

ST. LOUIS COUNTY HERMANTOWN

Hermantown officials deceived citizens, manipulated public process to pave way for data center

By: John Ramos October 19, 2025



Hermantown City Administrator John Mulder. Source: LinkedIn

On Monday, Oct. 20, 2025, the Hermantown City Council will vote on whether to change the zoning in the Adolph neighborhood (in the southwest corner of the city) from S-1 (Suburban) to BLM (Business Light Manufacturing). If the zoning change is approved, the city will be poised for a 1.8-million-square-foot data center to be developed on the site.



Even though most Hermantown residents recently learned about the data center project and its potential impacts, documentation shows that city officials have been working behind the scenes to bring the data center to town since May of 2024. They have accomplished this largely without public scrutiny—by signing nondisclosure agreements (NDAs) with the developer, removing references to the data center project from public documents, and denying knowledge of the project when they have been asked about it.

Even though the media began reporting on the data center in May of 2025, city staff refuse to disclose the identity of the “Fortune 50 company” behind the project. The groundwork done to date has been carried out by third-party contractors and front companies.

Within the past two weeks, a groundswell of opposition has manifested within the community.

“Preserve the rural character”

Adolph, in the far southwestern corner of Hermantown, is largely a rural neighborhood. Two branches of a Canadian Northern railroad line pass through Adolph, as do transmission lines owned by Minnesota Power. A small business district exists at the intersection of Highway 2 and Midway Road. City utilities do not currently extend into the Adolph neighborhood.



Minnesota Power transmission lines, Adolph. Credit: John Ramos

Citizens of Adolph have never requested big development projects. In fact, the opposite is true. The city’s 2001 Comprehensive Plan identified most of Adolph as a place where the city should strive to “maintain [the] rural character, preserve natural features and open space, [and] protect agricultural uses.”

These values were reiterated in the Adolph Small Area Plan, which was developed by Hermantown citizens and city staff in 2015. To “preserve and enhance the rural character of Adolph,” they made the following recommendations:



- Traditionally rural land uses and lifestyles are important and should be maintained
- Allow limited, compatible rural home-based businesses.
- Large, bucolic lots will help preserve the character and rural lifestyle.
- There is no desire for a level of residential density that would [require] public water and sewer services or private extension of natural gas services.

Participants agreed that, while the area around Highway 2 and Midway Road could support “a limited amount of additional or improved commercial services,” their recommended zoning plan greatly restricted development in the neighborhood.



Hermantown Economic Development Director Chad Ronchetti. Source: LinkedIn



Hermantown Assistant City Administrator Joe Wicklund. Source: LinkedIn

Project Loon flies in

In the early summer of 2024, Minnesota Power officials approached Hermantown City Administrator John Mulder to advise him that a company, Mortenson Development, Inc., was interested in building a 1.8-million-square-foot data center campus in Adolph. Mortenson works for an unnamed Fortune 50 corporation interested in Minnesota's cool climate (to help minimize cooling costs) and the site's proximity to the nearby power grid. Minnesota Power was eager to add a new high-consumption business to their customer base.

The data center concept, dubbed "Project Loon," was enthusiastically embraced by Hermantown officials. Assistant City Administrator Joe Wicklund signed a non-disclosure agreement with Mortenson Development, on behalf of the City of Hermantown, on May 31, 2024.

Confidential

MUTUAL NON-DISCLOSURE AGREEMENT

This Mutual Non-Disclosure Agreement ("Agreement") is made and entered into between Mortenson Development, Inc. ("Company"), and "City of Hermantown" identified below ("Participant"). The parties wish to exchange Confidential Information (as defined below in Section 2) for the following purpose(s): (a) to evaluate whether to enter into a contemplated business transaction ("Transaction"); and (b) if the parties enter into an agreement related to such Transaction, to fulfill each party's confidentiality obligations to the extent the terms set forth below are incorporated therein (the "Purpose"). The parties enter into this Agreement to protect the confidentiality of information in accordance with the following terms:

1. The Effective Date of this Agreement is the date the last party below signs.
2. Company has been engaged as an agent by a third-party client (the "Client") to act on the Client's behalf in connection with the Transaction, which Client intends to participate in the Transaction. The Participant acknowledges and agrees that the Client, even though unnamed in this Agreement for confidentiality purposes, is a third-party beneficiary to this Agreement and shall have the joint and several right to enforce the terms hereof against the Participant.
3. In connection with the Purpose, a party or Client may disclose certain information it considers confidential and/or proprietary ("Confidential Information") to the other party, including, but not limited to, tangible, intangible, oral, visual, electronic present and/or future information, however and whenever acquired, including, but not limited to, by post, fax, e-mail, text message (SMS) and/or visual inspection during any tours of the Discloser's or its affiliates' facilities or premises; such information to include, without limitation: (a) trade secrets (whether or not subject to or protected by copyright, patent, or trademark (registered or unregistered)); (b) financial information, including pricing; (c) technical information, including research, development, procedures, algorithms, data, designs, and know-how; (d) business information, including operations, planning, marketing interests, and products; and/or (e) the terms of any agreement entered into between the parties and the discussions, negotiations and proposals related thereto.
4. The party receiving Confidential Information (a "Recipient") will have a duty to protect Confidential Information disclosed to it by the other party ("Discloser") only: (a) if it is clearly and conspicuously marked as "confidential" or with a similar designation; (b) if it is identified by the Discloser as confidential and/or proprietary before, during, or promptly after presentation or communication; or (c) if it is disclosed in a manner in which the Discloser reasonably communicated, or the Recipient should reasonably have understood under the circumstances, including without limitation those described in Section 2 above, that the disclosure should be treated as confidential, whether or not the specific designation "confidential" or any similar designation is used.
5. A Recipient will use the Confidential Information only for the Purpose described above. A Recipient will use the same degree of care, but no less than a reasonable degree of care, as the Recipient uses with respect to its own information of a similar nature to protect the Confidential Information and to prevent: (a) any use of Confidential Information in violation of this agreement; and/or (b) communication of Confidential Information to any unauthorized third parties. Confidential Information may only be disseminated to Client and to employees, officers or directors of Recipient with a need to know and who have first signed an agreement with either of the parties containing confidentiality provisions substantially similar to those set forth herein (collectively, "Authorized Personnel"). A Recipient will be liable as primary obligor for any breaches of this Agreement notwithstanding that such breaches were committed by Authorized Personnel (with or without Recipient's knowledge).
6. Each party will not do the following, except with the advanced review and written approval of the other party: (a) issue or release any articles, advertising, publicly or other matter relating to this Agreement (including the fact that a meeting or discussion has taken place between the parties) or mentioning or implying the name of the other party; or (b) make copies of documents containing Confidential Information.
7. This Agreement imposes no obligation upon a Recipient with respect to Confidential Information that: (a) the Recipient can demonstrate was already in the Recipient's actual possession or knowledge and which the Recipient lawfully acquired other than from the Discloser; (b) is or becomes publicly available through no fault, action, omission or intervention of the Recipient; (c) is received by the Recipient from a third party without a duty of confidentiality (express or implied) owed to the Discloser; (d) is independently developed by the Recipient without a breach of this Agreement; (e) is disclosed by the Recipient with the Discloser's prior written approval; or (f) is required to be disclosed by operation of law, court order or other governmental demand ("Process"); provided that (i) the Recipient will immediately notify the Discloser of such Process; and (ii) the Recipient will not produce or disclose Confidential Information in response to the Process unless the Discloser has: (a) requested protection from the legal or governmental authority requiring the Process and such request has been denied, (b) consented in writing to the production or disclosure of the Confidential Information in response to the Process, or (c) taken no action to protect its interest in the Confidential Information within 14 business days after receipt of notice from the Recipient of its obligation to produce or disclose Confidential Information in response to the Process.
8. EACH DISCLOSER WARRANTS THAT IT HAS THE RIGHT TO DISCLOSE ITS CONFIDENTIAL INFORMATION. NO OTHER WARRANTIES ARE MADE. ALL CONFIDENTIAL INFORMATION DISCLOSED HEREUNDER IS PROVIDED "AS IS".
9. This Agreement will remain in effect until it is terminated by either party with thirty (30) days prior written notice. Notwithstanding the foregoing, this Agreement will survive with respect to Confidential Information that is disclosed before the effective date of termination.
10. Unless the parties otherwise agree in writing, a Recipient's duty to protect Confidential Information expires five (5) years from the date of disclosure. A Recipient, upon Discloser's written request, will promptly return all Confidential Information received from the Discloser, together with all copies, or certify in writing that all such Confidential Information and copies thereof have been destroyed.
11. This Agreement imposes no obligation on a party to exchange Confidential Information, proceed with any business opportunity, or purchase, sell, license, transfer or otherwise make use of any technology, services or products.
12. No party acquires any intellectual property rights under this Agreement (including, but not limited to, patent, copyright, and trademark rights) except the limited rights necessary to carry out the Purpose in accordance with this Agreement. Each party acknowledges that damages for improper disclosure of Confidential Information may be irreparable; therefore, the injured party is entitled to seek equitable relief, including injunction and preliminary injunction, in addition to all other remedies available to it.
13. This Agreement does not create any agency or partnership relationship. This Agreement will not be assignable or transferable by Participant without the prior written consent of Company. Company may assign or transfer this Agreement in its sole discretion.

