the provisions of this chapter;**

The property is within an area marked for mixed use development on the Hermantown Comprehensive Plan. Mixed use development is typically a combination of residential and commercial uses, with this project being the first phase of development.

4. **The proposed use will not result in a random pattern of development with little contiguity to existing programmed development and will not cause negative fiscal and environmental effects upon the community.**

The proposed use (multiple family housing) is allowed with a Special Use Permit under the HM – Hermantown Marketplace Zoning District.

5. **Other criteria required to be considered under the provisions of this code for any special use permit.**

The Applicant will be required to submit final construction plans including site, grading, utility, stormwater and building plans. These plans will need to be reviewed and approved by City staff prior to construction.

6. The proposed Project is consistent with the Hermantown Comprehensive Plan.
7. The proposed SUP meets the intent of the HM – Hermantown Marketplace Zoning District and the overall goals and policies of the Zoning Ordinance.
8. Multiple family dwelling is a permitted use within the HM – Hermantown Marketplace with the approval of a Special Use Permit.

CONCLUSION

On the basis of the foregoing Findings of Fact, the City Council of the City of Hermantown is hereby resolved as follows:

1. The Special Use permit for the Project is hereby approved.
2. The proposed SUP meets the intent of the HM – Hermantown Marketplace Zoning District and the overall goals and policies of the Zoning Ordinance.
3. The proposed development meets the Comprehensive Plan for mixed use development.
4. Special Use Permit is hereby approved is hereby expressly subject to the following conditions:
 - 4.1 That the Project will be constructed as described in the plans accompanying the Application and the conditions contained herein.

- 4.2 The Zoning Administrator of the City of Hermantown shall be notified at least five (5) days in advance of the commencement of the work authorized hereunder and shall be notified of its completion within five (5) days thereafter.
- 4.3 No change shall be made in the Project without written permission being previously obtained from the City of Hermantown.
- 4.4 Applicant shall grant access to the site at all reasonable times during and after construction to authorized representatives of the City of Hermantown for inspection of the Project to see that the terms of this permit are met.
- 4.5 Applicant is initially and continually in compliance with all of the ordinances and regulations of the City of Hermantown.
- 4.6 Trees and brush cannot be burned on the property, but may be chipped and shredded.
- 4.7 An MPCA Stormwater Permit and erosion control measures must be in place prior to the start of operations.
- 4.8 All utility line easements shall be observed and any encroachment into the utility right-of-way shall only be permitted with the written approval of the utility
- 4.9 The Applicant shall take measures to control erosion that has the potential to damage adjacent land, and control sedimentation that has the potential to leave the site.

5. Dimensional requirements of lot, setbacks, and roadways shall be according to the attached site plan and table 1.

Table 1. HM – Hermantown Marketplace Requirements	HM Requirement	Proposed
Minimum lot area	None	6.2 acre property
Minimum lot width (at setback line)	None	+/-268 feet
Minimum front yard	5 feet from public ROW	85' minimum from ROW
Minimum side yard	5 feet	100 feet minimum
Minimum rear yard	5 feet	280 feet minimum

Parking	2 spaces per unit – 206 spaces	206 spaces
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6. The Applicant will have one year from the date of the SUP approval to commence with construction.
7. Applicant to submit final construction documents (site, water, storm sewer, sanitary sewer, etc.) according to City standards and coordinated with the City Engineer as part of the Final SUP process.
8. The applicant is responsible for all City and WLSSD availability, hook-up and CAF fees associated with the SUP.
9. The applicant is responsible for all City Engineer and Attorney fees related to the review and approval of the SUP.
10. The applicant shall pay park dedication fees according to the following schedule.
Payments are due at the time of approval of the Final SUP/building permit.

Development Type	Recommended
Multi-family, 2+ bedroom units	\$800
Multi-family, 1 bedroom and studio	\$400
Per bedroom fee	\$150

11. The Applicant shall sign a consent form assenting to all conditions of this approval.
12. The Applicant shall pay an administrative fine of \$750 per violation of any condition of this approval.

The approval made by this resolution extends only to the Project as defined in this resolution.

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 July 6, 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 2026-80 is a true and correct copy of the Resolution as adopted by the City Council on the 6th day of July, 2026.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City of Hermantown, the 7th day of July, 2026.

Alissa McClure, City Clerk

ATTACHMENT A

NE1/4 OF NW1/4 EX E1/2 OF E1/2 & EX W1/2 OF W1/2 SECTION 24 TOWNSHIP 50 RANGE
15

Property ID: 395-0010-06610

(TOP THREE INCHES RESERVED FOR RECORDING DATA)

SPECIAL USE PERMIT

Permission is hereby granted to 1 LLC (“Applicant”), owner of the property at 4818 Maple Grove Road (395-0010-06610), submitted an application for the purpose of constructing a 103 unit apartment building and associated site improvements at 4818 Maple Grove Road (395-0010-06610), (“Project”), and legally described in Attachment A.

The permission hereby granted is expressly conditioned as follows:

- a. That the Project will be constructed as described in the plans accompanying the application and the conditions contained herein.
- b. The Zoning Officer of the City of Hermantown shall be notified at least five (5) days in advance of the commencement of the work authorized hereunder and shall be notified of its completion within (5) days thereafter.
- c. No change shall be made in the Project without written permission being previously obtained from the City of Hermantown.
- d. Applicant shall grant access to the site at all reasonable times during and after construction to authorized representatives of the City of Hermantown for inspection of the Project to see the terms of this permit are met.
- e. The permit is permissive only. No liability shall be imposed upon or incurred by the City of Hermantown or any of its officers, agents or employees, officially or personally, on account of the granting hereof or on account of any damage to any person or property resulting from any act or omission of Applicant or any of Applicant’s agents, employees or contractors relating to any matter hereunder. This permit shall not be construed as estopping or limiting any legal claims or right of action of any person against Applicant, its agents, employees of contractors, for any damage or injury resulting from any such act or omission, or as estopping or limiting any legal claim or right of action of the City of Hermantown against Applicant, its agents, employees or contractors for violation of or failure to comply with the permit or applicable provisions of law.
- f. This permit may be terminated by the City of Hermantown at any time it deems necessary for the conservation of water resources, or in the interest of public health and

welfare, or for violation of any of the provisions of this permit.

- g. Applicant is initially and continually in compliance with all of the ordinances and regulations of the City of Hermantown Building Code and the Hermantown Fire Code.
- h. All state licenses and other permits required for the Project have been obtained by the Applicant and copies are provided to the City of Hermantown.
- i. That Applicant pay all direct costs incurred by the City of Hermantown in connection with the enforcement and administration of this permit within fifteen (15) days of Applicant being invoiced by the City for such costs.
- j. Applicant to construct a 103 unit apartment building with site improvements on an 6.2 acre property located in a HM – Hermantown Marketplace Zoning District.
- k. The Applicant shall pay park dedication fees according to the following schedule.
Payments are due at the time of approval of the Final SUP/building permit.

Development Type	Recommended
Multi-family, 2+ bedroom units	\$800
Multi-family, 1 bedroom and studio	\$400
Per bedroom fee	\$150

- l. Applicant has been approved by the Hermantown Technical Evaluation Panel (TEP) for the impact of wetlands associated with the project.
- o. The applicant shall sign a consent form assenting to all conditions of this approval.
- p. The applicant shall pay an administrative fine of \$750 per violation of any condition of this approval.

IN WITNESS WHEREOF, the Mayor and City Clerk have hereunto set their hands on behalf of the City of Hermantown on the ____ day of _____, 2026.

CITY OF HERMANTOWN

By _____

Its Mayor

By _____

Its Clerk

STATE OF MINNESOTA)
)**ss.**
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 on behalf of the City.

Notary Public

ATTACHMENT A

NE1/4 OF NW1/4 EX E1/2 OF E1/2 & EX W1/2 OF W1/2 SECTION 24 TOWNSHIP 50 RANGE
15

Property ID: 395-0010-06610

ACCEPTANCE OF RESOLUTION

1 LLC ("Applicant") hereby acknowledges and accepts the conditions specified on the foregoing Resolution and covenants and agrees to comply with each and every such condition.

Applicant acknowledges that the failure to comply with all of the modifications and conditions shall constitute a violation of the Hermantown Zoning Ordinance and that the City of Hermantown may, in such event, exercise and enforce its rights against the undersigned by instituting any appropriate action or proceeding to prevent, restrain, correct or abate the violation including, without limitation, exercising and enforcing its rights against any security that the undersigned may provide to the City to insure its compliance with the conditions contained in the foregoing Resolution.

Applicant acknowledges that this Resolution shall be recorded with the title to the property described in the text of the Resolution.

IN WITNESS WHEREAS, 1 LLC have executed this acceptance this ____ day of _____, 2026.

