

**MONTICELLO CITY COUNCIL
REGULAR MEETING MINUTES**

Monday, February 23, 2026 – 6:30 p.m.

Mississippi Room, Monticello Community Center

Present: Lloyd Hilgart, Kip Christianson, Charlotte Gabler, Tracy Hinz, and Lee Martie

Absent: None

1. General Business

A. Call to Order & Pledge of Allegiance

Mayor Hilgart called the meeting to order at 6:30 p.m.

B. Approval of Agenda

Motion by Councilmember Hinz to approve the agenda. Councilmember Gabler seconded the motion. Motion carried unanimously.

C. Approval of Meeting Minutes

- Joint Meeting Minutes from December 2, 2025
- Joint Meeting Minutes from January 15, 2026
- Special Meeting Minutes from January 26, 2026
- Special Meeting Minutes from February 9, 2026
- Regular Meeting Minutes from February 9, 2026

Motion by Councilmember Hinz to approve the meeting minutes. Councilmember Gabler seconded the motion. Motion carried unanimously.

D. Citizen Comments

The following spoke under citizen comments:

James Martin, 8771 Fairhill Lane. Mr. Martin spoke on behalf of Monticello’s youth athletic associations regarding the local option sales tax for the Bertram Chain of Lakes Athletic Complex. He stated the associations supported and promoted the referendum with the understanding they would have input on funding decisions. He expressed concern about limited communication since the sales tax passed and requested greater involvement in project planning to ensure funds meet community and youth sports needs. He also emphasized the importance of transparency and responsible stewardship to maintain public trust.

City Administrator Rachel Leonard responded that a formal update will be provided at the next City Council meeting. She noted the City is approximately six months into receiving sales tax revenue and has updated the 2016 feasibility study to reflect

current costs and priorities. The updated report will be presented to the City Council outlining projected revenue and potential project scope. Following Council review, a steering committee, including athletic association representatives, will be formed to provide input on project priorities and phasing. She asked for patience as planning continues and affirmed staff's commitment to provide clear information.

Andrew Sopher, 5944 Badger Street. Mr. Sopher addressed the City Council regarding the proposed 550-acre data center development site and related infrastructure. He formally requested written disclosure or any direct or indirect financial ties between Councilmembers and the project's representatives, specifically Cushman & Wakefield and Amberjack Real Estate. He cited Minnesota statute and asked that any disclosures be entered into the official record prior to final action on the development.

Scott Cutsforth, 8634 Fairhill Lane. Mr. Cutsforth address the Council with several concerns. He referenced prior discussion that, absent construction of a data center, the City may need to pursue bonding to fund infrastructure improvements, including upgrades such as Fallon Avenue, and suggested pausing certain discretionary expenditures, specifically the proposed speed limit signage upgrade.

He also raised concerns about the proposed Twin Pines apartment complex, noting that the primary access is planned through a small business parking lot, which he stated presents safety risks. He further expressed concern about the building's proximity to high-voltage transmission lines and cited a past incident as an example of potential electrical risks.

Mr. Cutsforth urged the Council to consider a one-year moratorium on approving a data center in Monticello, referencing recent state-level discussions and recommending the City pause to evaluate long-term implications before proceeding.

Bill Saville, 873 97th Street NW. Mr. Saville addressed the City Council regarding the proposed Twin Pines Development, expressing concerns related to high-voltage transmission lines, traffic and safety. He suggested alternative uses for the property, such as a gated storage facility, which he stated could reduce traffic and improve safety.

Mr. Saville also reported attending a recent data center rally and noted that multiple communities are facing similar issues. He encouraged coordination and data-sharing among affected communities to better understand potential impacts and advocate collectively.

Joe Kraft, Monticello resident. Mr. Kraft addressed the Council regarding concerns about a recent private meeting between Councilmember Christianson and a

developer while a project was under consideration. He stated that private communications outside of routine processes create serious public trust concerns. He cited Minnesota statutes and emphasized that, regardless of whether a legal threshold was crossed, public officials have a duty to act solely in the interests of residents. He concluded by calling for Councilmember Christianson's immediate resignation.

Monticello resident. A Monticello resident and veteran address the Council to express his frustration with local governance, stating that recent decisions appear to prioritize revenue and development over the needs of long-term residents, workers, and families. He raised concerns regarding local hiring and employment practices, suggesting favoritism and a lack of understanding of veterans' workforce challenges. He also commented on the rising cost of living and taxes.