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On July 8, 2024, city staff held a "Project Loon Discussion," where they discussed the project's requirements—grading plans, wetland delineations, estimated timelines, etc.

Planning efforts ramped up in September of 2024. Emails and related city documents (which were obtained by the Minnesota Center for Environmental Advocacy and shared with the media) prove that the City of Hermantown and Mortenson held multiple meetings to discuss land acquisition and possible project incentives. To determine the feasibility of extending city utilities to the proposed site, the city hired engineers from Short Elliot Hendrickson to perform water and wastewater modeling studies, at a cost of \$8,500.

In an email to Assistant Administrator Wicklund and Economic Development Director Chad Ronchetti on Sept. 18, 2024, City Administrator John Mulder reported that Hermantown Mayor Wayne Boucher (pronounced "boo-SHAY") was excited about the possibility of the data center. Mayor Boucher also suggested that staff tailor the city's Comprehensive Plan to accommodate utility extensions for data center.

An excerpt from Mulder's email follows here:



Talked to the Mayor

My key points:

Data Center next to MN Power substation

1 billion investment [and] 50+ full-time jobs.

His response was, "wow" ...

[The mayor's] comments:

Should we be talking about this extension of utilities in the Comp plan? I told him that we did make sure that this area would be planning for Business Light Manufacturing.

From: [CH-John Mulder](#)
To: [Chad Ronchetti](#); [CH-Joe Wicklund](#)
Subject: project loon
Date: Wednesday, September 18, 2024 12:41:17 PM

Chad and Joe

Just FYI
talked to the Mayor

My key points

Data Center next to MN Power substation
1 billion investment 50+ full time jobs. his response was "wow"
MN Power introduced this project to us
People at the County and City of Duluth are aware of this
We've started having David Bolf look at how we would provide water & sewer to this site
Building Company has reached out to Jordan Urshan and Kerry Juntunen

His comments:
Should we be talking about this extension of utilities in the Comp plan? I told him that we did make sure that this area would be planned for Business Light Manufacturing
He stated Brian would be interested in utility extensions – I said we were aware of that
He noted that we would want to be aware of reactions by Urshans

Just to keep everyone on the same page

John Mulder
City Administrator

City of Hermantown
Working together to serve and build our community.
Hermantownmn.com - 218.729.3600

Mulder email, Sept. 18, 2024. Source: City of Hermantown

Comprehensive sham

When the data center project was proposed, no one pointed out that building a mega-scale data center in Adolph would violate both the city's Comprehensive Plan and the Adolph Small Area Plan. Instead, city officials began actively looking for ways to circumvent both plans.



The city had hired a consultant, HKGi, to review the Comprehensive Plan in 2022, and that review had been leisurely proceeding for two years. The consultants conducted online surveys, staffed booths at community events, and interviewed stakeholders.

During a virtual meeting held on Sept. 6, 2024, city officials met with representatives from Mortenson and their sub-contractor, Kimley-Horn. Attendees discussed the city's Comprehensive Plan during the meeting, and meeting notes indicate that the "City of Hermantown offered to take advantage of the opportunity to marry [the] Comp Plan to future land use"—essentially promising to manipulate the plan in a way that would allow for a data center to be developed in Adolph.

To strategize for the project, on Oct. 30, 2024, City of Hermantown staff met with representatives from Mortenson and Kimley-Horn in person at Minnesota Power headquarters, in downtown Duluth. One of the meeting's presentation slides summarized actions the city needed to accomplish in regards to the Comprehensive Plan update: "Anticipated completion, ratification, and adoption: December 2024."

In late 2024, city staff stepped in to help HKGi finalize the updated Comprehensive Plan—which had suddenly become laser-focused on developing the Adolph neighborhood.

On Dec. 18, 2024, Director Ronchetti emailed Josh Bergstad at the Arrowhead Regional Development Center: "As part of our Comprehensive Plan update, we are looking at the potential of extending our [utilities] to the southwestern corner of town. This area is well-positioned for manufacturing, logistics, and commercial development for a number of reasons. The major limiting factor is that it lacks water & sewer."

On Jan. 6, 2025, Administrator Mulder told the Council, "At pre-agenda, we just simply talked about the ongoing efforts to do a Comprehensive Plan and looking at the possibility of development ... [in] the southwestern portion of the city, including the extension of water and sewer to that corner of the city."




