

**MINUTES**  
**WORKSHOP – JOINT CITY COUNCIL & PLANNING COMMISSION**  
**December 15, 2025 – 6:30 p.m.**  
**Mississippi Room, Monticello Community Center**

City Councilmembers: Mayor Lloyd Hilgart, Kip Christianson, Charlotte Gabler, Tracy Hinz, Lee Martie

Commissioners: Chair Andrew Tapper, Vice-Chair Melissa Robeck, Rick Kothenbeutel, Rob Stark

Commissioners Absent: Teri Lehner

Staff Present: Rachel Leonard, Angela Schumann, Matt Leonard, Bob Ferguson, Jim Thares

Consultants Present: Leila Bunge - Kimley Horn, Alison Harwood - WSB

**1. General Business**

**A. Call to Order**

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

**B. Discussion and Comments on Monticello Industrial Alternative Urban Areawide Review (AUAR)**

Community Development Director Angela Schumann provided a brief overview on the Alternative Urban Areawide Review (AUAR), including its purpose, the data collected, and the scope of the analysis. She introduced the consultants in attendance, who provided additional information and an overview of the AUAR document, which evaluates two development scenarios. Administrator Rachel Leonard discussed the City Council’s responsibilities for implementation of the AUAR mitigation strategies, including coordination with applicable state agencies.

o **AUAR Document Overview**

Leila Bunge, Planner with Kimley-Horn, explained that Monticello Industrial AUAR includes a wetland delineation, transportation impact analyses for both construction and operation, and an initial drainage assessment. She noted the city had provided a preliminary aquifer analysis and a preliminary sanitary service assessment. Ms. Bunge reported that archaeological consultants and other state agency–led assessments are currently underway.

Ms. Bunge outlined the additional studies the AUAR requires upon submittal of future development plans. These studies include noise mitigation, a stormwater management plan, phased environmental site assessments for potential contaminants, a tree survey, potential supplemental archaeological

assessments, and a hydrogeological analysis consistent with MPCA guidelines. She said additional Environmental Assessment Worksheets may be required, along with a well capacity and aquifer pumping plan prior to construction. Further project-specific reviews will address any proposed backup generators, as well as sewer line extensions, water appropriation, and other utility-related needs.

Regarding regulatory mitigation, Alison Harwood, Director of Natural Resources with WSB, explained that the relevant regulatory agencies in Minnesota include the Minnesota Pollution Control Agency (MPCA), the Minnesota Public Utilities Commission (MPUC), and the Minnesota Department of Natural Resources (DNR). She noted that state statute establishes a 120-day timeline for completion of environmental reviews, including the EAW and AUAR collectively.

Ms. Bunge and Ms. Harwood provided a high-level overview of water-related impacts and mitigation measures identified in the Monticello Industrial AUAR. Ms. Harwood stated that development of the subject site will require temporary dewatering, or the removal of standing groundwater from construction areas, subject to MN-DNR permitting approval.

In response to a question regarding potential denial of a wetland mitigation permit by the DNR, Ms. Schumann explained the process for wetland mitigation planning and replacement. Discussion continued regarding groundwater resources, wells, and wastewater mitigation. Ms. Schumann explained that the City's stormwater management standards are more stringent than minimum State requirements and that these standards are reflected in the scenarios provided.

It was noted that the AUAR provides maximum limits for water usage.

Members discussed estimated water usage associated with current agricultural irrigation, potential usage caps on aquifer withdrawals for the subject site, both prior to and following annexation, and sustainability considerations.

Councilmember Christianson asked whether surrounding natural water bodies were considered in the evaluation of available water resources. City Engineer Matt Leonard described the aquifers utilized for City purposes and the current study of well locations relative to the new water treatment plant. He explained that the aquifer analysis identifies and isolates water demands and impacts in coordination with the MN-DNR, and that well monitoring and

testing are part of the appropriation process and mitigation planning for surrounding wells. Mr. Leonard confirmed that well testing would be completed and that results would be made available.

Commissioner Kothenbeutel stated that he had researched data center cooling systems in other states that utilize recirculated wastewater and asked whether Minnesota regulations allow for this practice. City Administrator Rachel Leonard explained the DNR's role in developing mitigation strategies for increased appropriations and discussed opportunities to review water consumption through innovative approaches using naturally available water resources.

Councilmember Christianson inquired whether a water use agreement between an end user and the City could be used as a performance measure to reduce consumption. Mr. Leonard discussed potential amendments to the AUAR and the need for appropriate MPCA permits.

Administrator Leonard clarified that all water and wastewater infrastructure extensions are intended to serve City utilities overall and are not designed to serve a single site. She explained that the growth scenario for this area includes additional wells and trunk infrastructure regardless of any potential data center development.