He shared that he uses his YouTube channel and music as platforms to amplify community concerns and advocate for change. He stated that if local leaders do not act responsibly, he may consider running for higher office. His remarks emphasized accountability, fairness, and prioritizing residents over profits.

Margaret Sullivan, Minneapolis resident. Ms. Sullivan addressed the Council regarding the broader impacts of a proposed hyperscale data center in Monticello. She stated that decisions made by the City could affect downstream and neighboring communities, particularly with respect to water and power safety.

She emphasized that the City's actions may have far-reaching implications for public safety, environmental health, and potential legal liability, and stated that communities beyond Monticello's borders have the opportunity to voice their concerns.

Holly Newman, 840 Powell Street, Big Lake. Ms. Newman expressed appreciation for the opportunity to speak at meetings while other communities limit public input. She emphasized that allowing residents to voice their concerns helps maintain community engagement and trust, even when opinions differ.

2. **Consent Agenda:**

Motion by Councilmember Martie to approve the Consent Agenda excluding item 2F. Councilmember Hinz seconded the motion. Motion carried unanimously.

- A. Consideration of approving the payment of bills. **Action taken: Approved the bill and purchase card registers for a total of \$1,591,051.28.**

- B. Consideration of approving new hires and departures for City departments. **Action taken: Approved the hires and departures for the Monticello Community Center.**
- C. Consideration of approving the sale/disposal of surplus City property. **Action taken: No report.**
- D. Consideration of approving a special event permit for outdoor entertainment and allowing use of the Monticello Community Center west parking lot for a ticketed event on July 25, 2026, from 4:00 – 10:00 p.m. Applicant: Nordic Taphouse. **Action taken: Approved the special event permit.**
- E. Consideration of approving the negotiated Labor Agreement between the City of Monticello and the International Union of Operating Engineers, Local 49 for January 1, 2026 to December 31, 2027. **Action taken: Approved the Labor Agreement between the City and the International Union of Operating Engineers, Local 49.**
- F. Consideration of adopting Resolution 2026-08 for approval of Preliminary and Final Plat and Development Contract, Resolution 2026-09 for Development and Final Stage Planned Unit Development, Resolution 2026-10 for amendment to the Conditional Use Permit for Planned Unit Development, for Twin Pines First Addition, a 96 multi-family residential project. Applicant: Brick by Brick Development. **Action taken: ITEM REMOVED FROM THE CONSENT AGENDA.**
- G. Consideration of adopting Resolution 2026-11 accepting a donation of \$32,378 from the Monticello Rotary Club for the installation of a Musical Garden at Ellison Park, with installation to be completed no later than June 30, 2026, and to authorize staff to coordinate project details, site preparation, and final placement with the Rotary Club. **Action taken: Adopted Resolution 2026-11 accepting the donation.**
- H. Consideration of approving 2026 operating agreement between the City of Monticello and the YMCA of the North for shared use and staffing of the YMCA Camp Manitou splash pad, recreation pool, pool deck, locker rooms, restrooms, and parking lot during the designated summer public swim periods. **Action taken: Approved the operating agreement between the City and the YMCA of the North.**
- I. Consideration of approving the 2026 operating agreement between the City of Monticello and Independent School District 882 for Monticello Community Center member access to the Moose Sherritt Ice Arena. **Action taken: Approved the operating agreement between the City and School District 882.**

- J. Consideration of approving a contract for engineering services for the 2026 Street Improvement Project Motion to authorize the approval of a contract with Hakanson Anderson to provide engineering services for the 2026 Street Improvement Project in the amount of \$68,200. **Action taken: Approved the contract with Hakanson Anderson in the amount of \$68,200.**
- K. Consideration of adopting Resolution 2026-12 accepting bids and awarding the contract to Knife River Corporation – North Central for the Monticello Public Library site Improvement Project in the amount of \$299,675.40. **Action taken: Adopted Resolution 2026-12 accepting bids and awarding contract to Knife River Corporation – North Central for the Public Library Site Improvement Project.**

2A. Consideration of items removed from the consent agenda for discussion

- F. *Consideration of adopting Resolution 2026-08 for approval of Preliminary Plat and Final Plat and Development Contract, Resolution 2026-09 for Development and Final Stage Planned Unit Development, Resolution 2026-10 for amendment to the Conditional Use Permit for Planned Unit Development, for Twin Pines First Addition, a 96 multi-family residential project. Applicant: Brick by Brick Development*

Councilmember Gabler raised concerns regarding the driveway and curb cut design for the proposed development, noting potential safety and traffic flow issues between the apartment building and adjacent commercial properties. She questioned how traffic could be effectively managed, particularly if the commercial building's use changes in the future and suggested additional review to ensure safe ingress and egress given the shared driveway and parking arrangement.