Hermantown Mayor Wayne Boucher. Image source: hermantownmn.com

On Feb. 28, 2025, Leila Bunge (a Kimley-Horn employee who was conducting the environmental review for the data center site) emailed Community Development Director Eric Johnson to inform him that she did not believe the city's existing Comprehensive Plan would justify the development. She advised that changes would need to be made to it before she could proceed with the review:

My hunch, based on what we discussed, [is] that [the current Comprehensive Plan] doesn't meet those requirements currently. If the current Comp Plan does not meet those requirements, then we need to wait until the zoning and Comp Plan update has been approved before we start the scoping comment period.

On March 3, 2025, Chad Ronchetti advised the Project Loon team that the city needed to gather information from the Western Lake Superior Sanitary District, related to the data center's estimated water and sewer needs. He added, "We have some Comprehensive Planning items we need to square away before we set that meeting."

When the Comprehensive Plan Update was approved by the City Council on April 21, 2025, the bucolic neighborhood of Adolph was suddenly poised to be the site of a future business hub:

- 
- *“Target growth and expansion of business, light manufacturing, and industrial uses in three general locations on the future land use map: west end of Hwy 53 (Hawklime Business Park), Haines Road north of Hwy 53 (south of the airport), and **Hwy 2/Midway Road.**” (p. 52)*
 - *“A future expansion of the City’s urban services boundary [meaning the area served by utilities] is planned for future business and light manufacturing development **in the southwest area of the city.**” (p. 81)*
 - *“Explore options to expand the City’s urban services boundary **to the southwest** to support business development.” (p. 86)*
 - *“Evaluate potential and timing for the expansion of the City’s urban services boundary **to the southwest** to support future economic development opportunities.” (p. 89)*
 - *“Initiate small area plans to guide development of growth areas—Uptown, Maple Grove Rd corridor, Keene Creek/Haines Rd corridor, **southwest/Hwy 2 area**, and Western Hwy 53 corridor.” (p. 89)*

The five city employees who assisted with the Comprehensive Plan—City Administrator Mulder, Assistant City Administrator Wicklund, Community Development Director Johnson, Utility & Infrastructure Director Trish Crego, and City Engineer David Bolf—were all well aware that the Comprehensive Plan update was required for the proposed data center development.

All five also modestly declined to inform the City Council that they had been working on the data center project for approximately a year.

Because the city was working with third-party contractors and companies (rather than the Fortune 500 company paying them), their efforts were easy to hide from the public. On Nov. 19, 2024, Director Ronchetti emailed Administrator Mulder and Assistant Administrator Wicklund, reminding them they couldn’t keep things secret forever: “John & Joe—Once we enter into actual negotiations with Project Loon, we will need to let the Council know what we are up to.”

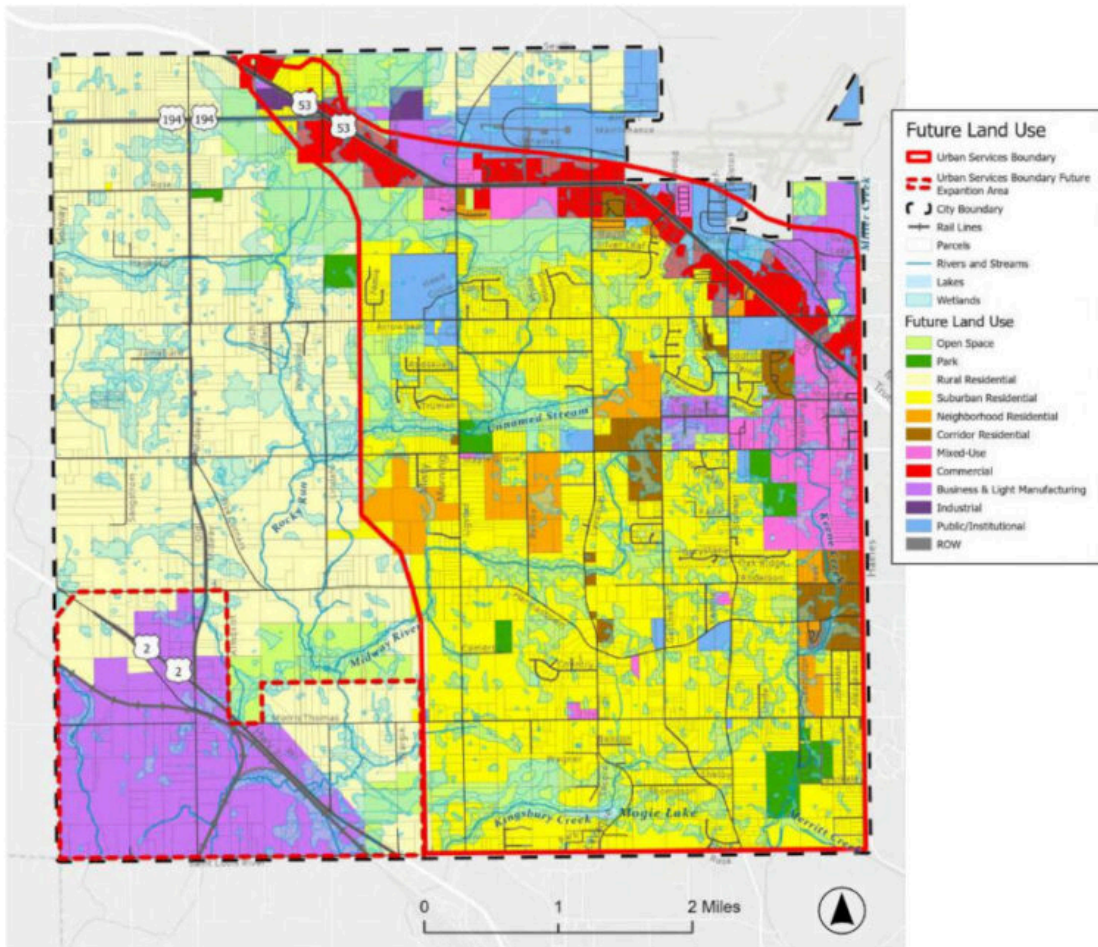


Figure 4.6 Future Land Use Map

Proposed utility extension to Adolph (lower left corner). Source: Comprehensive Plan Update

“Adolph, not Project Loon”

In December of 2024, Director Ronchetti solicited the services of Braun Intertec Corporation to provide the city with “technical support services” related to Project Loon. Braun Intertec President Travis Fristed responded with a proposal on Jan. 6, 2025.

Braun Intertec Corporation is pleased to present this proposal to provide technical support services to the City of Hermantown under their duties as the Responsible Government Unit (RGU) for the proposed Project Loon in Hermantown.