1 LLC

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

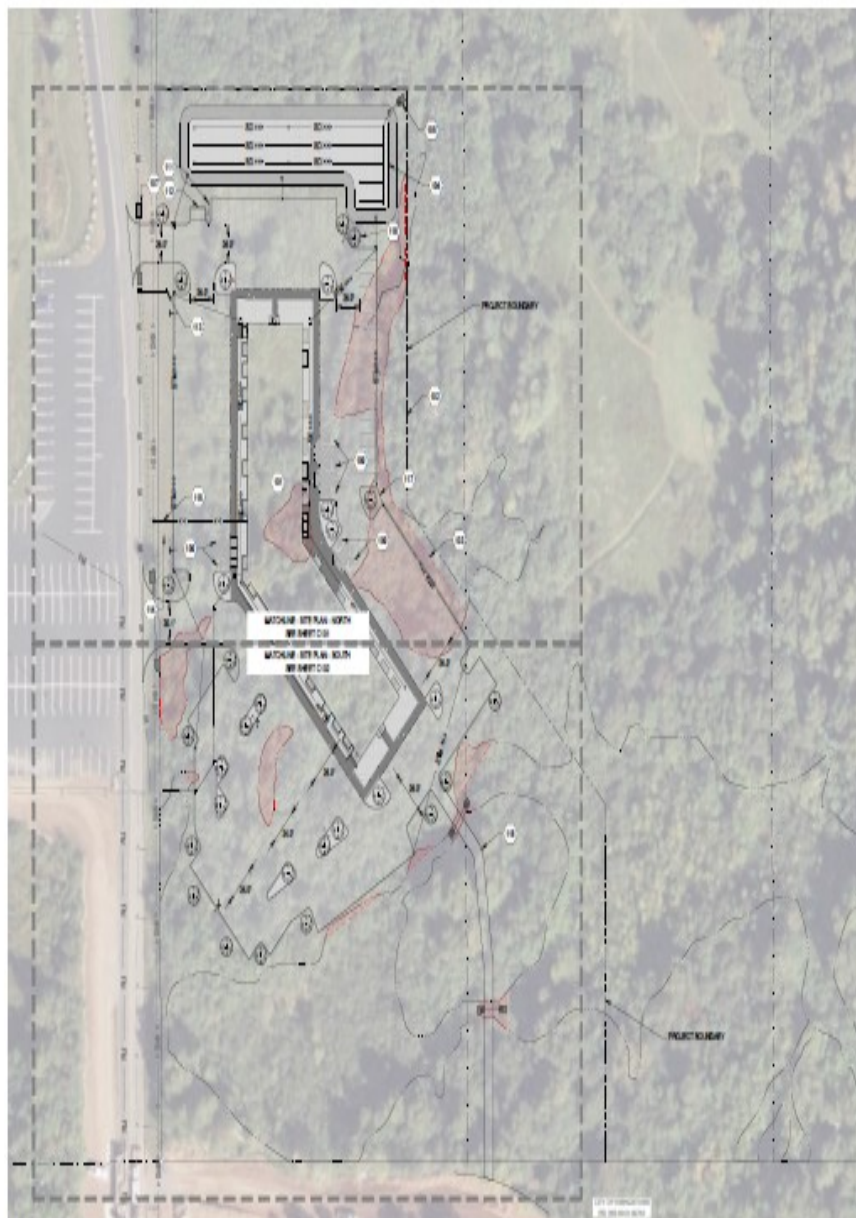
The foregoing instrument was acknowledged before me this ____ day of _____, 2026,
1 LLC.

Notary Public

Location Map



ALL EXISTING UTILITIES SHOWN ON PLANS ARE TO BE MAINTAINED HORIZONTALLY AND VERTICALLY TYPICAL TO ANY CONSTRUCTION. ALL EXISTING POINTS ARE LOCATED BY SURVEY. UTILITIES ARE SHOWN TO INDICATE APPROXIMATE WAYS AND LOCATIONS. PUBLISHED BY: CH2M HILL, INCORPORATED. LIABILITY FOR THE ACCURACY OF THESE RECORDS AND SURVEY CONTACT THE UTILITY OWNERSHIP FOR THE FINAL LOCATION OF UTILITIES. UTILITIES ARE CRITICAL TO CONSTRUCTION.



PROJECT AREA (P)	STGB
PARCEL ZONING	PM
PROPOSED LOTS	10
REQUIRED PARKING SPACES	1 TOTAL PER LOT
REQUIRED ADA SPACES	1
PROPOSED PARKING SPACES	10
PROPOSED ADA SPACES	1

100	PROPOSED ACCESS TO STEPPED PAVEMENT
101	PROPOSED BLINDING AND ARCHITECTURAL PLANS
102	PROPOSED ROADWAY AND ROADWAY
103	ROAD OF COORDINATE REFERENCE (MPC) (P)
104	PROPOSED INFORMATION MANAGEMENT FACILITY
105	PROPOSED INFORMATION SYSTEM
106	PROPOSED INFORMATION SYSTEMS
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200	PROPOSED INFORMATION SYSTEMS

The diagram shows a horizontal beam of length 10 m. A triangular load is applied perpendicular to the beam, starting at 0 kN/m at the left end and increasing linearly to 10 kN/m at the right end. The beam is supported by a pin support at the left end and a roller support at the right end. To the right of the beam, a circular cross-section is shown with a diameter of 100 mm.



Know what's below.
Call before you dig.

Revisions:

LINE 11 FOR PLAIN
ACAP TRAINING

WINDSOR
ENGINEERS

Duluth | Minneapolis | Ridgely | Portland
wiedersorensteers.com

PRELIMINARY

STEBNER APARTMENTS
HERMANTOWN, MN 55811

SPECIAL USE PERMIT
Project No: 24176
Issue Date: 1/8/2026

OVERALL SITE PLAN

C100

Page 81 of 128

ISSUED FOR SPECIAL USE PERMIT

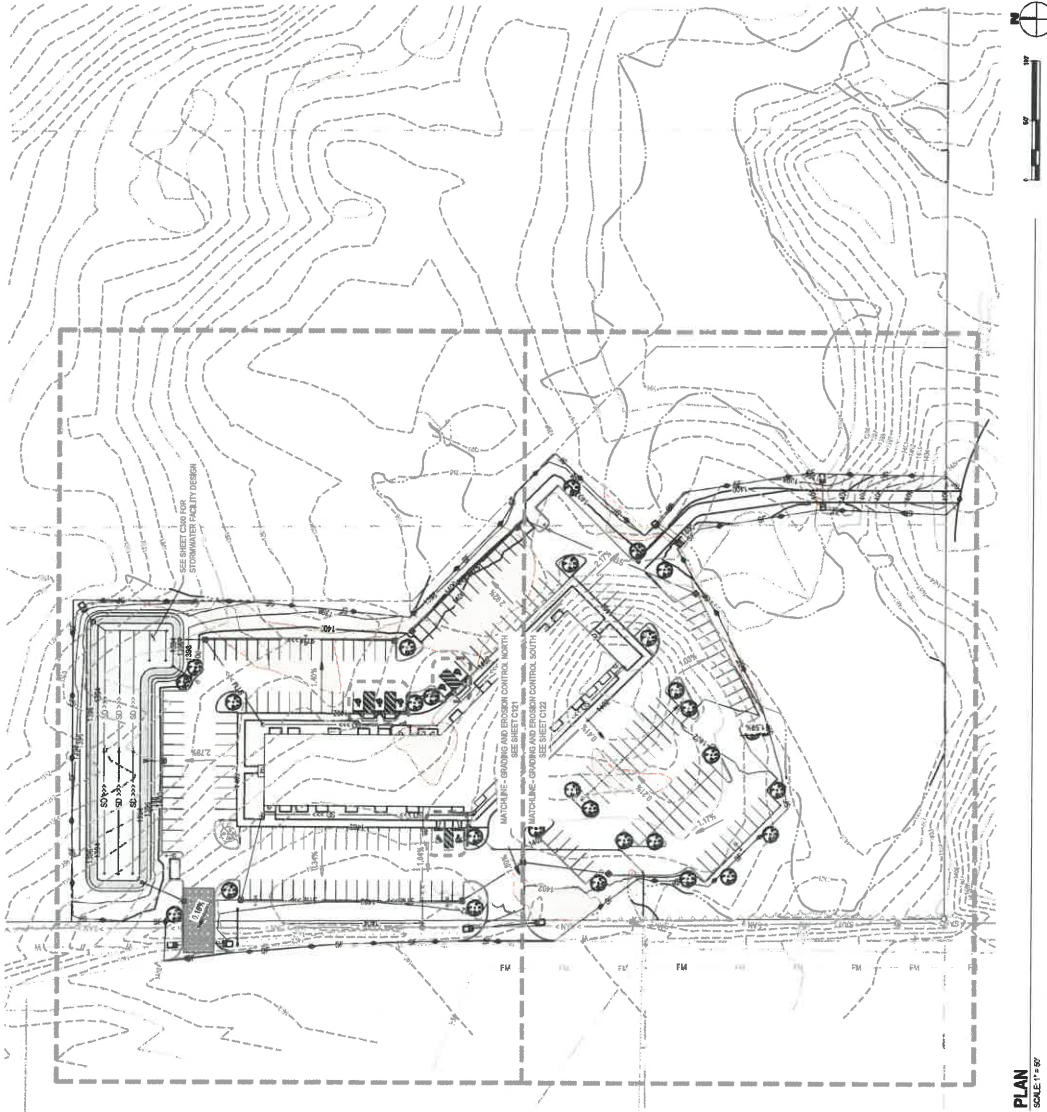
ALL EXISTING UTILITIES SHOWN ON PLANS ARE TO BE VERIFIED HORIZONTALLY AND VERTICALLY PRIOR TO ANY CONSTRUCTION. ALL EXISTING FEATURES INCLUDING BURIED UTILITIES ARE SHOWN AS INDICATED ON RECORD MAPS AND SURVEY'S FURNISHED BY OTHERS, WHO ASSUMES NO LIABILITY FOR THE ACCURACY OF THOSE RECORDS AND SURVEYS. CONTACT THE UTILITY OWNERSHIP AGENCY FOR THE FINAL LOCATION OF EXISTING UTILITIES IN AREAS CRITICAL TO CONSTRUCTION.