City Planner Steve Grittman provided context, noting the site's history as originally planned for multiple commercial buildings before being amended for mixed-use development, and stated that residential traffic from the proposed project is likely comparable to what commercial development would have generated. Rachel Leonard added that the shared driveway is an inherent site feature that must be managed regardless of use.

A developer representative explained that the site includes a U-shaped turnaround and design measures to direct traffic to the east side of the property, reducing impact on adjacent businesses. Councilmember Christianson noted that the curb cut onto School Boulevard is wider than other high-traffic access points, such as Walmart. Mayor Hilgart noted that this property has always been

planned as a Planned Unit Development with shared access and expressed no objection to project approval.

Mayor Hilgart moved to adopt Resolution 2026-08 for approval of Preliminary and Final Plat and Development Contract, Resolution 2026-09 for Development and Final Stage Planned Unit Development, Resolution 2026-10 for amendment to the Conditional Use Permit for Planned Unit Development, for Twin Pines First Addition, a 96 multi-family residential project. Councilmember Christianson seconded the motion. Motion carried 4-1; Councilmember Gabler voted against due to reasons listed above.

3. **Public Hearing:**

4. **Regular Agenda:**

5. **Other Business**

- A. Presentation and deliberation for future consideration of an amendment to the Monticello City Code, Title XV, Land Usage, Chapter 153: Zoning Ordinance, Sections 153.012 Definitions, 153.045 Industrial Base Zoning Districts, 153.046 Overlay Zoning Districts, 153.090 Use Table, 153.091 Use-Specific Standards, 153.092 Accessory Use Standards and any other related sections of text necessary to define and regulate data center and technology campus land uses within the City. Applicant: City of Monticello.

City Administrator Rachel Leonard provided an overview of the proposed Data Center Planned Unit Development (DCPUD) ordinance, outlining its purpose to establish clear approval criteria, performance standards, and enforcement provisions. She summarized the PUD approach, ordinance components, and public concerns, including environmental impacts, energy and water use, municipal services, property values, community character, and transparency. The Council meeting was structured to gather Council input prior to any formal decision.

Councilmember Gabler expressed concerns about the Council's discussion process on the proposed data center ordinance, noting that deliberations have not provided a balanced review of pros and cons. She raised issues regarding public engagement and the perception that additional feedback has not been adequately incorporated. She also stated that her understanding of the project evolved over time, expressing concern that what was initially viewed as a smaller-scale project had expanded to approximately 500 acres with multiple buildings, and questioned whether the ordinance could differentiate between smaller- and larger-scale data center developments.

Rachel Leonard clarified the timeline of discussions regarding data centers, noting that inquiries began in spring 2024, followed by workshops in summer and fall 2024. She stated that Monticello Tech presented a 500-acre concept plan in December 2024, ordinance amendments were discussed in February 2025, and Scannell Properties presented a concept plan in March 2025.

Mayor Hilgart and Councilmember Christianson noted that the potential for larger-scale data center development had been presented from the outset, emphasizing that the 500-acre concept area was identified early in the process. Councilmembers acknowledged differing perspectives on the project and ordinance, and discussion became tense as prior discussions and public statements were addressed. Councilmember Martie called for civil, balanced discussion, urging members to focus on policy and process rather than personalities or individual projects.

Resident Jenna Van Den Boom addressed the City Council, criticizing Councilmember Martie for not engaging with residents despite multiple requests and emphasizing that meeting and listening to residents is part of Councilmembers' duties. Councilmember Martie responded that he refrained from direct engagement to avoid a potential violation of the open meeting law.

Councilmember Hinz suggested changes to the draft ordinance, including making the neighborhood meeting a required, rather than optional, component (page 15, item 14). Community Development Director Angela Schumann and City Administrator Rachel Leonard explained that the meeting is optional to avoid triggering formal review timelines before the application is ready and noted that the city attorney would be consulted for confirmation.

