

**MONTICELLO CITY COUNCIL
REGULAR MEETING MINUTES
Monday, December 8, 2025 – 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 Christianson to approve the agenda. Councilmember Hinz seconded the motion. Motion carried unanimously.

C. Approval of Meeting Minutes

- Special Meeting Minutes August 18, 2025
- Special Meeting Minutes October 27, 2025
- Special Meeting Minutes from November 24, 2025
- Regular Meeting Minutes from November 24, 2025

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

D. Citizen Comments

The following spoke under citizen comments:

- Bill Herzog, 4136 Eaton Circle. Mr. Herzog spoke in opposition to the proposed data center near his home. He expressed concern about noise impacts and noted that the continuous noise could lead to hearing loss. He commented that the data center provides no benefit to the community while increasing water and electricity usage. He urged City officials to reconsider the proposal, suggesting that data centers be located in industrial zones or near freeways instead of residential neighborhoods.
- Joe Kraft, 44313 87th Street. Mr. Kraft expressed concern that the City's proposed ordinance for data centers does not adequately protect residents. He emphasized that data centers are not typical industrial users and the ordinance's 300-foot-setback from residential areas is insufficient. He commented that the noise levels will have a significant impact on nearby

residents. He also raised concerns about water, sewer, and electrical impacts. He urged the City Council to prohibit data centers or significantly strengthen the ordinance to include larger setbacks, stricter noise mitigation, water and wastewater caps, and stronger electrical standards.

- Barb Gatto, 4502 86th Street NE. Ms. Gatto stated that while City officials have been studying data centers for over a year, many residents have only recently become aware of the issue. She expressed concern that the City has not clearly articulated the long-term value a data center would bring to Monticello beyond financial benefits. She urged the City to pause the process and allow more time for community discussion and evaluation.
- Lisa Keenan, 8270 State Highway 25 NE. Ms. Keenan spoke against the proposed data center and noted that it would place prolonged burdens on nearby residents through construction noise, traffic, and disruption. She also cited reports that state large data centers contribute to air pollution and chronic noise exposure. Ms. Keenan also referenced growing national scrutiny of data centers. She urged the City to pause and reevaluate and suggested that Monticello consider a moratorium.
- Chris Kumar, Monticello Township resident. Mr. Kumar described the situation at a data center in Egan and questioned whether the City's data center ordinance adequately addresses the use of on-site gas turbines and other forms of private power generation. He urged the City to consider strengthening the ordinance by lowering allowable noise limits.
- Bill Herzog questioned why the City can't strengthen the ordinance by lowering allowable noise limits and requiring additional sound mitigation measures.
- Mary Haley, Autumn Ridge resident. Ms. Haley spoke in opposition to the proposed data center, emphasizing concerns about noise and health impacts. She described experiencing permanent hearing loss from long-term exposure to low-level mechanical humming due to her employment. She expressed concern that a constant noise level operation 24 hours a day could cause significant stress, sleep disruption, and additional health problems for nearby residents. She added that the financial scale of data center companies allows them to absorb penalties, while residents bear the long-term impacts.
- Alex Petra, 2 Fairway Drive. Mr. Petra expressed opposition to the proposed data center based on environmental, water-use, and long-term economic concerns. He urged the City to pause the process to allow broader public understanding, additional research, and more deliberate decision-making.

- Tracy Wiki, 5035 Martin Drive. Ms. Wiki expressed strong opposition to the proposed data center, focusing on environmental, community, and social impacts. She raised concerns about the development of the proposed 550-acre Monticello Tech, LLC site, emphasizing that it would replace natural spaces with large-scale infrastructure, harm wildlife, and contribute to noise and air pollution. She added that continuous construction and industrial activity would negatively affect the quality of life in Monticello. She suggested that local policy and regulations should address these technologies before enabling facilities to build. She urged the City to pause plans for the data center.
- Mary Haley questioned what would happen if the companies went bankrupt and the site and building are within the City.
- Laura Bishop, Haven Ridge resident. Ms. Bishop inquired whether any community members had spoken in favor of the project.
- Jenna, Featherstone development. Her family moved into the neighborhood in 2014. She noted that new construction and the potential impacts of the data center are causing some families, including hers, to consider leaving. She urged the City to carefully consider potential long-term impacts before moving forward with the data center proposal.
- Scott Cutsforth. Mr. Cutsforth spoke in opposition to the proposed data center. He expressed concern that the current ordinance is insufficient to regulate developers. He also raised concerns about water usage and noise impacts. He recommended pausing the project and revisiting zoning and planning policies to protect nearby residents and preserve the community's quality of life.
- Chris Kumar questioned whether any of the councilmembers and staff live near the proposed data center site.
- Amy Weber, Troy Marquette Drive. Ms. Weber spoke against the proposed data center. She emphasized concerns about constant noise and its potential effects on children, particularly those with ADHD, autism, or sensory processing disorders.
- Sarah Noval, Golf Course Road. Ms. Novak spoke in opposition to the proposed data center, focusing on environmental and community impact. She expressed concern about noise and light pollution affecting residents and public spaces. She advocated for pausing the project to allow for long-term community planning, preservation of the environment, and exploration of alternative economic development options.

