



CITY COUNCIL MEETING MINUTES

August 03, 2026 at 6:30 PM

7701 County Road 110 West Minnetrista, MN 55364

Pursuant to Minnesota Statutes, section 13D.02, one or more council members may participate remotely.

1) CALL TO ORDER

Mayor Whalen called the meeting to order at 6: 32 p.m.

- a) Pledge of Allegiance
- b) Introductions: City Council: Mayor Lisa Whalen, Claudia Lacy, Peter Vickery, Brian Govern
Staff: City Administrator Jasper Kruggel, Finance Director Brian Grimm, Community Development Director David Abel, Director of Public Safety Craig Squires, Director of Public Works Gary Peters and City Clerk Ann Meyerhoff (Remote)
Consultants: City Attorney Sarah Sonsalla, Kennedy & Graven and City Engineer Alyson Fauske, WSB Engineering

Absent: Cathleen Reffkin

- c) Approval of Agenda

Motion made by Councilmember Vickery, Seconded by Councilmember Govern to approve the Agenda as presented.

Voting Yea: Mayor Whalen, Councilmember Vickery, Councilmember Lacy, Councilmember Govern

2) SPECIAL PRESENTATIONS

- a) a) Employee Appreciations
 - a) Craig Squires - 25 Years
 - b) Trevor Barrett - 10 Years
 - c) Spencer Koch - 5 Years
 - d) Jacob Therres - 5 Years

3) PERSONS TO BE HEARD

4) CONSENT AGENDA

- a) Approve Work Session Meeting Minutes from July 20, 2026
- b) Approve City Council Regular Meeting Minutes from July 20, 2026
- c) Res. No. 81-26 Approve Claims
- d) Ord. No. 508 Lift Assist Ordinance
- e) Res. No. 82-26 Authorizing the Publication of Ordinance No. 508 by Title and Summary
- f) Res. No. 83-26 Accept Bids and Award Contract for Sewer Lining Project
- g) Res. No. 84-26 Approve Side Yard Setback Variance at 5800 Lakeview Drive

- h) Res. No. 85-26 Approve a Simple Subdivision & Variance at 3780 & 3790 Enchanted Lane
- i) Res. No. 86-26 Approve Quote for Decommissioning and Sealing of Well No. 05
- j) Accept MDH Grant for the Decommissioning of Well No. 05
- k) Amend SCADA Services Agreement with AE2S

Motion made by Councilmember Lacy, Seconded by Councilmember Govern to approve the Consent Agenda as presented.

Voting Yea: Mayor Whalen, Councilmember Vickery, Councilmember Lacy, Councilmember Govern

5) PUBLIC HEARINGS

6) BUSINESS ITEMS

- a) Ord. No. 509 Data Center Moratorium

Community Development Director Abel presented an ordinance establishing a one-year moratorium on applications for new data centers within the City of Minnetrista. Staff clarified that no data center application has been submitted or is currently pending. The proposed moratorium was brought forward at the direction of the City Council in response to data center development occurring in the metropolitan area and concerns regarding associated impacts. The moratorium would provide staff and the Council time to study data center development and consider appropriate regulations, conditions, and standards for any future applications. Staff anticipates further discussion with the Council during future work sessions as information is gathered and potential ordinance provisions are developed. Abel also presented a resolution authorizing publication of the ordinance by title and summary due to its length.

Councilmember Govern expressed opposition to the proposed moratorium, noting that there may be a significant opportunity for the City to attract data center development as a first mover. Govern stated that data centers can vary considerably in their impacts and that the Council is capable of evaluating any future proposal to ensure consistency with the character and needs of the community. It was noted that the City currently has only one industrial-zoned lot, meaning a proposed data center would likely require rezoning and would therefore be subject to additional review. The Councilmember also stated that potential impacts such as noise, pollution, and increased power costs are similar to those associated with other heavy industrial uses and questioned whether data centers should be treated differently. Govern indicated opposition to the moratorium while expressing support for conducting a study to develop appropriate regulations for future data center proposals.

The Council discussed the purpose of the proposed moratorium, with the Mayor explaining that it would provide time to develop a more objective framework for evaluating future data center proposals. It was noted that the City currently lacks specific regulations or standards governing data centers and that, once an application is submitted, the City would be required to process the application under applicable law. The moratorium would allow the City to study potential impacts, establish appropriate limitations and safeguards, and develop an ordinance before receiving an application. The Mayor emphasized that the one-year period would serve as a maximum timeframe and that the study could be completed sooner if appropriate regulations are established before the year expires. The moratorium was characterized

as a proactive measure intended to ensure the City is prepared to evaluate future proposals consistently and objectively.

Motion made by Councilmember Lacy, Seconded by Councilmember Vickery to approve Ordinance No. 509 Data Center Moratorium.

Voting Yea: Mayor Whalen, Councilmember Vickery, Councilmember Lacy

Voting Nay: Councilmember Govern

- b) Res. No. 87-26 Authorizing the Publication of Ordinance No. 509 by Title and Summary
Motion made by Councilmember Vickery, Seconded by Councilmember Govern to Approve Res. No. 87-26 Authorizing the Publication of Ordinance No. 509 by Title and Summary.