Based on the available information and recent email correspondence, it is our understanding that a project proposer (Mortenson) intends to build a large data center complex on undeveloped lands in the southwest corner of the City of Hermantown. The project (titled ‘Project Loon’) will consist of several buildings completed over three phases (300,000 to 500,000 square feet per phase), with the first phase scheduled for construction in 2026. Future phases are undefined at this time and would occur west of the first three phases.

The cost of the contract was \$20,000. Ronchetti told Fristed that the city would be happy to hire them—but advised him to remove Mortenson’s name from the proposal first: “If you want to update the proposal to remove reference to the GCs [General Contractors] ... we’ll be on our way.”

Fristed replied: "Reference to the GCs in the proposal has been removed."



To help fund the project, the city planned to ask the state Legislature for \$10 million to help the city extend utilities to the development site. Because it was not possible to conceal this request from the City Council, staff vaguely explained that they were planning for *something* in Adolph. Prior to the Jan. 6 Council meeting, city staff had intentionally removed references to Project Loon from their presentation slides.

When City Engineer Bolf sent Assistant Administrator Wicklund his slide deck for review, Wicklund responded, "David, made one small update to your slide (Adolph, not Project Loon) as we are not talking about Project Loon tonight, just [the] opportunity to develop in Adolph."

Bolf passed this request along to the project's contractors: "Hi any chance you can update these 4 pdfs that remove references to project loon and replace with Adolph area utility study." The contractors complied.

Land acquisition begins

In January of 2025, Mortenson began sending letters to owners of parcels they wanted for the data center development—stating they wanted it for "an industrial project in Hermantown." On Jan. 15, 2025, Adolph property owner Bob Kohlmeier emailed Mayor Boucher and Community Development Director Johnson.

I am reaching out to you to find out what the Hermantown project is, so I can prepare for conversing intelligently about the offer to purchase my Hermantown property with Chris Bates from Mortenson Construction Company.

I specifically want to know what is being built back of my property. For example, is it a data center? What exactly is it?

Johnson shared a prepared response with staff and the mayor:

My original response was going to be:

'The only application the City has received in this area is for a wetland delineation, which was conducted in the fall of 2024. There have been no further applications to the City, so there is no information to share. I suggest you contact Chris Bates at Mortenson with these questions.'

I welcome any suggestions from any of you and then I will respond to Bob.

Mayor Boucher responded, "I would suggest leaving out the suggestion to contact Mortenson or their representative."

MORTENSON - HERMANTOWN PROJECT

Mortenson is a top 25 builder and developer headquartered in Minneapolis, MN - fully invested in our customers' success and improving the communities in which we live and work. We're a construction industry leader in markets like sports facilities (US Bank Stadium, Target Field, Allegiant Stadium, etc.), renewable energy, manufacturing and healthcare. At the end of the day, we want to be known for making sure the built environment has a lasting positive impact for customers and the communities they serve. Below are some recent projects Mortenson has built in the Duluth area.

We are working on site selection for an industrial project in Hermantown in the area of Morris Thomas Rd, Saint Louis River Rd & Midway Rd and are interested in contacting you to discuss this project. Please reach out Chris Bates via the contact information on the business card included in this envelope.

Thank you and we look forward to connecting!

Michael & Annette -

We are working on behalf of one of our customers and are interested in buying your home. Please give me a call to discuss when you have a few min. Thanks!



Duluth Transportation Center | Completed 2016



AMSOIL Arena | Completed 2010



Mortenson

Mortenson Letter, courtesy of Mike Ralph

Zoning out

Tailoring the Comprehensive Plan to the data center project was a good first step, but Hermantown officials knew they had more work to do. They needed to change the zoning of the area from S-1 (Suburban) to BLM (Business Light Manufacturing), and they also needed to update the definition for BLM zoning to include data centers as an approved use. They also had to accomplish this while pretending they weren't working behind the scenes to build a giant data center in Adolph.

On April 7, 2025, when the Hermantown City Council had a first reading of an ordinance to change the definition of BLM zoning to include "communication service facilities," city staff explained that they were merely preparing for a hypothetical future.

Community Development Director Johnson: *As the city has been going through our Comprehensive Plan process ... what we like to do is look at different trending industries, different things that are going to happen—you know, things that just weren't envisioned 20, 30, 40 years ago. So this is the first one before us, adding the Communication Services to the definitions of our actual ordinance.*

Later in the meeting, Johnson explained that they wanted to rezone Adolph because it had trains and roads.

Johnson: *As I mentioned previously, the city is finalizing our Comprehensive Plan and, as part of that Comprehensive Plan process, we have looked quite a bit in the southwest corner of the city ... as far as the presence of rail and the public utilities, as well as roadway infrastructure associated with it. And in the Comprehensive Plan we're identifying this*

portion of the city be guided toward Light Industrial or Business Light Manufacturing type of use.



At the following meeting, on April 21, 2025, Johnson reiterated that the city was taking action to better prepare itself for future, unknown opportunities.

Johnson: *As we're aware, in the Comprehensive Plan, we're looking at this portion of the city as a potential light industrial type of use, given the roadway system down there, as well as the electrical possibilities, and the railroad as well ... We've been updating language as we move along, as things become more evident. Once again, as ... light Industrial uses continue to evolve through the years, we thought it just was a good proactive [step] to add Communication Facilities to our definitions and then look into where these could occur at a later date.*

Mayor Wayne Boucher: *So this change in definitions does not set a specific area for that definition to be applied to.*

Johnson: *That is correct. That would happen at a different zoning associated with that, at a later date.*

The residents of Adolph had requested none of these changes, and few appeared to be aware they were occurring. When the changes were reviewed by the Planning & Zoning Commission, on March 18, 2025, only three citizens showed up to speak against them. At the April 21 Council meeting, when the changes were approved, no citizens spoke.



Protest sign, Highway 2 and Midway Road. Credit: John Ramos

Stonewalling citizens

People who accepted Mortenson's offer to buy their homes were required to sign non-disclosure agreements, prohibiting them from discussing details of their transactions. Despite this, word of the land sales quickly spread and neighbors became concerned about what the city was planning for the site.

Tim and Kathy Resberg own a small farm on Midway Road, directly across from the proposed data center site, where they have lived for over 20 years. The Resbergs raise pigs and chickens to sell the meat. They also board horses and goats on their farm.



Tim Resberg. Credit: John Ramos

Tim, a retired electrician, is tall and soft-spoken. When the *Monitor* interviewed him, on Oct. 17, Tim spoke with pleasure of the animals he raised, his completed carpentry projects, the apple orchard he tended near Midway Road, and the corn stalks in his front yard, which he encouraged neighbors to gather for Halloween displays. Tim said that the Resbergs' small farm had become something of a local landmark when they raised Scottish Highlander cows, known for their distinctive long horns.

