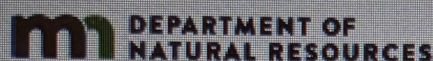


Aubree Derksen

The MPCA as well as all cities in the NZSD and the engineering firm need to pay close attention to the fact that the DNR told Pine Island 1 year ago they'd need a new water treatment facility for the data center. There's now a lawsuit because aquifer and groundwater impacts among other things were not evaluated when they should have been. PI and Ryan Co/Google have also been planning on using the new WWTF for a long time, they even moved a water tower specifically because a data center wanted it for their own water pressure needs, but the new WWTF doesn't appear to have been in the loop on that fact. I also wonder how the business subsidy between PI and Ryan Co/Google factors in to the financial agreements of the NZSD signed by the other parties?



Division of Ecological and Water Resources
Region 3 Headquarters
1200 Warner Road
Saint Paul, MN 55106

Transmitted by Email

April 17, 2025

Elizabeth Howard, City Administrator
City of Pine Island
250 South Main Street
Pine Island, MN 55963

Dear Elizabeth Howard,

Thank you for the opportunity to review the Project Skyway Scoping Document in preparation for an Alternative Urban Areawide Review (AUAR) for the project area located in Goodhue County. The DNR respectfully submits the following comments for your consideration:

1. Page 9, Table 2. Climate Considerations and Adaptations. As energy needs and renewable energy goals put further pressure on agricultural lands, some communities have started to tap into industrial facilities to combine development with energy production through the use of rooftop solar. Installing solar panels on industrial facilities has the added benefit of producing energy right where it is needed without any additional facility footprint. We encourage the City as well as local energy providers to explore the feasibility of combining these land uses to help meet state climate goals as the City plans for the future.

We encourage the developer to consider installing water reuse systems to reduce water usage, and utilize other water conservation measures to the greatest extent possible.

2. Page 16, Geology. With the potential for karst conditions, potential pollutants need to be handled with care in order to protect the drinking water of everyone in the area. Geotechnical investigations should be used to determine that structures on the site will be supported by underlying geologic materials, as well as the suitability of the site for stormwater management.
3. Page 25, Water Appropriation. A DNR Water Appropriation Permit is required if the water pumped exceeds 10,000 gallons in a day, or one million gallons in one year. The DNR General Permit for Temporary Appropriation, with its lower permit application fee and reduced time for review, may be used for the dewatering if the dewatering volume is less than 50 million gallons.



Search



Thank you for the opportunity to review the Project Skyway Scoping Document in preparation for an Alternative Urban Areawide Review (AUAR) for the project area located in Goodhue County. The DNR respectfully submits the following comments for your consideration:

1. Page 9, Table 2. Climate Considerations and Adaptations. As energy needs and renewable energy goals put further pressure on agricultural lands, some communities have started to tap into industrial facilities to combine development with energy production through the use of rooftop solar. Installing solar panels on industrial facilities has the added benefit of producing energy right where it is needed without any additional facility footprint. We encourage the City as well as local energy providers to explore the feasibility of combining these land uses to help meet state climate goals as the City plans for the future.

We encourage the developer to consider installing water reuse systems to reduce water usage, and utilize other water conservation measures to the greatest extent possible.

2. Page 16, Geology. With the potential for karst conditions, potential pollutants need to be handled with care in order to protect the drinking water of everyone in the area. Geotechnical investigations should be used to determine that structures on the site will be supported by underlying geologic materials, as well as the suitability of the site for stormwater management.
3. Page 25, Water Appropriation. A DNR Water Appropriation Permit is required if the water pumped exceeds 10,000 gallons in a day, or one million gallons in one year. The DNR General Permit for Temporary Appropriation, with its lower permit application fee and reduced time for review, may be used for the dewatering if the dewatering volume is less than 50 million gallons and the time of the appropriation is less than one year.
4. Page 25, Water Appropriation. The AUAR should address the water demands for the site and the existing city water system capacity as well as what is proposed for the future city water system. It will be important for the upcoming AUAR to follow the AUAR Guidance in the instructions that says, "If the area requires new water supply wells, specific information about

that appropriation and its potential impacts on groundwater levels should be given; if groundwater levels would be affected, any impacts resulting on other resources should be addressed." In the upcoming AUAR, please include:



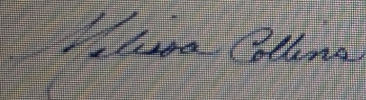
that appropriation and its potential impacts on groundwater levels should be given; if groundwater levels would be affected, any impacts resulting on other resources should be addressed." In the upcoming AUAR, please include:

- a. Details on water demand for each of the scenarios, and compare that demand with the City's current permitted volume and production capabilities. If the area requires new water supply wells, specific information about that appropriation and its potential impacts on groundwater levels should be given; if groundwater levels would be affected, any impacts resulting on other resources should be addressed. The siting of new well(s) would be very important to this analysis.
- b. Evaluation of a new or amended DNR Water Appropriation Permit must include consideration of the sustainability standard (MN statute 103G.287 Subd.5). As per instructions for completing 12.b.iii, please:
 - i. Discuss how the proposed water use is resilient in the event of changes in total precipitation, large precipitation events, drought, increased temperatures, variable surface water flows and elevations, and longer growing seasons.
 - ii. Identify any measures to avoid, minimize, or mitigate environmental effects from the water appropriation.
 - iii. Describe contingency plans should the appropriation volume increase beyond infrastructure capacity or water supply for the project diminish in quantity or quality, such as reuse of water, connections with another water source, or emergency connections.

5. Page 38, Cumulative Potential Effects. The scoping document looked out one-mile from the project area when considering cumulative potential effects, however a new municipal water system would be required for this project and should be fully evaluated based on where new wells would be constructed, what aquifer they would be utilizing, and what resources are within the vicinity that could be affected by the increase in groundwater pumping.

Thank you again for the opportunity to review this document. Please let me know if you have any questions.

Sincerely,



Melissa Collins



Search





impacts on groundwater levels should be given; if groundwater levels would be affected, any impacts resulting on other resources should be addressed. The siting of new well(s) would be very important to this analysis.

- b. Evaluation of a new or amended DNR Water Appropriation Permit must include consideration of the sustainability standard (MN statute 103G.287 Subd.5). As per instructions for completing 12.b.iii, please:
- Discuss how the proposed water use is resilient in the event of changes in total precipitation, large precipitation events, drought, increased temperatures, variable surface water flows and elevations, and longer growing seasons.
 - Identify any measures to avoid, minimize, or mitigate environmental effects from the water appropriation.
 - Describe contingency plans should the appropriation volume increase beyond infrastructure capacity or water supply for the project diminish in quantity or quality, such as reuse of water, connections with another water source, or emergency connections.
5. Page 38, Cumulative Potential Effects. The scoping document looked out one-mile from the project area when considering cumulative potential effects, however a new municipal water system would be required for this project and should be fully evaluated based on where new wells would be constructed, what aquifer they would be utilizing, and what resources are within the vicinity that could be affected by the increase in groundwater pumping.

Thank you again for the opportunity to review this document. Please let me know if you have any questions.

Sincerely,

Melissa Collins

Regional Environmental Assessment Ecologist | Ecological and Water Resources

Minnesota Department of Natural Resources

Phone: 651-259-5755

Email: melissa.collins@state.mn.us



Search





From: [Vose, Robert J.](#)
To: [Craig Britton](#); [Elizabeth Howard](#); [Steven Scheevel](#)
Cc: [Short, Jean M.](#)
Subject: RE: City of Pine Island_Final AUAR Distribution Approval Resolution_DRAFT.docx
Date: Thursday, August 14, 2025 10:53:48 AM
Attachments: [image001.png](#)

Craig:

I'm afraid I hadn't got to reviewing the updated AUAR yet. I just went to do so, but my link has expired.

The Resolution looks fine. Of course, the critical recital is: WHEREAS: Staff have reviewed all comments received during the comment period and incorporated applicable changes into the Final AUAR; and

I doubt that it makes sense for me to review all the comments and the revised AUAR to make sure everything is properly addressed. So we'll all be relying on you, Craig, and Stantec to confirm that recital is accurate.

With respect the development agreement, I believe I've provided a few very high level comments on the initial draft. I don't have anything to add regarding the new exhibit to the DA showing water line routes. The latest wrinkle about a new water tower certainly adds an additional layer of complexity. It seems to me that cost-participation by the City (even if we would have eventually built a new one anyway) constitutes a biz subsidy. Mitch is just updating that policy, and in any case, there will need to an agreement or agreements addressing such subsidy.

Finally, I just simply don't understand what's going on with improvements to 195th and 490th, vacation of 500th and the implications with MnDOT on that, or the other project improvements and



Search



recital is accurate.

With respect the development agreement, I believe I've provided a few very high level comments on the initial draft. I don't have anything to add regarding the new exhibit to the DA showing water line routes. The latest wrinkle about a new water tower certainly adds an additional layer of complexity. It seems to me that cost-participation by the City (even if we would have eventually built a new one anyway) constitutes a biz subsidy. Mitch is just updating that policy, and in any case, there will need to an agreement or agreements addressing such subsidy.