Voting Yea: Mayor Whalen, Councilmember Vickery, Councilmember Lacy, Councilmember Govern

- c) Ord. No. 510 City Council Pay

City Administrator Kruggel presented Ordinance No. 510 regarding City Council compensation, which was developed based on the framework discussed at the Council's previous work session. The ordinance would increase City Council compensation from \$400 to \$500 per month and the Mayor's compensation from \$500 to \$600 per month, effective January 1, 2027. Staff noted that compensation levels in other communities were reviewed as part of the process and that the proposed amounts are generally in the middle range of comparable communities.

Motion made by Councilmember Vickery, Seconded by Councilmember Govern. Voting Yea: Mayor Whalen, Councilmember Vickery, Councilmember Lacy, Councilmember Govern

- d) 2027 Budget Discussion

Finance Director Grimm presented the first detailed review of the proposed 2027 budget and levy, building on discussions held in June. The preliminary levy is expected to be considered and certified by the end of September so that property tax statements can be prepared for November. The Council discussed major levy-funded areas, including general government services, capital improvement projects, debt, roads, equipment, and maintaining the City's fund balance in accordance with its policy. The preliminary gross levy is approximately \$8.75 million, compared with approximately \$7.83 million for the current year, representing an increase of approximately 11–12%. The increase is primarily attributable to the General Fund and capital improvement needs, including potential records management and finance/ERP software, while the debt levy reflects potential equipment financing and road-related debt. Grimm noted that the road fund remains healthy, with a balance exceeding \$2 million, and that the City's tax rate remains relatively low compared with neighboring communities. Grimm reviewed estimated property tax impacts under the preliminary levy. For a \$450,000 home, assuming a 3.5% increase in property value, the estimated increase would be approximately \$6 per month; for a \$650,000 home, approximately \$10 per month, or \$120 annually; and higher-value homes would see proportionally larger increases. Staff also explained that, for a \$650,000 home in the Westonka School District, approximately 22% of the total property tax bill is attributable to the City, with the County and school district comprising larger portions. Staff indicated that the

County was preliminarily considering an increase of approximately 12%, although its levy remained under development.

The Council also discussed projected employee compensation costs, which are currently budgeted at approximately 4.5% to 6%, depending on bargaining unit and employee status. Staff reported that negotiations are underway with four unions, with discussions progressing with the police bargaining units and Public Works. The Council discussed the importance of maintaining competitive compensation across both union and non-union employees and ensuring that administrative employees are treated equitably when compensation increases are finalized.

The Council further discussed the role and responsibilities of the Personnel Committee, particularly regarding fund balance strategy. The Mayor expressed concern that fund balance strategy should be addressed by the full Council rather than solely by the Personnel Committee and suggested reviewing the City Code and employee handbook to clearly define the committee's responsibilities and authority. Staff noted that the City Code establishes the Personnel Committee and references additional procedures or bylaws in the employee handbook, but staff has not located those provisions in the current handbook. The Council discussed establishing clearer guidelines for the committee's role, with the Personnel Committee focusing on employee compensation, retention, and competitiveness and bringing recommendations back to the full Council for consideration in the context of the overall budget, levy, and fund balance strategy.

7) ADMINISTRATIVE ITEMS

a) Future Agenda Items

a) 2027 Preliminary Levy Adoption

b) Staff Reports

Administrator Kruggel provided an update on upcoming agenda items, noting that the Council's September 17 work session will include discussion of the ATV ordinance, with a draft ordinance expected to be presented for review. Staff indicated that, depending on Council direction, the ordinance could also be placed on the regular business agenda for potential action at a future meeting. Staff also noted that adoption of the 2027 preliminary levy is scheduled for September 9.

c) Council Reports

i) Mayor Lisa Whalen provided several updates. National Night Out was noted as scheduled for the following day. The Mayor also reported attending a recent town hall meeting hosted by County Commissioner Anderson and noted that it provided an opportunity to discuss City matters with residents. The Mayor and City Administrator met with the Mayor and Administrator of Shorewood, Senator Ann Johnson Stewart, and representatives from MnDOT to discuss funding for the Highway 7 corridor. Approximately \$11 million in additional funding is needed to complete all desired roundabouts along the corridor. The discussion focused on the timing and availability of additional funding rather than reallocating funding from projects in Shorewood to projects in Minnetrista. The Mayor also reported that the City is working with MnDOT regarding the most appropriate future traffic control improvements near the proposed Boll property, including consideration of a roundabout or traffic signals. The City is awaiting the transportation study associated with the Boll property before determining the preferred location and strategy for current or future improvements.

ii) Cathleen Reffkin

iii) Claudia Lacy

iv) Peter Vickery gave an update from the last Pioneer-Sarah Creek Watershed Management Commission

v) Brian Govern

8) **ADJOURNMENT**

Motion made by Councilmember Govern, Seconded by Councilmember Lacy to adjourn the meeting at 7:33 p.m.

Voting Yea: Mayor Whalen, Councilmember Vickery, Councilmember Lacy, Councilmember Govern

Lisa Whalen, Mayor

ATTEST:

Ann Meyerhoff, City Clerk