- John Crow, Hunter’s Crossing Neighborhood. Mr. Crow spoke against the proposed data center, highlighting concerns about corporate accountability and community impact. He noted that companies with no local investment may prioritize profit over community well-being. Mr. Crow urged careful consideration of the long-term effects on Monticello before moving forward with the project.

City Administrator Rachel Leonard clarified that the upcoming joint meeting of the Planning Commission and City Council scheduled for Monday, December 15, will focus solely on the Monticello Industrial Alternative Urban Areawide Review (AUAR), which is currently in its public comment period and ends December 18. The purpose of the meeting is for policymakers to provide feedback to the consultants, who will incorporate it into a final draft of the AUAR. She noted that no formal decision on the data center or related ordinance will be made at that time. A separate joint workshop to discuss the ordinance in detail has not yet been scheduled, and any future ordinance considerations will require a formal City Council agenda posting.

E. Public Service Announcements

- City Clerk Jennifer Schreiber noted the following public announcements:
 - Winter Reminders
 - Ice Rink Hours
 - Santa Meet & Greet
 - Data Center Ordinance Update
 - AUAR Public Comment Period

F. Council Liaison Updates

- **Planning Commission** – Councilmember Christianson reported on the Planning Commission meeting held December 2, 2025, which included a four-and-a-half-hour public hearing on the proposed data center ordinance. He noted that the public comments included a mix of informed questions, misinterpretations, and some misinformation, and noted the importance of focusing on the draft ordinance itself. He added that the ordinance is intended to provide strong protection for the City of Monticello, based on extensive staff work, legal guidance, and input from national experts. He highlighted the commitment to a deliberate, thorough process to protect the community and encouraged residents to review the draft ordinance in depth.
- **Parks, Arts, and Recreation Commission** – Councilmember Gabler noted that PARC held its final meeting of the year. Key items included: review of commission renewals; discussion of the updated Planning Commission and PARC

meeting regarding the park dedication study; approved the Joint Powers Agreement with Wright County; and approved the Bertram Chain of Lakes operation and maintenance agreement.

G. Department Updates

- **Community Development Update** – Community Development Director Angela Schumann presented the annual update for the department.

2. Consent Agenda:

Motion by Councilmember Hinz to approve the Consent Agenda. Councilmember Martie 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 \$2,154,799.11.**
- B. Consideration of approving new hires and departures for City departments. **Action taken: Approved the hires for the Monticello Community Center (MCC), Parks, and Streets, and terminations for Parks.**
- C. Consideration of approving the sale/disposal of surplus city property. **Action taken: No report.**
- D. Consideration of adopting Resolution 2025-75 establishing election precincts and polling places. **Action taken: Adopted Resolution 2025-75 establishing election precincts and polling places.**
- E. Consideration of approving City of Monticello public hours of operation. **Action taken: Approved the public hours of operation.**
- F. Consideration of approving the 2026 Regularly Schedule City Council and Commission meetings. **Action taken: Approved the 2026 Regularly Schedule of City Council and Commission meetings.**
- G. Consideration of approving Board and Commission appointments commencing January 1, 2026. **Action taken: Approved Board and Commission appointments.**
- H. Consideration of approving a special event permit for Chamber of Commerce for use of Monticello Community Center space for Chamber luncheons. **Action taken: Approved the event permit for use of MCC space for Chamber luncheons in 2026.**
- I. Consideration of approving a contract for professional planning services with Grittmann Consulting, LLC and appointing Grittmann Consulting, LLC as City Planner

commencing January 1, 2026. **Action taken: Approved the contract with Grittmann Consulting, LLC and appointing them as City Planner.**