Councilmember Hinz also recommended that the ordinance explicitly include a section in the project narrative detailing the proposed project's contributions to the community, emphasizing that the ordinance should define overall benefits beyond minimum infrastructure or tax requirements. She raised concerns about the length of construction hours and noise. Ms. Schumann responded that construction noise is regulated under a separate City Code ordinance, with the Council able to amend either the noise ordinance or add additional regulations within the DCPUD ordinance. Councilmember Hinz requested a review of both.

Councilmember Gabler expressed interest in considering berm heights greater than 10 feet. Angela Schumann noted that berm height could be added to the discussion list and highlighted that screening requirements apply regardless of height. Councilmember Gabler also asked about requiring more intentional

landscaping standards, and Ms. Schumann responded that the base ordinance already includes guidelines for berms, buffers, tree species, and confirmed this topic would also be added to the discussion list.

Councilmember Gabler requested clarification on setbacks and their role in preventing conflicts with residential areas. Rachel Leonard explained that the Council has full discretion to set setback requirements, noting that the draft ordinance includes initial standards designed to encourage enclosing louder or more disruptive components within buildings. She emphasized that setbacks and performance standards are key tools for exercising Council discretion.

Councilmember Gabler also asked whether setbacks could be increased from residential areas or parks. Angela Schumann advised the Council to first clarify the objective – whether to create physical distance or to mitigate impacts such as noise, visibility, odor – and cautioned that distance alone may not address all concerns. She noted that the ordinance was drafted to apply to sites ranging in all sizes and recommended considering how larger setbacks could affect smaller sites.

Councilmember Gabler asked about the types of generators to be used. Angela Schumann explained that, because technology evolves, the ordinance should not mandate specific mechanical systems, which could become outdated, and that focus should be on mitigating impacts rather than prescribing technology. Rachel Leonard added that the ordinance requires applicants to demonstrate how they will mitigate external impacts and noted that the City is not the sole regulatory authority, as other agencies also review and regulate aspects such as generators.

Councilmember Hinz emphasized the importance of ongoing City oversight and accountability after a data center is built. She referenced the ordinance section annual generator testing and suggested requiring City staff to be present during testing to ensure direct oversight.

Mayor Hilgart addressed misconceptions regarding data center regulation and power infrastructure costs, emphasizing the importance of fact-based, informed decision-making.

Rachel Leonard highlighted the City’s goal of maximizing local control through enforceable ordinance provisions to protect the community and guide development responsibly.

Mayor Hilgart further explained that the proposed data center ordinance reflects a deliberate, council-led effort to proactively manage data center development in response to evolving technology and community interests.

Angela Schumann outlined the next steps for the data center ordinance process, stating that staff will compile feedback from the current discussion, but will also continue to complete research and obtain guidance from the City Attorney, and will then prepare potential amendments to the draft ordinance. These amendments will be presented to the Council on March 9 for further discussion.

Councilmember Christianson cautioned against berm heights exceeding 10 feet, stating that taller berms could disrupt existing land patterns and runoff patterns.


Holly Newman addressed the Council, noting she was speaking at the appropriate time and not curing Citizen Comments. She expressed concern that a proposed data center could strain the energy grid. Mayor Hilgart responded that such projects require verification with Xcel Energy and include a summary of power grid capacity, adding that additional power generation would be constructed to serve data centers.

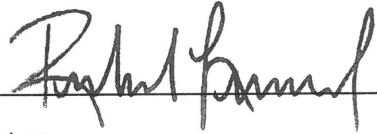
TY Weiss, resident, also spoke and expressed frustration with the framing of data center development as inevitable due to technology use. She encouraged the Council to take a more cautious approach, including consideration of a moratorium or delaying decisions.

Rachel Leonard reiterated that staff would compile the feedback received and return with options and analysis for at least one additional meeting to further discuss key issues before formal consideration. She agreed with taking a holistic review of the ordinance after discussion specific provisions to confirm it meets the Council's goals and functions as intended. She also added that any recommended ordinance changes brought forward would clearly identify their source, whether from staff research, public comment, or stakeholder feedback.

6. Adjournment

The meeting was adjourned at 8:59 p.m.

Jennifer Schreiber  _____

Attest:  _____
City Administrator