1. CONTRACTOR TO INSTALL DOUBLE SILT FENCE NEAR WETLAND AREAS AS SHOWN ON PLAN

2. ALL PROJECT GRADING ACTIVITIES ARE TO BE DONE IN ACCORDANCE WITH THE RECOMMENDATIONS CONTAINED WITHIN THE PROJECTS GEOTECHNICAL SITE INVESTIGATION REPORT.
3. GRADATIONS FOR ALL PURPOSES WILL ARE TO BE SUGGESTED BY THE ENGINEER AND OTHER GEOTECHNICAL ENGINEERS AT LEAST 2 WEEKS PRIOR TO GRADING ACTIVITIES COMMENCE. CONTRACTOR TO COORDINATE WITH PROJECTS ENGINEER REGARDING ALL GRADING SITE DATA'S THAT ARE ANTICIPATED TO BE USED FOR GRADING.
4. RESULTS OF EXISTING SITE SOILS FOR GRADING ACTIVITIES ARE TO BE CONFIRMED WITH NEW SOIL INVESTIGATIONS INDICATE THAT NOT ALL EXISTING SOILS ARE SUITABLE FOR REUSE. CONTRACTOR HAS RESPONSIBILITY TO DETERMINE THE FINAL GRADING CONTRACTOR IS RESPONSIBLE FOR THE REPORTING AND MAIL OFF OF ANY MATERIAL.

ESTIMATED CUT / FILL SUMMARY	
CUT	FILL
1,916 CY	23,388 CY

1. ACCOUNTS FOR 15% FILL COMPACTION
2. DOES NOT ESTIMATE STRUCTURAL FILL REQUIRED FOR BUILDING
3. DOES NOT ESTIMATE THE AGGREGATE AND PAVING REQUIRED FOR PARKING AREA



PLAN

[illegible]

WINDSOR
ENGINEERS
Duluth | Minneapolis | Edgelyfield | Portland
windsorengineers.com

I HEREBY CERTIFY THAT THIS
 PREPARED BY ME OR BY
 SUPERVISION AND
 REGISTERED BY
 LAWS OF THE STATE OF
 PRELIMINARY
 DATE: YY
 REC: XXXXX
 ENGINEER'S NAME: P.E.

STEBNER APARTMENTS
HERMANTOWN, MN 55811

SPECIAL USE PERMIT
Project No: 24176
Issue Date: 1/8/2026

OVERALL GRADING AND EROSION CONTROL PLAN

C120

Project Manager
Drawn by
Checked by

ALL EXISTING UTILITIES SHOWN ON PLANS ARE TO BE VERIFIED HORIZONTALLY AND VERTICALLY PRIOR TO ANY CONSTRUCTION. ALL EXISTING FEATURES INCLUDING BURIED UTILITIES ARE SHOWN AS INDICATED ON RECORD MAPS AND SURVEY'S FURNISHED BY OTHERS, WHO ASSUMES NO LIABILITY FOR THE ACCURACY OF THOSE RECORDS AND SURVEYS. CONTACT THE UTILITY OWNERS/AGENCY FOR THE FINAL LOCATION OF EXISTING UTILITIES IN AREAS CRITICAL TO CONSTRUCTION.



CATCH BASIN TABLE	
STRUCTURE	STRUCTURE DETAILS
ST C3 14 W/2 SUMP	BM = 140.637 BNV = 138.612 S INV OUT = 138.612 N/E
ST C3 31 W/2 SUMP	BM = 140.637 BNV = 138.612 S INV OUT = 138.612 N/E
ST C3 12 W/2 SUMP	BM = 140.637 BNV = 138.612 S INV OUT = 138.612 N/E
ST C3 14 W/2 SUMP	BM = 140.637 BNV = 138.612 S INV OUT = 138.612 N/E
ST C3 30 W/2 SUMP	BM = 140.637 BNV = 138.612 S INV OUT = 138.612 N/E
ST C3 30 W/2 SUMP	BM = 140.637 BNV = 138.612 S INV OUT = 138.612 N/E
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ST C3 30 W/2 SUMP	BM = 140.637 BNV = 138.612 S INV OUT = 138.612 N/E
ST C3 31 W/2 SUMP	BM = 140.637 BNV = 138.612 S INV OUT = 138.612 N/E
ST C3 34 W/2 SUMP	BM = 140.637 BNV = 138.612 S INV OUT = 138.612 N/E

Revisions: LINE IS 1" ON FULL SCALE DRAWING

I HEREBY CERTIFY THAT IT
 PREPARED BY ME OR IN
 SUPERVISION AND
 REGISTERED IN
 LAWS OF THE
 STATE OF
 PRELIMINARY
 DATE: 11/1/2000
 REC'D
 ENGINEERS NAME, P.E.

STEBNER APARTMENTS
HERMANTOWN, MN 55811

SPECIAL USE PERMIT
Project No: 24176
Issue Date: 1/8/2026

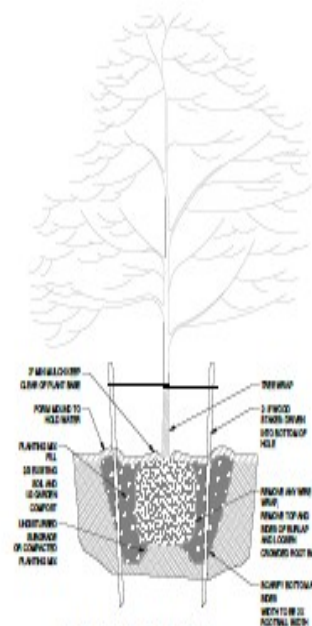
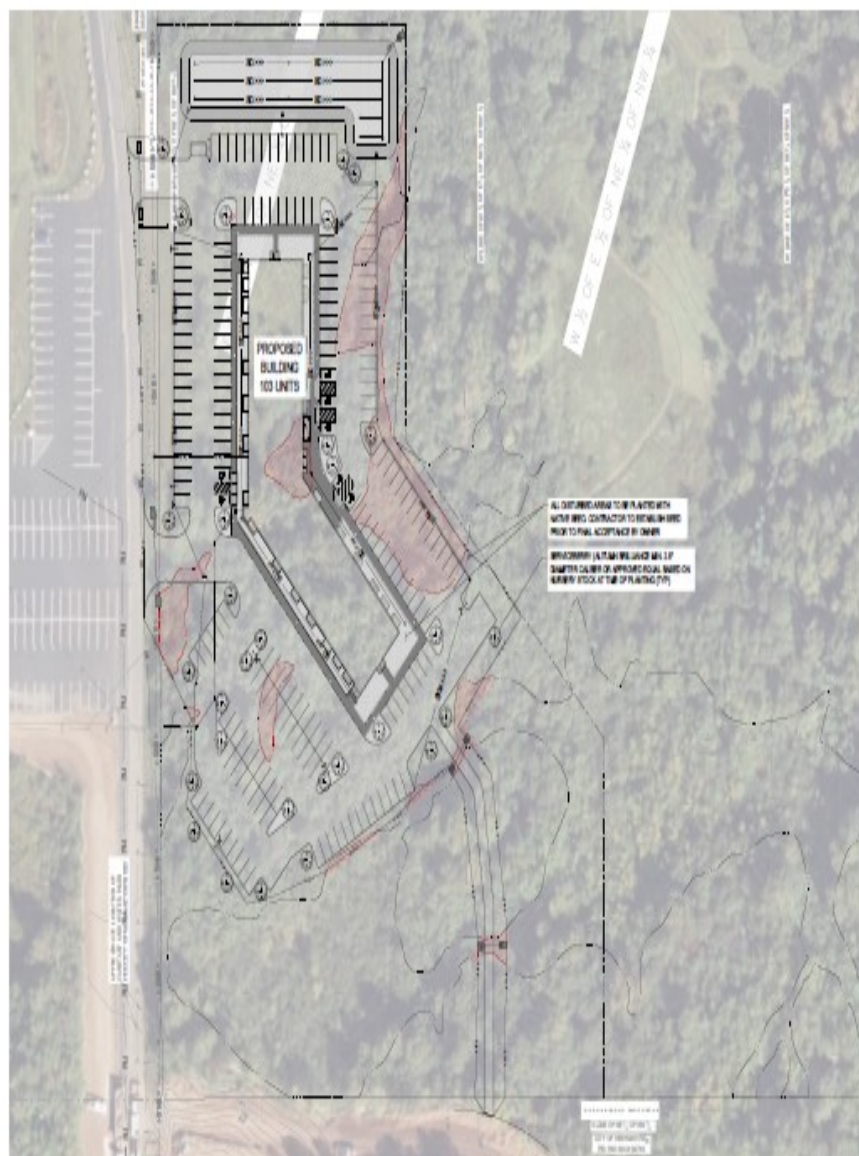
COMPOSITE UTILITY PLAN

C110

Project Manager	<u> </u>
Drawn by	<u> </u>
Checked by	<u> </u>

CONTRACTOR NOTE:

ALL PLANTING UTILITIES SHOWN ON PLANS ARE TO BE VERIFIED
HORIZONTAL AND VERTICAL PRIOR TO ANY CONSTRUCTION. ALL
PLANTING PROCEDURES INCLUDING PLANTING TO BE DONE AS INDICATED
ON THESE PLANS AND PLANTING TO BE DONE IN ACCORDANCE WITH
MUNICIPAL ORDINANCES FOR THE PROTECTION OF THE PUBLIC AND
PLANTING TO BE DONE IN ACCORDANCE WITH THE FINAL LOCATION
OF PLANTING UTILITIES SHOWN ON PLANS TO BE CONSTRUCTION.



1 TYP TREE PLANTING
NOT TO SCALE

PLAN
SCALE 1/8\"/>



811
Know what's below.
Call before you dig.
Call your local utility companies to locate underground utilities before you dig.
Call 811 to get the information you need.