Tim Resberg: *They were quite an attraction ... They were a real docile animal, and gentle. A lot of people would park up on the road, and then even come down and ask if they could take pictures with their kids, and I said yeah. And then, with the apple orchard, I decided what the heck, I might as well hook the trailer onto the four-wheeler, have the kids pick apples and put them in buckets and then they would get on the back of the trailer and*

we'd go out in the pasture and the cows would come and the kids were laughing and screaming. That's the best sound there is in the world.



Tim Resberg photo of Scottish Highlander cow. Credit: John Ramos

On April 21, 2025, Tim attended the Hermantown City Council meeting to ask what the city was planning across the road. He stood at the lectern for more than ten minutes, patiently repeating his questions and listening with skepticism to the officials' evasive answers.

Tim Resberg: *I've come here to ask questions about the project that's going in the southwest section of Hermantown, between the Morris Thomas Road and the St. Louis River Road and the Midway Road ... We would like to have the City Council give us some information about that, and so far we haven't heard from anybody ... And we'd also like to know about this [holds up the Mortenson letter].*

Mayor Wayne Boucher: *Is that a city publication?*

Resberg: *No, this came from the builders ... We would like to know what's going on, and if you could give us an idea what's going on, it would be awful nice, because youse guys are the ones that started this.*

Boucher: *To be as diplomatic as possible, I'll let our city administrator address that question.*

City Administrator John Mulder: *We know that there's private land transactions going on there. We don't know all the details of that, but we do know that somebody is acquiring property. They're not being...it's not...it's not the city's action; it's simply a private land transaction ...*

Resberg: *It's for this database company that wants to move in.*

Mulder: That's a private land transaction. That's entirely up to them.

Resberg: But youse are the ones that okayed this ... We've heard that ... they were going to send a water line down to this database. Now, do youse know anything about that?

Mulder: We do not have any application for what you refer to as a database at this point in time.

Resberg: So you don't know anything about—

Mulder: The city has talked about the possibility of extending water to the southwest part of the city, because we believe, as part of the Comprehensive Plan, that it is a prime source for development, for industrial uses, because of the transportation, the railway, and the electricity ...

Resberg: Right now, what you're saying is that you don't know nothing about this database.

Mulder: There's nothing that I can share about this, about any of that, at this point in time—other than what's publicly known.

Resberg: It is our homes and our zoning that you're changing, and you don't want to say anything about it.

Mulder: We're not changing zoning on anybody's homes tonight.

Resberg: Well, it's going to Light Business and Manufacturing.

Mulder: Not on anybody's homes tonight! ...

Resberg: So, in other words, this Mortenson deal with the Hermantown project, youse have no idea what that is?

Mulder: Nothing that we can talk about, no. We don't know—

Resberg: Why can't you talk about it to tell us residents out there what's going on in our own city?

Mulder: If a private landowner, private company, wants to buy land, that's not the city's business, because they may or may not be doing something. We don't know that for sure.

Resberg: Well, evidently, youse have to know something, because you changed the zoning for it ... We're talking about the residents that are gettin' a letter about the—

Boucher: Sir? We're approaching eleven minutes in a three-minute limit, and we do have a bunch of other business ...

Resberg: I was just asking a question, it was either a yes or a no about the database.

Boucher: We don't have any information about any database thing at this time.

Resberg was replaced at the lectern by Mike Ralph, who lives on the Saint Louis River Road and had recently received a letter from Mortenson.

Mike Ralph: Mortenson is looking to buy houses and property in the area of Morris Thomas Road, St. Louis River Road, and the Midway Road, and the site selection is for an industrial project in Hermantown in the area of that.

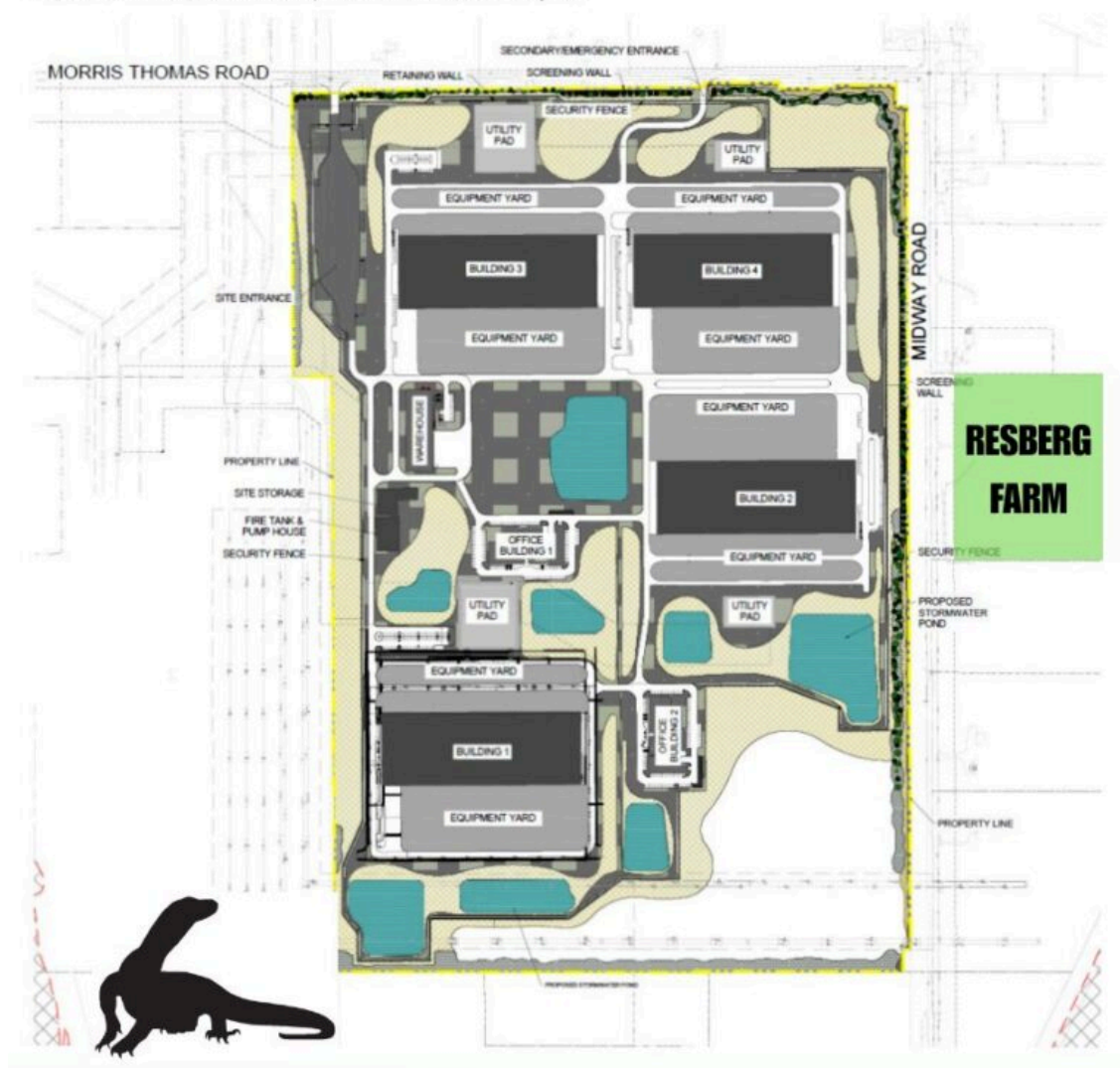
Boucher: Mm-hmm.