- J. Consideration of adopting Ordinance 860 amending the Monticello Zoning Ordinance, Section 153.048, Pointes at Cedar District to allow public warehousing as an Interim Use Permit, and establishing required use standards, and consideration of an Interim Use Permit for Public Warehousing, Temporary in the Pointes at Cedar (PCD) District. Applicant: City of Monticello. **Action taken: Adopted Ordinance 860 allowing public warehousing as an Interim Use Permit (IUP) and approving an IUP for public warehousing, temporary.**
- K. Consideration of approving a two-year custodial contract with Squeaky Services. **Action taken: Approved the contract with Squeaky Services.**
- L. Consideration of adopting Resolution 2025-76 approving a cooperative construction agreement with MNDOT for Trunk Highway 25 from 215 feet south of Caitlin Street in Buffalo to Kjellberg Court. **Action taken: Adopted Resolution 2025-76 approving the cooperative construction agreement with MNDOT.**
- M. Consideration of adopting Resolution 2025-77 authorizing submission of a Local Road Improvement Program (LRIP) grant application for the Chelsea Road Rehabilitation Project. **Action taken: Adopted Resolution 2025-77 authorizing submission of a LRIP grant application for the Chelsea Road Rehabilitation Project.**
- N. Consideration of approving a contract for cemetery excavation and burial services for Riverside Cemetery. **Action taken: Approved the contract with Jake's Excavating Inc.**
- O. Consideration of approving a Shared Facility Use Agreement between City of Monticello and Swan River Montessori Charter School for 2025-2026. **Action taken: Approved a Shared Facility Use Agreement with Swan River Montessori Charter School.**
- P. Consideration of approving amendments to the Joint Powers Agreement between the City of Monticello and Wright County for governance, operation, and maintenance of the Bertram Chain of Lakes Regional Park. **Action taken: Approved amendments to the Joint Powers Agreement with Wright County for Bertram Chain of Lakes Regional Park.**
- Q. Consideration of approving the amendments to the Bertram Chain of Lakes Operation and Maintenance Agreement with Wright County. **Action taken:**

Approved the amendments to the Bertram Chain of Lakes Operation and Maintenance Agreement.

- R. Consideration of approving a Facility Lease Agreement between the City of Monticello, Wright County, and Monticello School District 882 for the operation of the Nature-Based Education program at Bertram Chain of Lakes Regional Park. **Action taken: Approved the Facility Lease Agreement with Wright County and Monticello School District 882 for the Nature-Based Education program at Bertram Chain of Lakes Regional Park.**
- S. Consideration of authorizing the purchase of a 2025 Crew Cab ½ ton pickup truck not-to-exceed \$45,000 for the Building Department. **Action taken: Authorized the purchase of a truck not-to-exceed \$45,000.**
- T. Consideration of authorizing an on-sale liquor license for CJ & JN Taylor, LLC dba Beef O’Brady’s, located at 254 West Broadway. **Action taken: Authorized an on-sale liquor license for CJ & JN Taylor, LLC.**
- U. Consideration of adopting Resolution 2025-80 accepting public improvements for the Country Club 2nd Development (replatted as Country Club 3rd). **Action taken: Adopted Resolution 2025-80 accepting public improvements for Country Club 2nd Development.**

3. Public Hearing:

- A. Public Hearing: Consideration of adopting Ordinance 861 amending City Fee Schedule for 2026 and adopting Summary Ordinance 861A for publication

City Clerk Jennifer Schreiber introduced the proposed 2026 fee schedule and highlighted the key changes. These included fee increases in the areas of Animal Control, Cemetery, Community Center, Community Development & Economic Development, Parks, and Utilities. She also reviewed adjustments to Monticello Community Center fees, room rental rates, and park rental fees, as well as increases to sanitary sewer and the stormwater utility fee.

Mayor Hilgart opened the public hearing. No one testified. Mayor Hilgart closed the public hearing.

There was no discussion by City Council.

Motion by Councilmember Martie to adopt Ordinance 861 amending the City Fee Schedule for 2026 and to adopt Summary Ordinance 861A for publication. Councilmember Christianson seconded the motion. Motion carried unanimously.

B. Public Hearing: Consideration of adopting Resolution 2025-78 certifying the 2026 Final Property Tax Levies and authorizing cancellation of certain deferred tax levies

Finance Director Sarah Rathlisberger presented the final 2026 property tax levy. She reported that property values increased across residential, commercial/industrial, and apartment categories, with new construction and public utility additions contributing to a 7.3% overall increase in citywide tax capacity.

Ms. Rathlisberger stated that the preliminary levy was set at \$15,337,000. She also presented an alternative scenario to reduce the levy by \$200,000, resulting in a slightly lower tax rate while continuing to fully fund operations, capital needs, and debt service. The \$200,000 would be removed from the Capital Projects Fund.