Revisions:

NO.	DATE	DESCRIPTION

DATE OF FINAL
SCALE DRAWING



1401 Minnesota Highway 101
Windsor, MN 55093
windsorengineers.com

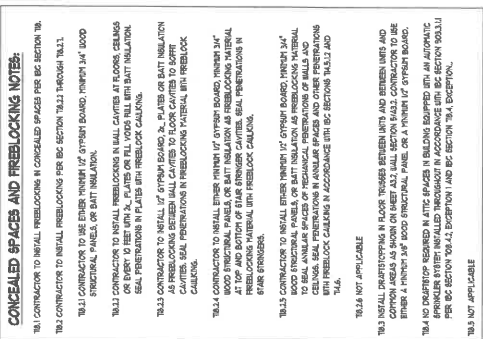
1. PREPARED BY ME OR BY
SUPERVISOR AND
REGISTERED IN
THE STATE OF MN
DATE: 11/1/2023
PROJECT: 24170
ISSUED FOR: 1/8/2024

STEBNER APARTMENTS
HERMANTOWN, MN 55811

SPECIAL USE PERMIT
Project No: 24170
Issue Date: 1/8/2024

LANDSCAPING PLAN

L100



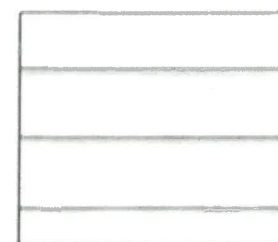
KEY PLAN



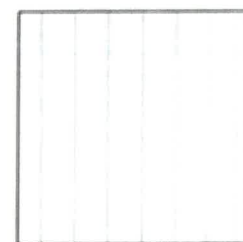
1
A1.3 REAR ELEVATION (LEFT SIDE AS VIEWED FROM REAR)
0 4' 8' 16' SCALE: 1/8" = 1'-0"



2
A1.3 REAR ELEVATION (RIGHT SIDE AS VIEWED FROM REAR)
0 4' 8' 16' SCALE: 1/8" = 1'-0"



LP SMARTSIDE
1/2" LAP SIDING



LP SMARTSIDE
BOARD & BATTEN



LP SMARTSIDE
WOOD SIDING



LP SMARTSIDE
CONCRETE LOOK PANELS

ROOFING: BLACK ARCHITECTURAL SHINGLES
METAL ROOF ACCENTS: BLACK
DECKS / RAILINGS: BLACK METAL
WINDOWS: WHITE
DOORS: BLACK

CITY COUNCIL MEETING DATE: July, 6, 2026

TO: Mayor & City Council

FROM: Chad Ronchetti, Economic Development Director

SUBJECT: Reimbursement Agreement with Mortenson Development Regarding Data Center Project

☒ **RESOLUTION:** 2026-81 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Approve the Reimbursement Agreement with Mortenson Development for expenses related to public involvement associated with the continued evaluation of the feasibility of the proposed data center project.

BACKGROUND

Mortenson Development continues to work with Google on the potential development of a data center technology campus of up to 1.8 million square feet in the Southwest corner of the City. In January of 2025, Mortenson Development signed a Reimbursement Agreement to offset the initial expenses related to the planning, fiscal consultation, legal, and engineering work during the preliminary project evaluation. At the June 16, 2025 meeting, City Council approved an amendment to that Reimbursement Agreement with Mortenson Development for public costs related to potential right-of-way and easement acquisition services in connection with possible utility improvements associated with the extension of services to the potential data center site. The amended Agreement that incorporates both the preliminary project evaluation funds and the potential right-of-way services funds is the current agreement. The funds are allocated to each activity and the amounts deposited in escrow are eligible for their specific uses as detailed below.

1. \$225,000 - attorneys' fees, zoning administrator fees, fiscal consultant fees, engineering fees, and other fees, costs and expenses incurred in connection with the data center technology campus specifically.
2. \$1,200,500 – costs related to activities necessary for the right-of-way acquisition for the potential utility extension, as detailed in the proposal from the service provider, Kimley-Horn

Due to the extended time resulting from multiple environmental studies, legal work, and engineering changes, the initial deposit of \$225,000 is not anticipated to be sufficient to cover the remaining costs associated with the public involvement in the project evaluation. Because the funds remaining in escrow are dedicated to the potential utility extension work, Mortenson has agreed to deposit an additional \$200,000 into escrow to cover the additional costs of the remaining public involvement.

SOURCE OF FUNDS (if applicable)

N/A

ATTACHMENTS

Resolution with Exhibit A - Amendment Number 2 to Reimbursement Agreement
Original Approved Reimbursement Agreement
Approved Amendment Number 1 to Reimbursement Agreement

Resolution No. 2026-81

**Resolution Authorizing And Directing Mayor And City Clerk To Execute And Deliver
Amendment No. 2 To Reimbursement Agreement With Mortenson Development, Inc.**

WHEREAS, Mortenson Development, Inc (“Developer”) has been engaged by a third-party client (“Client”) to provide development services in connection with the potential construction of a large light-industrial facility publicly identified as a data center technology campus (“Project”); and

WHEREAS, the Project has required considerable planning, fiscal consultation, legal and engineering work (“Public Involvement”) in order for final approvals to be provided by the City of Hermantown (“City”) or a development agreement to be entered into between Developer or Client and the City.; and

WHEREAS, the Developer and the City entered into a Reimbursement Agreement dated January 16, 2025 (the “Original Agreement”); and the Original Agreement was amended by Amendment No. 1 to Reimbursement Agreement dated September 15, 2025 (“Amendment No. 1”); and the Original Agreement as amended by Amendment No. 1 is the “Existing Agreement”; and

WHEREAS, additional costs are anticipated to be incurred above the deposited amount agreed to in the Existing Agreement; and

WHEREAS, budgetary constraints prevent the City from being able to incur the expenses; and

WHEREAS, the City cannot incur the Expenses related to the Public Involvement at the risk to the general fund without a commitment from Developer to pay such expenses whether the Project goes forward or not.; and

WHEREAS, Developer has indicated that it is willing to pay the expenses incurred by the City for the Public Involvement related to the consideration of the Project and is willing to amend this Agreement to pay the Expenses of the Public Involvement to induce City to continue consideration of the Project; and

WHEREAS, the parties desire to amend the Existing Agreement to include reimbursement by Developer for certain additional costs up to an additional \$200,000; and

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 to the Developer the Amendment No. 2 to Reimbursement Agreement substantially in the form attached hereto as Exhibit A.

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 July 6, 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 2026-81 is a true and correct copy of the Resolution as adopted by the City Council on the 6th day of July, 2026.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City of Hermantown, the 7th day of July, 2026.

Alissa McClure, City Clerk

EXHIBIT A
AMENDMENT NO. 2 TO REIMBURSEMENT AGREEMENT

This AMENDMENT NO. 2 TO REIMBURSEMENT AGREEMENT (this “**Amendment 2**”) is made and entered into as of July 6, 2026 (the “**Effective Date**”), by and between Mortenson Development, Inc., a Minnesota corporation (“**Developer**”), and the City of Hermantown, a Minnesota municipal corporation (“**City**”).

RECITALS:

WHEREAS, the Developer and the City are parties to that certain Reimbursement Agreement dated January 16, 2025 (the “**Original Agreement**”), as amended by that certain Amendment No. 1 to Reimbursement Agreement dated September 15, 2025 (“**Amendment No. 1**”; the Original Agreement as amended by Amendment No. 1 is the “**Existing Agreement**”) concerning the reimbursement of certain costs related to the Project described in the Existing Agreement; and

WHEREAS, the parties desire to amend the Existing Agreement to include reimbursement by Developer for certain additional costs (the “**Additional Costs**”) to be incurred by the City in connection with the Project, all as as described in Exhibit A attached hereto and to require an increase in the Deposit to cover the estimated costs of such services.

AGREEMENT:

NOW, THEREFORE, in consideration of the foregoing other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Developer and the City agree as follows:

1. Expenses. Developer agrees to reimburse the City the Additional Costs incurred by the City, up to a total amount not to exceed \$200,000. All Additional Expenses, up to an amount of \$200,000, shall be considered “Expenses” under the terms of the Agreement.

2. Deposit Increase. In addition to the existing Deposit made under the Existing Agreement, Developer shall deposit with the City an additional deposit of \$200,000. This additional deposit shall be made within ten (10) business days after the effective date of this Amendment 2 and shall be held and disbursed by the City as part of the Deposit all in accordance with the terms of the Agreement.

3. Miscellaneous. Unless otherwise defined in this Amendment 2, capitalized terms used in this Amendment 2 will have the same meanings as those words are given in the Existing Agreement. This Amendment 2 may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument. The parties agree to recognize signatures transmitted by email or other recognized electronic transmission as original. If there is any conflict between the terms and provisions of this Amendment 2 and the terms and provisions of the Existing Agreement, the terms and provisions of this Amendment 2 shall govern. Except as herein specifically set forth, all other provisions of the Agreement shall remain in full force and effect and are hereby ratified and accepted by the City.

[signature page follows]

IN WITNESS WHEREOF, Developer and City have caused this Amendment 2 to be duly executed as of the date first above written.

MORTENSON DEVELOPMENT, INC.,
a Minnesota corporation

By: _____
Name: _____
Its: _____

CITY OF HERMANTOWN,
a Minnesota municipal corporation

By: _____
Name: Wayne Boucher
Its: Mayor

By: _____
Name: Alissa McClure
Its: City Clerk

EXHIBIT A

Estimated Categories of Expenses for Additional Public Involvement

Estimated Categories of Expenses for Additional Public Involvement	
Category	Total Expense
Engineering	\$100,000.00
Environmental	\$30,000.00
Legal	\$30,000.00
Miscellaneous	\$40,000.00
Total Estimated Expense	\$200,000.00

REIMBURSEMENT AGREEMENT

THIS REIMBURSEMENT AGREEMENT (“**Agreement**”) made and executed this 16 day of January, 2025 by **Mortenson Development, Inc.**, a Minnesota corporation, (hereinafter called “**Developer**”) in response to the following situation.

A. Developer has been engaged by a third-party client (“**Client**”) to provide development services in connection with the construction of a large light-industrial facility (“**Project**”) within the City of Hermantown (“**City**”).