Ralph: And you don't know anything about it? You don't know anything about it?

Boucher: Not anything that's public ...

Ralph: That's all I got.

Figure 3: Conceptual Development Scenario Site Layout



Data center conceptual drawing, modified to show proximity of Resberg Farm. Image source: Hermantown Planning & Zoning

A rubber-stamp Council



Throughout the many months, city councilors asked very few questions about any of the ordinances or resolutions before they approved them. Despite the obvious concern of constituents (such as Resberg and Ralph), councilors did not press the city administration for answers.

The first news article to appear about Project Loon was published in the *St. Paul Business Journal* on May 7, 2025: "Mystery Developer Proposed 1.8M-square-foot Industrial Park in Duluth Suburb."

The following day, May 8, Assistant Administrator Wicklund provided the City Council with a list of "useful/to-be-used talking points to help with residents." A selection follows here:

- We work with developers regularly and it is not best practice to share their ideas before any public application.
- City staff regularly meets with developers, residents, individuals to see what is possible in Hermantown. It is common for those interactions to occur, and they are private until there is a public application for a project.
- We certainly have interest in seeing utilities make it to the southwest corner of Hermantown. We are looking at the possibilities, costs and commitments of what that would take, and certainly it would not be possible without significant partnerships.
- We are evaluating options by studying the feasibility of supporting potential development in the southwest corner of Hermantown, so we can create a strong and more diverse economic foundation for the entire region. We know that development would not be possible without the public infrastructure and we know the public infrastructure would not be possible without significant private development. Building those strategic relationships will lead to mutually-beneficial development that will positively impact our entire region.

None of Wicklund's talking points mentioned Project Loon or a data center.

From: [CH-Joe Wicklund](#)
To: [CH-Joe Wicklund](#)
Cc: [CH-John Mulder](#); [Chad Ronchetti](#); [CH-Eric Johnson](#); [David Bolf](#)
Subject: updates - bullet points
Date: Friday, May 9, 2025 10:29:53 AM
Attachments: [Mystery developer proposes 1.8M-square-foot industrial park - Minneapolis - St. Paul Business Journal.pdf](#)

Mayor, Council and key staff members –

In light of the “mystery development in a Duluth suburb” and the Star Tribune interviewing Chad today about the AUAR ... here is the bullet points/note for us to use.

As more media attention is paid to the southwest corner of Hermantown, here are some useful / to-be-used talking points to help with residents and others. If you receive a media request, please start by directing them to me before taking any additional steps. You still may end up being interviewed, but let’s coordinate that appropriately out of my office. As we get more calls, it becomes more important for a central place to keep track of who is asking what questions of us in this process.

- An AUAR (Alternative Urban Area Review) is a tool developers can use to explore the possibilities of a concept on a site and learn more about the environmental impacts. This is a public step, but still affords the developer the appropriate privacy to determine the viability of their idea.
- We do have an AUAR scoping document currently looking at the Adolph area. That document is public and includes the necessary documentation and information for the public at this time, while still allowing the privacy for developers to determine the viability of their idea.
- We work with developers regularly and it is not best practice to share their ideas before any public application.
- City staff regularly meets with developers, residents, individuals to see what is possible in Hermantown. It is common for those interactions to occur, and they are private until there is a public application for a project.
- We certainly have interest in seeing utilities make it to the southwest corner of Hermantown. We are looking at the possibilities, costs and commitments of what that would take, and certainly it would not be possible without significant partnerships.
- We are evaluating options by studying the feasibility of supporting potential development in the southwest corner of Hermantown, so we can create a strong and more diverse economic foundation for the entire region. We know that development would not be possible without the public infrastructure and we know the public infrastructure would not be possible without significant private development. Building those strategic relationships will lead to mutually-beneficial investment that will positively impact our entire region.

If you have questions about any of this, please feel free to call my cell.

Thanks,
Joe

City talking points. Source: City of Hermantown

The City Council’s disconnection from the issues at hand were illuminated at their meeting on June 16, 2025, when staff asked them to approve a contract with Kimley-Horn for right-of-way acquisition services, pertaining to the proposed utility expansion. After listening to Director Ronchetti’s presentation, Councilor Brian Leblanc said, “This is probably more of an adjacent comment, but have we had any discussion, at the city level, about how this may affect our rural part of town and maybe [how we should be] zoning to protect that part of town from development?”

For the past nine months, staff had been diligently working to OPEN that part of town to development—as Leblanc should have been well aware, given that he had approved the Comprehensive Plan Update and changed the zoning definitions to include communications services facilities. With his comments, Leblanc seemed to be harkening back to a distant time that staff had long since forgotten.

Administrator Mulder took it in stride. He responded, “Yes”—suggesting that staff WAS seriously looking at ways to protect Adolph from development. By this, Mulder meant that the city did not plan to extend them further once new utilities had been extended into the area designated in the Comprehensive Plan.

Leblanc said, “Awesome,” and joined his fellow councilors in unanimously approving the Kimley-Horn contract.



Looking ahead

Within the past three weeks or so, the general public has become broadly aware of the proposed changes underway in Adolph—and the response has been astonishing. The Council has received hundreds of letters of opposition and signs opposing the data center are proliferating in the community. Concerned residents packed Solway Town Hall on Oct. 12 to organize and strategize how to prevent the development.

Many residents feel “betrayed”—a word used repeatedly in public letters and comments—by the secrecy and deceit.

Whether this sudden zeal will have any effect on the development is unknown. On Monday, Oct. 20, 2025, the Council will consider changing the zoning for the data center’s remaining parcels. Only a single Council vote remains before the data center project can proceed.

While the room is sure to be packed with opponents and proponents alike, the project’s momentum may prove too high a hurdle for project opponents to clear.

A *Monitor* request for comment emailed to Mayor Boucher, Administrator Mulder, Assistant Administrator Wicklund, Economic Development Director Ronchetti, Community Development Director Johnson, City Engineer Bolf, the Hermantown City Council, two Braun Intertec executives, two Mortenson executives, three Minnesota Power executives (including Duluth City Councilor Arik Forsman, who has served as Minnesota Power’s liaison with Hermantown), ten Kimley-Horn executives and engineers, and other assorted parties on Oct. 17 had received no response as of press time.