Ms. Bunge addressed additional AUAR study components, including a brief overview of contamination analysis and mitigation. Chair Commissioner Tapper requested amendment to Table 19 pertaining to sites 150255 (Genereux Fine Wood Products) and 35957 (The H Window Co) as being outside the required study area.

Ms. Bunge stated that an archeological assessment was completed for the site which identified three areas of interest located in proximity to, but outside of the subject site, as documented in the AUAR. She noted that additional studies may be necessary depending on the results of State review.

Ms. Bunge explained that the AUAR does not evaluate air impacts studies; however, if potential emissions from generator use exceed allowable thresholds, additional review by the MPCA would be required. She also noted that, without specific project information, additional noise evaluations for mitigation may be required, per City ordinance and State regulation.

Ms. Bunge provided an overview of each development scenario in terms of traffic measures and mitigation both during construction and operation. She

also outlined other potential effects associated with the development scenarios and the mitigation plan elements, including power Needs, site Security, and electromagnetic field (EMF) considerations.

City Engineer Matt Leonard provided a high-level overview on the components of the comprehensive utility plans for City water and sewer systems, and information based on past trunk extensions and improvements.

Members and staff discussed the annexation process for development in this area, noting the land use is guided for the full orderly annexation area.

A member noted the five-year approval period on an approved AUAR and inquired about the process for review if for development occurs on a longer timeframe. Staff and consultants explained the process for amending the AUAR, which could occur at intervals and account for development and mitigation to date.

Councilmember Christianson suggested that additional clarity regarding the actual development area in each scenario would be helpful. Ms. Bunge responded that the purpose of an AUAR is to research land use scenarios, not a specified project or site plan.

Members briefly discussed the Rapid infiltration Basins (RIBs) operations and permitting, which is proposed for the technology campus development scenario.

○ **Review of Comments**

Ms. Bunge informed members that the AUAR is currently in a 30-day public comment period. Following the conclusion of this period, submitted comments received will be addressed in a revised AUAR, which will then be subject to a ten-day objection period for state agencies.

Further discussion proceeded regarding the 2040 Comprehensive Plan. Ms. Schumann explained that while both scenarios contemplate development under the Light Industrial Park (LIP) designation, the technology park scenario would allow data centers as the principal and majority use, whereas the second scenario would reflect existing allowable light industrial uses.

Councilmember Christianson expressed support for the review process, noting that it provides proactive measures and accountability for a use which was not previously anticipated. Ms. Schumann added that the AUAR process allows the City to review more than one concept development proposal at a

subject site as a tool for examining and addressing potential development impacts.

Ms. Bunge provided a high-level summary of the review and response process for comments received, including those received from Wright County the Minnesota Department of Health.

Ms. Schumann noted the full AUAR document and comments collected are available to review on the Environmental Review section of the city website; Future comments regarding the AUAR are accepted until December 18, 2025 for revisionary reviews prior to consideration by Council for anticipated ordinance adoption in January 2026.

o **Board Questions & Comments**

When asked about the implications if the AUAR is not accepted, Ms. Harwood explained that the document does not constitute a project approval. She stated that the AUAR serves as a planning tool for identifying mitigation measures and, if necessary, for triggering additional environmental review in accordance with statutory timelines. Ms. Harwood added that additional comments from other regulatory entities are expected prior to the close of the public comment period on December 18.

Ms. Schumann emphasized that the AUAR document should be as clear as the Responsible Governmental Unit (RGU) deems necessary in its final form to support informed decision-making.

Councilmembers and Commissioners discussed Environmental Assessment Worksheets (EAWs), feedback received through the AUAR process in developing mitigation strategies, and construction practices related to noise. One member noted the AUAR allows evaluation of broader project components and potential unknown operational impacts.

In response to a question about whether the city would serve as the authorizing agent for notifications and public comment periods related to required EAWs, Ms. Harwood confirmed that coordination would occur between the RGU and the City.

Councilmember Christianson commended staff and members for their review of the process, noting that the AUAR provides increased clarity for both the subject site and future applications. He noted the value of the process in considering environmental impacts for other potential technology campus sites and uses generally, specifically referencing the Bertram Chain of Lakes area.

Ms. Schumann referenced recent Planning Commission discussions related to housing goals and suggested that an additional workshop be scheduled for board members and commissioners to further address housing goals and land use considerations related to those goals. She noted that the 2040 Comprehensive Plan is a living document and may be reviewed and amended at the discretion of decision-makers.

Councilmember Gabler suggested additional information be included regarding noise and air quality components, if such information is not received prior to the close of the comment period on December 18.

When asked about the parameters for air quality, Ms. Harwood explained that specific site conditions associated with emissions are unknown at this time and is reason mitigation strategies were not included at this time. She noted that additional studies would be required should generators be proposed in the future.

**2. Adjournment**

The workshop was adjourned at 8:38 p.m.

Recorder by: Anne Mueller

Approved 1/26/26:

  
Jennifer Schreiber

Attest:

  
City Administrator