B. Developer wishes to evaluate the feasibility of constructing water and sewer extensions to serve the Project.

C. The Project will require considerable planning, fiscal consultation, legal and engineering work (“**Public Involvement**”) to be done in order for final approvals to be provided by the Hermantown Economic Development Authority (“**HEDA**”) or City or a development agreement to be entered into between Developer or Client and HEDA and/or the City.

D. Budgetary constraints on HEDA and City prevent them from being able to incur the expenses, estimates of which are set forth on Exhibit A, related to the Public Involvement (the “**Expenses**”).

E. Neither HEDA nor City can incur the Expenses related to the Public Involvement at the risk to the general fund without a commitment from Developer to pay such Expenses whether this Project goes forward or not.

F. Developer has indicated that it is willing to pay the Expenses incurred by HEDA and/or City for the Public Involvement related to the consideration of the Project and is willing to enter into this Agreement to provide an agreement to pay the Expenses of the Public Involvement to induce City and HEDA to continue consideration of the Project.

G. It is the purpose of this Agreement to evidence the understanding of the parties that the City and HEDA will not incur costs and expenses related to the Public Involvement other than the Expenses and that Developer will pay all costs of the Expenses.

H. Developer understands the foregoing and is willing to enter into this Reimbursement Agreement to provide the commitment needed by HEDA and City to continue with the Public Involvement.

NOW, THEREFORE, it is hereby agreed by Developer as follows:

1. Developer acknowledges and agrees that, except for the obligations of Developer under this Reimbursement Agreement neither HEDA, City nor Developer has any obligation to

the other until and unless a definitive Development Agreement has been executed and delivered by HEDA and/or City and Developer or Client.

2. Developer hereby agrees that it will pay all costs, including attorneys' fees, zoning administrator fees, building official fees, fiscal consultant fees, engineering fees and other fees, costs and expenses incurred by HEDA or City in connection with the Project, to the extent such fees, costs and expenses are set forth in the Expenses on Exhibit A attached hereto or otherwise approved by Developer in writing and are incurred by the City or HEDA prior to the Expiration Date described in Section 5 below, whether or not the Project is completed and whether or not a Development Agreement is ever entered into between the Developer or Client and HEDA and/or City. Such amounts will be paid to the City or HEDA from the Deposit after HEDA or City submits an invoice to Developer for any such Expenses. Notwithstanding the foregoing, the liability of Developer hereunder shall not exceed Two Hundred Twenty-Five Thousand and No/100 Dollars (\$225,000.00) without the prior written consent of Developer, in which case any Expenses incurred by the City or HEDA in excess of the Deposit amount shall be paid by Developer within thirty (30) days after HEDA or City submits an invoice to Developer for any such Expenses.

3. Developer agrees to initially deposit ("**Deposit**") with HEDA the sum of Two Hundred Twenty-Five Thousand and No/100 Dollars (\$225,000.00) within ten (10) days after the date of this Agreement. These funds may be used by HEDA to reimburse itself or City for any Expenses after HEDA or City has submitted an invoice to Developer for any such Expenses.

4. Developer agrees that HEDA and/or City has undertaken work and incurred Expenses related to the Project in the amount as shown on the invoice attached hereto as Exhibit B. Upon receipt of the Deposit, HEDA shall be immediately entitled to reimburse itself from the Deposit to pay such costs.

5. Developer's obligation to pay costs and expenses incurred by the City or HEDA pursuant to this Agreement will expire on the earlier of: (a) December 31, 2025 or (b) delivery of written notice of termination by Developer to the City (the earlier of such dates being the "**Expiration Date**"). Developer will have no obligation to pay any costs or expenses incurred by the City or HEDA after the Expiration Date. Any portion of the Deposit that the City or HEDA has not used to reimburse for Expenses incurred prior to the Expiration Date shall be refunded to Developer within ten (10) days after the Expiration Date.

6. Amounts incurred for Expenses that are paid pursuant to this Agreement will not be charged back to the Developer under the Development Agreement entered into with regard to the Project.

IN WITNESS WHEREOF, Developer has caused this Agreement to be duly executed in its name and behalf on or as of the date first above written.

**MORTENSON DEVELOPMENT, INC.,
a Minnesota corporation**

By 
Its Vice President, General Manager

EXHIBIT A
Estimated Categories of Expenses
For Public Involvement

Estimated Categories of Expenses for Public Involvement		
Category	Individual Expense	Total Expense
<u>Engineering</u>		
SEH Water Modeling	\$25,000.00	
Northland Consulting Engineers, LLP	\$10,000.00	
Further prelim engineering including feasibility study, prelim plans, meetings with Duluth, Saint Louis County, WLSSD	\$65,000.00	
Total Engineering		\$100,000.00
<u>Environmental</u>		
AUAR Review	\$100,000.00	
Total Environmental		\$100,000.00
Legal		\$25,000.00
Title		\$0.00
Appraisals		\$0.00
City Administrative Costs		\$0.00
Ehlers Financial		\$0.00
Total Expense		\$225,000.00

EXHIBIT B
Initial Expenses

Initial Expenses include a total of \$10,762.23 from the Engineering category from Exhibit A.

Initial Expense Summary:

Preliminary Engineering from City Engineer Consultant (NCE): \$2,267.50

Water System Modeling from Consultant (SEH): \$8,501.73

TOTAL: \$10,762.23



Northland Consulting Engineers LLP
102 S 21st Ave West, Suite #1
Duluth, MN 55806, United States
Tel: (218) 727-5995 Fax: (218) 727-7779
info@nce-duluth.com

EXHIBIT B

John Mulder
City of Hermantown
5105 Maple Grove Road
Hermantown, MN 55811

INVOICE

INVOICE DATE: 9/30/2024
INVOICE NO: 2024-1233
BILLING THROUGH: 9/30/2024

24-8004 - Hermantown Section 31 PER

Managed By: David G Bolf

DESCRIPTION	CONTRACT AMOUNT	% COMPLETE	BILLED TO DATE	PREVIOUSLY BILLED	CURRENT AMOUNT
Preliminary Engineering Phase 24-8004 Hermantown Section 31 PER	\$1.00	226,750.00	\$2,267.50	\$0.00	\$2,267.50
Design Engineering Phase 24-8004 Hermantown Section 31 PER	\$1.00	-	\$0.00	\$0.00	\$0.00
Construction Engineering 24-8004 Hermantown Section 31 PER	\$1.00	-	\$0.00	\$0.00	\$0.00
TOTAL	\$3.00		\$2,267.50	\$0.00	\$2,267.50

SUBTOTAL \$2,267.50

AMOUNT DUE THIS INVOICE \$2,267.50

This invoice is due on 10/30/2024

ACCOUNT SUMMARY

BILLED TO DATE	PAID TO DATE	BALANCE DUE
\$2,267.50	\$0.00	\$2,267.50

Please make payments to Northland Consulting Engineers LLP, 102 S 21st Ave West., Duluth, MN 55806



Invoice

EXHIBIT B

Invoice Number: **479742**

Short Elliott Hendrickson, Inc. FEIN: 41-1251208 | 651.490.2000 | 800.325.2055



BILL TO:

Attn: Accounts Payable
City of Hermantown
5105 Maple Grove Rd
Hermantown MN 55811

REMIT PAYMENT TO:

Short Elliott Hendrickson, Inc.
PO Box 64780
Saint Paul, MN 55164-0780

Pay This Amount	\$8,501.73
Due Date	15-JAN-25
Invoice Date	16-DEC-24
Bill Through Date	30-NOV-24
Terms	30 NET
SEH Customer Acct #	23647
Customer Project #	
Agreement / PO #	182387
Authorized Amount	\$25,000.00
Authorized Amount Remaining	\$16,498.27
Project Manager	Chad Katzenberger ckatzenberger@sehinc.com 218.855.1700
Client Service Manager	Tyler Yngsdal tyngsdal@sehinc.com 218.279.3000
Accounting Representative	Tori Babb vbabb@sehinc.com 651.490.2000

Project #	Project Name	Project Description
182387	HERMT Water System Modeling	Water System Modeling Support Services

Notes:

CC:

cronchetti@hermantownmn.com

Direct

Personnel	Hours	Rate	Amount
Administrative Assistant	1.00	116.75	\$116.75
Senior Project Engineer	3.50	237.14	\$829.99
Senior Project Engineer	3.00	237.11	\$711.34
Senior Project Engineer	2.00	237.11	\$474.22
Senior Project Engineer	2.00	237.10	\$474.21
Senior Project Engineer	2.50	237.11	\$592.78
Senior Project Engineer	0.25	237.08	\$59.27
Senior Admin Assistant	0.75	148.19	\$111.14
Staff Engineer	7.00	150.94	\$1,056.60
Staff Engineer	5.50	150.94	\$830.18
Staff Engineer	4.00	150.94	\$603.77
Staff Engineer	4.50	150.94	\$679.23
Staff Engineer	3.00	150.94	\$452.83
Staff Engineer	10.00	150.94	\$1,509.42



Invoice

Invoice Number: 479742

Short Elliott Hendrickson, Inc. FEIN: 41-1251208 | 651.490.2000 | 800.325.2055

Personnel	Hours	Rate	Amount
	49.00		\$8,501.73

Invoice total \$8,501.73

Project Billing Summary

	<u>Current Amount Due</u>	Previously Invoiced	Cumulative
Totals	\$8,501.73	\$0.00	\$8,501.73

AMENDMENT NO. 1 TO REIMBURSEMENT AGREEMENT

This AMENDMENT NO. 1 TO REIMBURSEMENT AGREEMENT (this “**Amendment**”) is made and entered into as of September 15, 2025 (the “**Effective Date**”), by and between Mortenson Development, Inc., a Minnesota corporation (“**Developer**”), and the City of Hermantown, a Minnesota municipal corporation (“**City**”).