Corn stalks at the Resberg farm. Credit: John Ramos

ST. LOUIS COUNTY

St. Louis County Board manipulated public process to silence public input on NDAs

By: John Ramos November 6, 2025



St. Louis County Commissioner Mike Jugovich. Credit: John Ramos

A number of media outlets reported on the events of the St. Louis County Board meeting of Oct. 14, 2025, but none exposed how the board cynically manipulated the public process to silence the voices of community members.



Prior to the regular meetings of the St. Louis County Board of Commissioners, the board allows up to 30 minutes for citizens to address matters not included on the meeting agenda.

On Oct. 14, when members of the public filled almost every available seat in the boardroom, most people were there for two reasons:

- They were concerned about a [data center project](#) being proposed to be built in Hermantown; and
- They were concerned by the recent news reports that three St. Louis County commissioners—Keith Musolf, Keith Nelson, and Annie Harala—had [signed non-disclosure agreements](#) (NDAs) related to the data center, which prevented them from speaking about the proposed Hermantown development in public.

Commissioner Ashley Grimm had placed Resolution 25-500 on the morning's meeting agenda. If passed, the resolution would prohibit elected county commissioners from signing NDAs in going forward.

County Board Vice-chair Mike Jugovich was running the meeting. As he opened the Public Comment period, Jugovich reminded everyone that the Public Comment period was for topics not listed on the meeting agenda. He also said that, if people wanted to speak about NDAs, they would be able to do so during the meeting—when the board considered Resolution 25-500.

Acting Chair Mike Jugovich: *The NDA topic will be on the agenda later ... If [your comments are] about the center itself, we try and separate [that issue from the NDAs], because one is an agenda item.*

Various speakers, however, were unable to separate the data center and the NDA topics and many addressed both. After a few speakers had their turn at the lectern, Jugovich again reminded speakers to save their NDA comments until the board considered the NDA resolution on their agenda.

Jugovich: *For the speakers that are here to discuss NDAs, again, it is an agenda item. It will be on the agenda ... [You can] come up and talk about the center itself, [but] we have [NDAs as] an agenda item [later] and that's usually how we work things.*

After the Public Comment period ended, the regular board meeting began. When the Resolution 25-500 agenda item was up for consideration, Commissioner Grimm made a motion for the board to consider it. None of the other four commissioners in attendance—Chair Jugovich, Patrick Boyle, Keith Nelson, and Keith Musolf—seconded the motion. A second is required for an item to be discussed or considered for a vote. The commissioners' silence also prevented citizens from addressing the board.

Commissioner Grimm asked County Attorney Kim Maki to confirm that a second would simply open the floor for the board to discuss the proposed resolution—specifically, that a commissioner's second did not necessarily correlate to support of the resolution before them.

Commissioner Ashley Grimm: *In the past, county commissioners have seconded something even if they weren't going to vote for it, to allow for public discussion, correct?*

County Attorney Kim Maki: Yes, under Robert's Rules, something can be seconded for discussion purposes only. That's acceptable under the rules.



"Great," said Chair Jugovich. "Second call for a second?"

The four commissioners sat silently.

"Third and final call for a second?" said Jugovich.

All four commissioners gazed into space.

"Okay, motion fails for lack of a second," said Jugovich. "Next up is Commissioner Discussion Items."

People in the audience, who had sat and waited obediently for their turn to speak, raised their voices in protest.

"Use your gavel, Mr. Chair," Commissioner Nelson advised Jugovich.

During the Public Comment period, Chair Jugovich had clearly told the audience to hold their comments on NDAs until the matter came up later in the meeting. Because of this, the chair should have realized he had ethically obligated himself to second the motion. Regardless, he silently joined his counterparts in shutting out any further community input.

Commissioner Grimm was outraged.

Grimm: *I think refusal to consider this item and to allow for public comment, when we see this chamber more packed than I've seen it for any other session, both speaks to a total disservice to our community, as well as a striking example of why we need a policy around prohibiting non-disclosures and increasing transparency with our community. I have never seen something like this in my tenure on the board ...*

Of course NDAs make it harder for the public to learn about a project! The point of NDAs is to hide information from the public. Otherwise, no one would be asked to sign them. It's really simple—this resolution, and our whole job, is about doing the best we can for the community, being transparent, and helping to bring you into the conversation. It's absolutely the opposite of promising businesses, "We won't tell people about county business." It's so simple ...

The one thing, and the most important thing, that the agenda item did is it stopped politicians, elected officials, from being able to start building political will months or years before the public has any chance to give any input—for the billionaire class, no less ... Who are our bosses?

This was an important opportunity to right the ship and to build trust back with the community members who are our bosses. I am truly ashamed of what just happened here.



St. Louis County Commissioner Ashley Grimm. Source: Campaign photo

Grimm's fellow commissioners stared at her in silence until Chair Jugovich adjourned the meeting.

As various audience members began to yell, Commissioners Musolf and Boyle quickly scurried out of the room and disappeared.

Monitor Publisher John Ramos approached Commissioners Jugovich and Nelson with his video recorder running. Commissioner Nelson nudged Jugovich and said, "Hey, we're gonna show up on his blog. That should be fun, huh?"

Ramos addressed Jugovich. "During that Public Comment period, you specifically told people [that] if there were more people who wanted to speak, they could speak on it—it was coming up."

"It never made the agenda," Nelson piped up. "It never made the agenda, sir."

"So all these people waiting to speak on the agenda item, you just—are not going to listen to them now?"

"I never got a second," said Jugovich.

"Well, you could have made that second. Why didn't you make the second?"

"I chose not to," said Jugovich.

"Why didn't you make the second?" Ramos asked Nelson.

"Because I don't give a shit what you think, okay?" said Nelson.

"What was that?"

"I don't give a shit what you think. Okay?"

"Okay. Do you care what your constituents think?"

"I do care what my people think. And, by the way, she [*his body language indicating that he was referring to Commissioner Grimm*] couldn't pass anything."

"Uh-huh. What was that you said you don't give?"

Nelson squared up to the camera and carefully enunciated his words. "I don't give a shit what you think, sir. Okay?"

"Okay," said Ramos. "Thanks."

ST. LOUIS COUNTY

22 county employees signed NDAs for data center project

By: John Ramos October 24, 2025



St. Louis County Administrator Kevin Gray. Image source: Stlouiscountymn.gov



On Oct. 13, 2025, the *Monitor* and other media outlets reported that three St. Louis County Commissioners had signed nondisclosure agreements (NDAs) with Mortenson Development Inc.: Annie Harala, Keith Musolf, and Keith Nelson. These agreements prohibit them from speaking publicly about the proposed [data center project in Hermantown](#).



The data center was already under fire in Hermantown due to that city's lack of transparency. Hermantown officials, too, had previously signed an NDA with Mortenson on May 31, 2024. Many citizens feel that public officials should refrain from keeping secrets about public business.