Ms. Rathlisberger touched on the following: impact to property owners, levy allocation, General Fund revenue sources, EDA/HRA levy, and tax bill distribution.

Mayor Hilgart opened the public hearing. The following individual testified:

- Scott Cutsforth. Mr. Cutsforth inquired about the remaining duration of the City's outstanding debt. Ms. Rathlisberger responded on the six general obligation bonds that remain. Mr. Cutsforth then asked about Fire Department staffing levels in light of all the growth, specifically apartments. Staff indicated that the Fire Department is currently adequately staffed, while noting that future staffing needs will continue to be evaluated. Mayor Hilgart and Councilmember Christianson also commented on the dedication and commitment of the City's Fire Department.

Mayor Hilgart closed the public hearing.

There was minimal discussion by councilmembers regarding the levy.

Motion by Councilmember Gabler to adopt Resolution 2025-78 lowering the final levy to a 7.2% increase for a total levy of \$15,137,000, by reducing the Capital Projects Fund by \$200,000, and certifying the 2026 Final Property Tax Levies and authorizing cancellation of certain deferred tax levies.

Councilmember Christianson seconded the motion. Motion carried unanimously.

4. **Regular Agenda:**

A. **Consideration of adopting Resolution 2025-79 adopting the 2026 Budget, Transfers, and other budget-related authorizations**

Sarah Rathlisberger presented an overview of the 2026 Budget. She noted that the General Fund includes the additions of a new internal City planner position beginning April 1, 2026; implementation of the 2025 classification and compensation study, including COLA adjustments; an increase in the Wright County Sheriff's Office contract rate; and other operational items.

Ms. Rathlisberger highlighted that the 2026 budget includes several capital projects, most notably the Water Treatment Plant and the Public Works Facility. The Public Works Facility is planned to be bond-financed with construction anticipated to begin mid-2026.

City Councilmembers expressed appreciation to staff for the thorough budget presentation, citing careful forecasting, consideration of future projects, and planning to support continued City growth.

Motion by Councilmember Hinz to adopt Resolution 2025-79 adopting the 2026 budget, transfers, and other budget-related authorizations. Councilmember Martie seconded the motion. Motion carried unanimously.

B. **Consideration of approving a contract amendment with Oertel Architects for re-design services for the Public Works Facility in the amount of \$414,177**

Public Works Director/City Engineer Matt Leonard provided an overview of a proposed contract amendment with Oertel Architects for the redesign of the new Public Works facility. Mr. Leonard explained that the project was originally designed to accommodate a 30-year growth projection; however, rising construction costs and unsuccessful state bonding requests led the Council to consider a smaller facility based on a 10-year growth projection, with a bid alternate for a 20-year facility.

Mr. Leonard stated that the proposed amendment would increase the original architectural contract from \$1,087,800 to \$1,503,977. This increase reflects costs associated with the redesign, adjustments to construction administration, and completion of a tree assessment. He added that total project costs are now estimated at \$33.57 million, compared to \$37.745 million for the previously planned 30-year facility.

Monticello resident Scott Cutsforth addressed the City Council and expressed concern regarding the long-term cost associated with not constructing a larger

facility. Staff provided an overview of the rationale for reducing the building size to improve financial feasibility.

City Council discussed the tradeoffs between upfront construction costs and long-term functionality, including considerations for future expansion and site layout. It was also noted that the revised plan allows flexibility while controlling costs and minimizing unnecessary debt.

Motion by Councilmember Hinz to approve a contract amendment with Oertel Architects for re-design services for the Public Works Facility in the amount of \$414,177. Seconded by Councilmember Christianson. Motion carried unanimously.

C. Consideration of approving a Facility Use & Fiscal agreement with the Monticello Senior Center

Parks, Arts, and Recreation Director Tom Pawelk provided an overview of the proposed agreement with the Monticello Senior Center. The agreement outlines funding arrangements, the eligibility and responsibilities of the Senior Center Director within the Monticello Community Center, and ways in which the Senior Center may assist in offsetting fiscal obligations. Mr. Pawelk noted that the agreement formalizes operations that were previously handled informally, providing greater clarity and stability. He also emphasized that the Senior Center serves residents of Monticello and those from surrounding communities, and that its continued operation is an important asset.

There was minimal discussion by councilmembers regarding the agreement.

Motion by Councilmember Christianson to approve the Facility Use & Fiscal agreement with the Monticello Community Center. Councilmember Martie seconded the motion. Motion carried unanimously.

5. Adjournment

The meeting was adjourned at 9:52 p.m.

Jennifer Schreiber _____

Attest: _____

City Administrator