RECITALS:

WHEREAS, the Developer entered into a Reimbursement Agreement for the benefit of the City and the Hermantown Economic Development Authority dated January 16, 2025 (the “**Agreement**”) concerning the reimbursement of certain costs related to the construction of a large light-industrial facility (the “**Project**”) within the City; and

WHEREAS, the City has engaged Kimley-Horn and Associates, Inc. (“**Kimley Horn**”) to perform right-of-way and easement acquisition services in connection with off-site public utility improvements associated with the Project, as described in the proposal dated May 30, 2025 (the “**Proposal**”) attached hereto as Exhibit A; and

WHEREAS, the parties desire to amend the Agreement to include reimbursement by Developer for costs incurred by the City under the Proposal and to require an increase in the Deposit to cover the estimated costs of such services.

AGREEMENT:

NOW, THEREFORE, in consideration of the foregoing other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Developer and the City agree as follows:

1. Expenses. Developer agrees to reimburse the City for all costs and expenses incurred by the City under the Proposal, up to a total amount not to exceed \$1,200,500. All costs and expenses contemplated by the Proposal, up to an amount of \$1,200,500, shall be considered “Expenses” under the terms of the Agreement. The Developer hereby approves in writing all costs and expenses to the extent actually incurred by the City under the Proposal. Upon execution of the Proposal by the City, all costs and expenses owed pursuant to the Proposal shall be considered “incurred” under the terms of the Agreement, as amended by this Amendment, but only as and to the extent invoiced by Kimley Horn pursuant to the terms of the Proposal within ten (10) days after the Expiration Date.

2. Deposit Increase. In addition to the existing Deposit made under the Agreement, Developer shall deposit with the City an additional deposit of \$1,200,500. This additional deposit shall be made within ten (10) business days after the effective date of this Amendment and shall be held and disbursed by the City as part of the Deposit all in accordance with the terms of the Agreement.

3. Term. The phrase “December 31, 2025” in section 5 of the Agreement is hereby deleted and replaced with “December 31, 2026”.

4. HEDA. The City and Developer acknowledge and agree that, from and after the Effective Date, the Agreement is terminated with respect to HEDA, Developer acknowledges and agrees that HEDA has no obligation to Developer under the Agreement, and all references to HEDA in the Agreement are hereby deleted.

5. Miscellaneous. Unless otherwise defined in this Amendment, capitalized terms used in this Amendment will have the same meanings as those words are given in the Agreement. This Amendment may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument. The parties agree to recognize signatures transmitted by email or other recognized electronic transmission as original. If there is any conflict between the terms and provisions of this Amendment and the terms and provisions of the Agreement, the terms and provisions of this Amendment shall govern. Except as herein specifically set forth, all other provisions of the Agreement shall remain in full force and effect and are hereby ratified and accepted by the City.

[signature page follows]

IN WITNESS WHEREOF, Developer and City have caused this Amendment to be duly executed as of the date first above written.

MORTENSON DEVELOPMENT, INC.,
a Minnesota corporation

By: _____
Name: _____
Its: _____

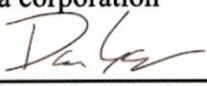
CITY OF HERMANTOWN,
a Minnesota municipal corporation

By: Wayne Boucher
Name: Wayne Boucher
Its: Mayor

By: Alissa McClure
Name: Alissa McClure
Its: City Clerk

IN WITNESS WHEREOF, Developer and City have caused this Amendment to be duly executed as of the date first above written.

MORTENSON DEVELOPMENT, INC.,
a Minnesota corporation

By: 
Name: Dan Lessor
Its: Vice President, Markets Leader

CITY OF HERMANTOWN,
a Minnesota municipal corporation

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

CITY COUNCIL MEETING DATE: July 6, 2026

TO: Mayor & City Council

FROM: Eric Johnson, Community Development Director

SUBJECT: Reimbursement Agreement with Minnesota Power – St. Louis County 230 KV
Transmission Line

☒ **RESOLUTION:** 2026-82 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Approve the Reimbursement Agreement with Minnesota Power for expenses related to the City's responsibilities as the Local Government Unit for an environmental assessment review process associated with a proposed 230 kV Transmission Line project to serve the proposed data center.

BACKGROUND

Minnesota Power desires to construct a 230 KV transmission line from its Arrowhead Substation to the proposed data center in the southwest corner of Hermantown. The project requires Minnesota Power to obtain a Local Transmission Line permit. As part of that permitting process, Minnesota Power has requested that the City administer the environmental assessment review.

Because the City's administration can require consultant, legal, administrative, and engineering work, the City is entering into a Reimbursement Agreement that establishes the framework by which Minnesota Power will bear the costs of the City's related expenditures. Key terms of the Agreement include:

- Minnesota Power will make an initial deposit of \$20,000 with the City concurrent with execution of the Agreement.
- Minnesota Power will pay all costs associated with the environmental review—including attorneys' fees, administrator fees, consultant fees, and engineering fees—whether or not the Project is completed.
- Minnesota Power's total liability under the Agreement shall not exceed \$50,000 without its prior written consent. If the deposit is depleted, the City may request additional funds; however, the City is under no obligation to continue work if Minnesota Power does not replenish the deposit.
- The deposit and expenditure of these funds does not constitute any approval of the Project or any part thereof.
- Minnesota Power has the right to terminate the Agreement upon written notice, at which point all costs incurred through the date of termination remain its obligation.

SOURCE OF FUNDS (if applicable)



Minnesota Power Escrow

ATTACHMENTS

Resolution
Reimbursement Agreement

Resolution No. 2026-82

**Resolution Authorizing And Directing The Mayor And City Clerk To Execute And Deliver
A Reimbursement Agreement With Minnesota Power**

WHEREAS, Minnesota Power is upgrading a 230kv transmission line through the City of Hermantown ("City") and the permitting requires an environmental review by the City; and

WHEREAS, Minnesota Power has agreed to reimburse the City for its costs related to the environmental review; and

WHEREAS, a Reimbursement Agreement, substantially in the form of, has been prepared and is attached hereto as Exhibit A; and

WHEREAS, the City Council has considered this matter and believes it is in the best interest of the City to approve the Reimbursement Agreement and to authorize and direct the Mayor and City Clerk to enter into such Agreement 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 Reimbursement Agreement attached hereto is hereby approved.
2. The Mayor and City Clerk are hereby authorized and directed to execute and deliver such Reimbursement Agreement on behalf of the City of Hermantown.

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 July 6, 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 2026-82 is a true and correct copy of the Resolution as adopted by the City Council on the 6th day of July, 2026.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City of Hermantown, the 7th day of July, 2026.

Alissa McClure, City Clerk

EXHIBIT A

REIMBURSEMENT AGREEMENT

THIS REIMBURSEMENT AGREEMENT ("Agreement") made and entered into this 1 day of June, 2026 by and between **Minnesota Power, a division of Allete, Inc.**, a Minnesota corporation, ("Utility") and the **City of Hermantown** ("City"), a public body, corporate and politic, in response to the following situation.

A. Utility desires to construct a 230 kV transmission line from its Arrowhead Substation to the proposed data center in the southwest corner of Hermantown ("Project").

B. The Project requires Utility to get a Local Transmission Line permit from the State of Minnesota.

C. As part of the Project permitting, Utility needs City to participate in the environmental assessment review process.

D. This Agreement will provide for the reimbursement of City's costs related to City's work on the environmental assessment for the Project ("Public Involvement").

E. City will not incur the costs of Public Involvement without a commitment from Utility to pay the costs of Public Involvement whether this Project goes forward or not.

F. Utility is willing to pay the costs incurred by City for the Public Involvement related to the consideration of the Project and is willing to enter into this Agreement.

G. It is the purpose of this Agreement to evidence the understanding of the parties that City will not incur costs and expenses related to the Public Involvement unless such costs and expenses are borne by the Utility, and that Utility will pay the costs and expenses of the Public Involvement.

H. Utility understands the foregoing and is willing to enter into this Agreement to provide the commitment needed by City to continue with the Public Involvement.

NOW, THEREFORE, in consideration of mutual covenants hereinafter contained, it is hereby agreed by Utility as follows:

1. The recitals are incorporated into the Agreement.

2. Utility hereby agrees that it will pay all Public Involvement costs, including attorneys' fees, administrator fees, consultant fees, engineering fees and other fees, costs and expenses incurred by City in connection with the Public Involvement, whether or not the Project is completed. Such amounts will be paid from the Deposit or within thirty (30) days after City submits an invoice to Utility for any such expenses. Notwithstanding the foregoing, the liability of Utility hereunder shall not exceed \$50,000.00 without the prior written consent of Utility.

3. Utility agrees to initially deposit ("Deposit") with City the sum of \$20,000.00 concurrent with the execution of this Agreement. These funds may be used by City to reimburse itself for any costs incurred by it for Public Involvement in connection with the consideration of the Project. The deposit of these funds and the expenditure of the funds by City does not constitute any approvals of the Project or any part thereof.

4. City will invoice Utility for any amounts reimbursed from the Deposit.

5. If the Deposit has been depleted, City may request that Utility deposit additional funds for the purposes described in this Agreement. Utility shall have no obligation to deposit additional funds; provided, however, that City is under no obligation to give further consideration of the Project or incur any costs and expenses related to the Project if Utility does not deposit funds as requested by the City for the purposes described in this Agreement.

6. Utility has the right to terminate this Agreement upon written notice. In the event of a termination, Utility must pay City all amounts still due and payable for the Public Involvement, through the date of termination, plus any actual costs which City incurs in winding up the Public Involvement. City agrees to use reasonable efforts to minimize such costs.

7. The costs, accounts, and records related to the Public Involvement shall be subject to audit by Utility during the period of this Agreement and for a period of 24 months following the termination and/or completion of this Agreement. Utility at its expense shall have the right, during normal business hours, and upon prior reasonable notice to City, to audit such accounts and records. Any audit shall be performed at the offices where such accounts and records are maintained and shall be limited to those portions of such accounts and records that relate to obligations under this Agreement.