At the St. Louis County Board meeting on Oct. 14, 2025, Commissioner Ashley Grimm introduced a resolution which would prohibit elected county commissioners from signing NDAs. Because the resolution did not receive a second from any other commissioner, the board avoided voting on the matter. The citizens in attendance were denied an opportunity to share their thoughts on NDAs with the board.

In addition to the three aforementioned commissioners, the *Monitor* has recently confirmed that 22 current St. Louis County employees also signed NDAs with Mortenson.

“Standard practice”?

Not everyone objects to the NDAs. Data center supporters argue that NDAs are necessary because they allow businesses to freely discuss their development plans with public officials.

Duluth Chamber of Commerce President Matt Baumgartner wrote that the controversy was “much ado about nothing” when he issued a statement calling NDAs a “normal and responsible” part of the development process.

[NDAs] allow developers, investors, and local governments to share detailed, often proprietary information that helps determine whether a project is even viable. These early conversations require confidentiality so that both sides can do their due diligence before entering the public arena ...

If a project advances to the point where public investment, incentives, or infrastructure support are being considered, that's when it transitions into the public process. At that stage, transparency, community engagement, and open discussion become essential and expected ...

This is standard practice across Minnesota and the country, helping communities remain competitive in attracting investment while still upholding the principles of transparency and accountability that our public institutions are built upon.

On Oct. 21, the *Monitor* interviewed St. Louis County Director of Economic and Community Development Darren Jablonsky about the county's involvement with the data center project and the Mortenson NDAs. Jablonsky also implied that NDAs were common in county business.

Darren Jablonsky: *Our role is to really help projects along. That's the nature of our business, to help projects continue forward and answer [their questions] the best that we can. We won't have all of the answers, but as the company navigates if they're going to do the project (trying to figure out what the best avenue is [and] if the project's a go or not), we try to answer those questions ... They decide if they're going to move forward with the project, and we won't know until they submit a project proposal. We do thousands of questions a*

year with all kinds of companies and a lot of them won't disclose stuff. Some of them do. Some of them ask us to keep it private. In some of the larger projects, they ask us to keep it confidential through these types of NDAs.



When the *Monitor* submitted a Data Practices request for all NDAs signed by county employees for the past five years, the county provided us with 23 NDAs:

- One NDA was signed by Director of Information Technology Jeremy Craker with the company Cohesity, Inc., on Nov. 9, 2021.
- 22 NDAs were signed by senior county staff in 2024 and 2025, all related to the data center project.

The information received fails to support the claim that signing NDAs is a common county practice.

The signatories

The following county employees and elected officials have signed NDAs with Mortenson Development:

Mortenson NDAs signed by St. Louis County Employees

NDA DATE	EMPLOYEE NAME	JOB TITLE
10/21/24	James Foldesi	Public Works Director
10/21/24	Matthew Hemmila	Deputy Public Works Director
10/21/24	Darren Jablonsky	Director of Economic and Community Development
10/21/24	Victor Lund	Traffic Engineer
10/23/24	Kevin Gray	County Administrator
10/23/24	Brad Gustafson	Economic and Community Development Manager
10/23/24	Mark Lindhorst	Senior Planner
10/24/24	Julie Marinucci	Deputy County Administrator
10/24/24	David Yapel	Planning Manager
10/29/24	Nick Campanario	Assistant County Attorney
10/31/24	Thomas Stanley	Senior Attorney
11/19/24	Donald Rigney	Land Use Planning Manager
11/25/24	Michael Busick	Commercial Real Estate Appraiser
11/25/24	Cory Leinwander	Deputy County Assessor
11/25/24	David Sipila	County Assessor
11/25/24	Kristen Swanson	Assistant County Attorney
11/26/24	Mary Garness	Public Records & Property Valuation Director
11/26/24	Keith Musolf	County Commissioner*
12/02/24	Jason Meyer	Land Commissioner
03/12/25	Annie Harala	County Commissioner*
03/12/25	Kim Maki	County Attorney
03/13/25	Keith Nelson	County Commissioner*
06/16/25	Beverly Biele	Data Practices Coordinator
09/05/25	Nate Anderson	Land Manager
09/16/25	Dana Kazel	Communications Manager

* Elected Official



The response

On Oct. 23, the *Monitor* emailed St. Louis County Administrator Kevin Gray and Communications Director Dana Kazel the following:

The Monitor has been following news reports in which various people claim that it is a common practice for government entities to sign NDAs with companies. To confirm this, we requested all NDAs which county employees have signed within the past five years.

We found it is far from common. With the exception of a single NDA signed in 2021 (with Cohesity, Inc.), there were no more NDAs signed until late 2024/early 2025, when 22 county employees and 3 county commissioners signed NDAs relating to the Hermantown data center project.

The first NDA was signed on Oct. 21, 2024, by Public Works Director Jim Foldesi, and more and more people have signed since. As recently as Sept. 5, 2025, Land Manager Nate Anderson signed one; and on Sept. 16, 2025, Dana Kazel signed one.

That represents a year of planning. So many NDAs, spanning many different departments, suggest the project is further advanced than merely the preliminary planning stage.

1) I am curious to know what the county's discussions have involved.

2) I am also curious about Dana's NDA. As the Communications Manager, Dana is the go-between for county administration and the public. It seems problematic that a Communications Manager would sign an NDA prohibiting herself from talking about certain things.

a) Who asked Dana to sign the NDA?

b) Was Dana asked to sign an NDA in response to media coverage of the project elsewhere? That is, was the county trying to avoid media scrutiny?

c) What response was Dana going to give if asked about the project directly?

Director Kazel responded the same day:

I was asked to sign the NDA by Darren Jablonsky, our director of Economic and Community Development. The purpose of me signing was so that I could be made aware of the situation and be part of conversations related to it.

As communications manager, I am part of the leadership team, which means I am included in many conversations. This enables me to assist with messaging when needed, as well as voice the concerns that I would anticipate being raised so that we'd have accurate and helpful information ready to share should this proposal ever move beyond the evaluation stage.

My response to media inquiries has been to direct them to the City of Hermantown and their website because this is a project being considered for their jurisdiction where they are the zoning authority.



After the *Monitor* informed Commissioner Ashley Grimm about the county's response to our NDA data request, she provided the following statement:

I don't know what pressure staff did or did not have to sign nondisclosures, but at the end of the day staff work under the direction of the county board and are overseen by administration. The county board needs to provide leadership and address the issues these NDAs create for public transparency. The majority of the board has thus far refused to provide this leadership, and in some cases has doubled down on their support for nondisclosure agreements. This is not just a disservice to our community, but to our staff. My colleagues need to revisit the ban on NDAs for elected officials and also create clear and good guidance for staff, now that the whole board knows the scope of what NDAs even exist.