[SIGNATURES APPEAR NEXT PAGE]

IN WITNESS WHEREOF, Utility has caused this Agreement to be duly executed in its name and behalf on or as of the date first above written.

UTILITY:

**Minnesota Power,
a division of Allte, Inc.**



By Daniel McCarty
Its Manager - Strategic Environmental
Initiatives

[SIGNATURES CONTINUE NEXT PAGE]

CITY:

City of Hermantown

By _____
Its Mayor

And By _____
Its City Clerk

[END OF SIGNATURES]



CITY COUNCIL MEETING DATE: July 6, 2026

TO: Mayor & City Council

FROM: Eric Johnson, Community Development Director

SUBJECT: Environmental Assessment Services – St. Louis County 230 KV Transmission Line

☒ **RESOLUTION:** 2026-83 ☐ **ORDINANCE:** ☐ **OTHER:**

REQUESTED ACTION

Approve the contract with Kimley-Horn and Associates, Inc. for Environmental Assessment services associated with the St. Louis County 230 KV Transmission Line project.

BACKGROUND

Minnesota Power has requested that the City administer the environmental assessment review to obtain a Local Transmission Line permit to construct a 230 KV transmission line from its Arrowhead Substation to the proposed data center in the southwest corner of Hermantown. Pursuant to Minnesota Statute § 216E.05 and Minnesota Rule 7850.5300, certain transmission line projects are eligible to be reviewed and permitted locally. The City of Hermantown, as the local unit of government (LGU), is required to conduct an Environmental Assessment (EA) as part of its permit review before making a permit decision.

City staff contacted Kimley-Horn and Associates, Inc. (“Kimley-Horn”) to act as the City’s consultant in the preparation of the Environmental Assessment because Kimley-Horn has an established working relationship with the City through its ongoing work on the Adolph Utility Extension Project and the AUAR process, and is well-positioned to efficiently prepare this EA. Kimley-Horn has submitted a proposal for \$20,000.00 for these services, which will include the following:

- Preparation and project management of the EA in coordination with Minnesota Power and applicable agencies.
- Gathering of data needed to analyze the proposed transmission line project, including review of previous studies completed for the AUAR study area and correspondence with appropriate state and local agencies.
- Completion of analysis as needed to draft the EA document in accordance with Minnesota Rule 7850.5300.

All costs incurred by the City under this contract will be reimbursed by Minnesota Power through a separately approved Reimbursement Agreement.

SOURCE OF FUNDS (if applicable)

Minnesota Power Escrow



ATTACHMENTS

Resolution
Kimley Horn Proposal
Agreement for Professional Services

Resolution No. 2026-83

**Resolution Authorizing And Directing The Mayor And City Clerk To Execute And Deliver
An Agreement For Professional Services With Kimley-Horn And Associates, Inc. For Up
To \$20,000.00**

WHEREAS, the City of Hermantown (“City”) needs to conduct an environmental review of Minnesota Power’s proposed 230kv line upgrade through Hermantown (“Project”); and

WHEREAS, Minnesota Power will be reimbursing the City of Hermantown for the cost of this Project; and

WHEREAS, Kimley-Horn and Associates, Inc. is qualified and willing to perform the Project; and

WHEREAS, an Agreement for Professional Services, substantially in the form of, has been prepared and is attached hereto as Exhibit A; and

WHEREAS, the City Council has considered this matter and believes it is in the best interest of the City to approve the Agreement for Professional Services and to authorize and direct the Mayor and City Clerk to enter into such Agreement 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 Agreement for Professional Services attached hereto is hereby approved.
2. The Mayor and City Clerk are hereby authorized and directed to execute and deliver such Agreement for Professional Services on behalf of the City of Hermantown.

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 July 6, 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 2026-83 is a true and correct copy of the Resolution as adopted by the City Council on the 6th day of July, 2026.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City of Hermantown, the 7th day of July, 2026.

Alissa McClure, City Clerk

EXHIBIT A

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT is by and between the **City of Hermantown**, Minnesota, a statutory city under the laws of the State of Minnesota, hereinafter referred to as “City”, and Kimley-Horn and Associates, Inc., a North Carolina corporation, hereinafter referred to as “Consultant” in response to the following situation:

A. City desires to utilize Consultant’s professional services in connection with the construction of the St. Louis County 230 KV Environmental Assessment Project (“Project”).

B. Consultant has represented that it is qualified and willing to perform the services set forth in its proposal.

NOW, THEREFORE, the City and Consultant do mutually agree as follows:

1. **Services to be Performed.** Consultant shall provide professional services to the City as described in Consultant’s Proposal attached hereto as Exhibit A in connection with the Project. In the event of any conflict between Exhibit A and this Agreement, the terms and conditions of this Agreement shall be deemed to be controlling.

1.1. The City Administrator, or his or her designee, shall be responsible for the day-to-day administration of this Agreement.

1.2. Assignment. Consultant represents that it will utilize only its own personnel and the personnel of subconsultants identified in Exhibit A in the performance of services set forth herein; and further agrees that it will neither assign, transfer, or subcontract any rights or obligations under this Agreement without prior written consent of the City.

2. **Contract Period.** This Agreement shall be effective as of the date first above written and shall continue until December 31, 2026 unless sooner terminated as provided in paragraph 4 hereof.

3. **Termination of Contract.** Either the Consultant or the City may, by giving written notice specifying the effective date which shall not be less than thirty (30) days from the date such notice is given, terminate this contract in whole or in part. In the event of termination, all property and finished or unfinished documents and other writings prepared by the Consultant under this contract shall be delivered to the City and Consultant shall be entitled to compensation for time expended to the date of termination and expenses incurred. Within ten (10) days after notice of termination, consultant shall submit final invoice for services rendered, as pursuant to the terms of Section 6 below.

4. **Independent Contractor.** The relationship between the Consultant and the City shall be that of an independent contractor. Nothing herein shall in any way make or create any employer- employee relationship between the City and Consultant.

5. **Standard of Performance and Insurance; Indemnity.** All services to be performed by Consultant hereunder shall be performed in a skilled, professional and non-negligent manner. Consultant shall obtain and maintain at his/her/its cost and expense:

5.1. Commercial general liability insurance that covers the Consultant services performed by Consultant for City with a limit of liability of at least One Million Dollars (\$1,000,000.00) per occurrence and Two Million and No/100 Dollars (\$2,000,000.00) in the aggregate.

5.2. Automobile liability insurance that covers the Consultant services performed by Consultant for City with a limit of liability of at least One Million Dollars (\$1,000,000.00) per occurrence and Two Million and No/100 Dollars (\$2,000,000.00) in the aggregate.

5.3. Worker's compensation insurance covering Consultant (if an individual) all of Consultant's employees with coverages and limits of coverage required by law.

5.4. In addition to the coverages listed above, Consultant shall maintain a professional liability insurance policy in the minimum amount of Two Million and No/100 Dollars (\$2,000,000) for the work to be performed by the Consultant. Said policy need not name the City as an additional insured. It shall be Consultant's responsibility to pay any retention or deductible for the professional liability insurance. Consultant agrees to maintain the professional liability insurance for a minimum of two (2) years following termination of this Agreement.

Professional Liability. Consultant, with respect to professional acts, errors, or omissions, shall indemnify and hold harmless City against damages, liabilities, and costs to the extent caused by the negligent acts of Consultant in the performance of professional services under this agreement. Consultant shall not be obligated to indemnify City for City's own negligence or for the negligence of any other party for whom Consultant is not legally responsible.

General Liability. Consultant, with respect to all liability other than for professional acts, errors, or omissions, shall indemnify, defend, and hold harmless City and their respective officers and employees from liability of any nature or kind, including reasonable attorneys' fees, costs, and expenses, for or on account of any or all claims or suits for damages of any character whatsoever to the extent caused by the acts, omissions, or conduct of Consultant, its employees and agents, and Consultant's subcontractors and their respective employees and agents.

Consultant certifies that Consultant is in compliance with all applicable worker's compensation laws, rules and regulations. Neither Consultant (if an individual) nor Consultant's employees and agents will be considered City employees. Any claims that may arise under any worker's compensation laws on behalf of any employee of Consultant and any claims made by any third party as a consequence of any act or omission on the part of Consultant or any employee

of Consultant are in no way City's obligation or responsibility. By signing this Agreement, Consultant certifies that Consultant is in compliance with these laws and regulations.

Consultant shall deliver to City, concurrent with the execution of this Agreement, one or more certificate(s) of insurance evidencing that Consultant has the insurance required by this Agreement in full force and effect. City shall be named as additional insured under the Consultant's commercial general liability policy and automobile policy. The insurer will provide at least thirty (30) days prior written notice to City, without fail, of any cancellation, non-renewal, or material modification of any of the policies required to be maintained by Consultant and evidenced by said certificate(s) for any cause, except for nonpayment of premium. The insurer will provide at least ten (10) days prior written notice to City, without fail, of any cancellation of any such policy or coverage evidenced by said certificate(s) for nonpayment of premium. Consultant shall provide City with appropriate endorsements to Consultant's commercial general liability policy and automobile policy reflecting the status of City as an additional insured and requiring that the foregoing required notice of cancellation, material alteration or non-renewal be provided City by the insurance company providing such insurance policy to Consultant.

Consultant shall require any subcontractor permitted by City to perform work for Consultant on the Project to have in full force and effect the insurance coverage required of the Consultant under this Agreement before any subcontractor(s) begin(s) work on the Project. Consultant shall require any such subcontractor to provide to Consultant a Certificate of Insurance evidencing that such subcontractor has the insurance required by this Agreement in full force and effect. The Consultant and City shall be named as additional insureds under such policies. The insurer will provide thirty (30) day written notice to City and Consultant, without fail, of any cancellation, non-renewal, or modification of the policies required to be maintained by the subcontractor for any cause, except for nonpayment of premium. The insurer will provide at least ten (10) days prior written notice to City, without fail, of any cancellation of any of the subcontractor's policies or coverage evidenced by said certificate(s) for nonpayment of premium. City shall also be provided with appropriate endorsements to subcontractor's policies reflecting the status of City as an additional insured and requiring that the foregoing required notice of cancellation, material alteration or non-renewal be provided City by the insurance company providing subcontractor's policies.

6. **Compensation.** Consultant shall be compensated for the services to be performed hereunder in an amount not to exceed Twenty Thousand and No/100 (\$20,000.00) in accordance with the fee proposal included in Exhibit A. Consultant shall submit to the City itemized statements of services rendered during each month setting forth the date such services were rendered, a description of the services rendered, the person performing such services and the amount of time expended in performing such services.

7. **Confidentiality.** Consultant agrees that, at all times, both during the term of this Agreement and after the termination of this contract, it will be faithful to City by not divulging, disclosing or communicating to any person, firm or corporation, in any manner whatsoever, except in furtherance of the business of City or as required by an applicable law, rule, regulation or ordinance of City or any other governmental authority, any information of any kind, nature or

description concerning any matters affecting or relating to the business, employees, agents, customers of City, or parties contracting with City.

8. **Intellectual Property Rights.** For the purposes of this contract, Project Materials means copyrights and all works developed in the performance of this contract, including, but not limited to, the finished product and any deliverables, including any software or data whether in written or electronic format. Project materials do not include any materials that Consultant developed, acquired or otherwise owned or had a license to use prior to the date of this contract. All Project Materials are agreed by Consultant to be “works made for hire” as defined under 17 U.S.C. §101, for which City has the sole and exclusive right, title and interest, including all rights to ownership and copyright and/or patent. In addition, City hereby assigns all right, title and interest, including rights of ownership and copyright in the Project Materials to City no matter what their status might be under federal law. Consultant shall provide City with copies of all Project Materials. Upon request by Consultant, City may authorize Consultant to use specified Project Materials to evidence Consultant’s progress and capability. In all such uses of Project Materials by Consultant, reference shall be made to City and the Project and that the Project Materials are owned by City. Consultant also acknowledges and agrees that all names and logos provided to Consultant by City for use are and shall remain the sole and exclusive property of City.

9. **Notices.** Any legal notices required or desired shall be in writing and delivered by U.S. certified mail, return receipt requested, postage prepaid, or sent via email, and shall be sent to the respective addressee at the respective address or email address set forth below or to such other address or email address as the parties may specify in writing:

If to City:

City of Hermantown
5105 Maple Grove Road
Hermantown, MN 55811
Attn: John Mulder, City Administrator

Email: jmulder@hermantownmn.com

If to Consultant:

Leila Bunge
Kimley-Horn and Associates, Inc
767 Eustis Street, Suite 100
St. Paul, MN 55114

Email: Leila.bunge@kimley-horn.com

If requested by recipient, any notice delivered by email shall be followed by personal or mail delivery of such correspondence and any attachments. Notices shall be deemed effective upon the earlier of receipt when delivered, or, if mailed, upon return receipt, or, if emailed, upon transmission to the designated email address of said addressee.

10. **Miscellaneous.** This contract constitutes the sole and complete agreement relating to the subject matter of this contract between the parties, superseding any and all other agreements

between the parties and no verbal or other statements, inducements or representations have been made or relied upon by either party. No modifications hereof shall be binding upon either party unless in writing and property executed.

11. **No Contractual Authority.** Consultant shall have no authority to enter into any contracts or agreements binding upon City or to create any obligations on the part of City.

12. **Data Practices Act.** Consultant acknowledges that City is subject to the provisions of the Minnesota Government Data Practices Act. Consultant must comply with the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13, as it applies to all data provided by City in accordance with this contract and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by Consultant in accordance with this contract. The civil remedies of Minnesota Statutes § 13.08, apply to Consultant and City. Minnesota Statutes, Chapter 13, provides that all government data are public unless otherwise classified. If Consultant receives a request to release the data referred to in this Section, Consultant must immediately notify City and consult with City as to how Consultant should respond to the request. City's response shall comply with applicable law, including that the response is timely and, if Consultant denies access to the data, that Consultant's response references the statutory basis upon which Consultant relied. Consultant does not have a duty to provide public data to the public if the public data is available from City.

13. **Choice of Law and Venue.** All matters relating to the validity, construction, performance, or enforcement of this Agreement shall be determined in accordance with the laws of the State of Minnesota. All legal actions initiated with respect to or arising from any provision contained in this Agreement shall be initiated, filed and venued in the State of Minnesota District Court located in the City of Duluth, County of St. Louis, State of Minnesota.

14. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but such counterparts shall together constitute one and the same instrument.

15. **Facsimile and Electronic Signatures.** the parties hereto consent and agree that this Agreement may be signed and/or transmitted by e-mail of a .pdf document or using electronic signature technology (e.g., via DocuSign or similar electronic signature technology), and that such signed electronic record shall be valid and as effective to bind the party so signing as a paper copy bearing such party's handwritten signature. The parties further consent and agree that (a) to the extent a party signs this Agreement using electronic signature technology, by clicking "SIGN", such party is signing this Agreement electronically, and (b) the electronic signatures appearing on this Agreement shall be treated, for purposes of validity, enforceability and admissibility, the same as handwritten signatures.

16. **Recordkeeping.** Consultant hereby agrees:

16.1. To maintain all books, documents, papers, accounting records and other evidence pertaining to the fees and expenses for which it seeks payment or reimbursement

hereunder and appropriate records with respect to the services performed by him under this Agreement.

16.2. To make such materials available at its office at all reasonable times during the contract period and for three (3) years from the date of final payment under this Agreement for inspection by the City and copies thereof shall be furnished to City upon request by City.

16.3. That no employee, officer or agent of the City, any member of the family of any such person, any partner of any such person or any organization which employs or is about to employ any of the above has a financial or other interest in the business of Consultant.

IN WITNESS WHEREOF, the City and Consultant have executed this contract as of the date first above written.

CITY:

City of Hermantown

By _____
John Mulder, City Administrator

CONSULTANT:

Kimley-Horn and Associates

Brian Wurdeman, Vice President

EXHIBIT A



May 14, 2026

Mr. Chad Ronchetti
Economic Development Director
City of Hermantown
5105 Maple Grove Road
Hermantown, MN 55811

**RE: *Proposal for Environmental Assessment Services
Transmission Line Project – Hermantown, MN***

Dear Mr. Ronchetti,

Kimley-Horn and Associates, Inc. ("Kimley-Horn") is pleased to submit this letter proposal ("Proposal") to the City of Hermantown ("City") for preparing the St. Louis County 230 KV Environmental Assessment for the proposed transmission line connecting to the Arrowhead Substation in Hermantown, MN. Our project understanding, scope of services, schedule, and fee are detailed below.

PROJECT UNDERSTANDING

The Minnesota Public Utilities Commission (MPUC) has responsibility and authority for the siting and routing of energy facilities in Minnesota, including transmission lines. For certain eligible projects, local review and permitting is possible (Minn. Stat. § 216E.05). The proposed St. Louis County 230 KV project meets the criteria for local review and Minnesota Power will apply to the local unit of government (City of Hermantown) for a permit to build the transmission line.

Kimley-Horn will prepare the Environmental Assessment on behalf of the City as part of the permit review and before making a permit decision. The Environmental Assessment will follow Minnesota Rule 7850.5300 that provides the procedural requirements that must followed by local units of governments (LGUs) and by utilities/developers for the local review option.

SCOPE OF SERVICES

Our proposed scope of services for the project is detailed below based on our understanding of the needs of the City.

TASK 1 – PROJECT MANAGEMENT

1.1 General Coordination and Project Administration

Project administration/coordination activities will include the following:

- Preparation of monthly invoices
- Monthly project schedule updates
- Communication with the necessary City staff
- Scheduling project meetings (up to five)

1.2 Preparation of the Environmental Assessment

Kimley-Horn will prepare the Environmental Assessment for City review in coordination with Minnesota Power. To prepare the EA, we will gather the data needed to analyze the proposed project, including reviewing previous studies completed for the AUAR study area and corresponding with appropriate agencies, and will complete the analysis as needed to draft the Environmental Assessment. We anticipate working with Minnesota Power for the project specifics and construction details needed.

Kimley-Horn will revise the document up to two (2) reviews from the City.

SERVICES NOT INCLUDED

The scope of services included in this Proposal does not include any of the following:

- Any legal services required to complete the Environmental Assessment process
- Preliminary design
- Final design
- Construction administration and observation services

SCHEDULE

We will provide our services as expeditiously as practicable to meet a final agreed upon schedule.

FEE AND BILLING

Kimley-Horn will provide the scope of services identified in this Proposal on an hourly labor fee plus expense basis. The following is a summary of the estimated fees and expenses for the tasks identified in the scope of services.

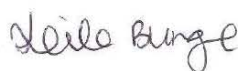
Task Number & Name		Fee	Type
1	Task 1 – Project Management and Draft EA	\$20,000	Hourly, Not-to-Exceed
Total		\$20,000	

Fees will be invoiced monthly based on the actual services performed and expenses incurred.

If you concur with all the foregoing and wish to direct us to proceed with the services, it is our understanding that the City will prepare a work order for our review and execution. This Proposal will serve as the scope of services, estimated cost, and schedule to be included in the work order.

We appreciate the opportunity to work with the City of Hermantown on this project. Please contact me if you have questions or you need any additional information.

Sincerely,
KIMLEY-HORN AND ASSOCIATES, INC.



Leila Bunge, AICP
Project Manager



Brian Wurdeman, P.E.
Vice President