Finally, I just simply don't understand what's going on with improvements to 195th and 490th, vacation of 500th and the implications with MnDOT on that, or the other project improvements and new access points along 52. I'd need that all explained to me to have anything intelligent to add. In particular, I don't know whether a petition and waiver agreement similar to what we already have re: New Haven Township road would make sense. This feels like a sufficiently complex project for us to set aside an hour or so to remotely meet and go over the big pic.

Let me know what I can do, or what it would be best for me to focus on.

Thanks

Robert J.V. Vose | Attorney at Law
Kennedy & Graven, Chartered
Cell: 612.481.3210
Direct: 612.337.9275
rvose@kennedy-graven.com

Fifth Street Towers



Search



PrtSc

Insert



From: [Craig Britton](#)
To: [Bob Vose](#); [Elizabeth Howard](#)
Cc: [Short, Jean M.](#)
Subject: FW: Pine Island - Development Agreement Exhibit DRAFT
Date: Thursday, August 7, 2025 8:02:29 PM
Attachments: [image001.png](#)
[2025 08 07 - Project Skyway - Developer Agreement Exhibit - DRAFT.pdf](#)
[DOCSOPEN-#795070-v2-Petition and Agreement - New Haven Road NW.docx](#)

Hello Bob,

Ryan Companies sent over the attached exhibit that they'd like to include in the development agreement. Most of this seems to be in line with what we've talked with them about, but the future water tower is relatively new. I'm researching elevations and size of the parcel they have carved out, but in general it appears to be OK. Ryan is asking for City cost participation on the tower as well, so that's something we need to discuss. Elizabeth and I talked about it today and generally it seems reasonable since the City has talked about a new tower in the next 5 years or so anyway, but we have to see if this location makes the most sense. Ryan needs it for increased water pressure on their north campus, that's why it's being proposed.

Also, I've been in conversation with Jim Ganz from Pine Island Township about the proposed improvements to 195th Avenue and 490th Street (half of the street will be in the City once annexation takes place). He said generally the Township is OK with the proposed improvements, but this will need to be brought to the Township board once MnDOT agrees to the access points and improvements Ryan is proposing along US 52. Attached is the agreement we have with New Haven Twp on New Haven Road, which is similar in that it's half in the City, half in the Township. Do you



Search



that's something we need to discuss. Elizabeth and I talked about it today and generally it seems reasonable since the City has talked about a new tower in the next 5 years or so anyway, but we have to see if this location makes the most sense. Ryan needs it for increased water pressure on their north campus, that's why it's being proposed.

Also, I've been in conversation with Jim Ganz from Pine Island Township about the proposed improvements to 195th Avenue and 490th Street (half of the street will be in the City once annexation takes place). He said generally the Township is OK with the proposed improvements, but this will need to be brought to the Township board once MnDOT agrees to the access points and improvements Ryan is proposing along US 52. Attached is the agreement we have with New Haven Twp on New Haven Road, which is similar in that it's half in the City, half in the Township. Do you feel a similar agreement is appropriate, or is there another document that you'd recommend?

We're waiting to receive the final AUAR from Skyway and when we do we'll pass it along to you for a glance. The current timeline is to have the final order approved on 8/19, but Jared said today that may get bumped a month if we don't get something back from Skyway shortly.

Elizabeth and I also have questions about the entitlement process and what the City can approve knowing that there's a permitting process with the PUC as well. I know I'm throwing a lot at you, so if you'd like to have a quick call to review some of this please let me know.

Thanks,

Craig Britton, PE

Civil Engineer, Office Manager, VP

507-206-2125

3777 40th Avenue NW Suite 200

Rochester, MN 55901-8297

11.00 in



Search





From: [Craig Britton](#)
To: [Elizabeth Howard](#); [Steven Scheevel](#); [Todd Robertson](#)
Subject: FW: Pine Island - Development Agreement Exhibit DRAFT
Date: Thursday, August 7, 2025 7:43:50 PM
Attachments: [image001.png](#)
[2025 08 07 - Project Skyway - Developer Agreement Exhibit - DRAFT.pdf](#)

Hello All,

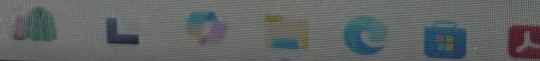
Attached is a draft exhibit Ryan would like to include with the Development Agreement. We'll see what MnDOT says tomorrow about this plan. Jim Ganz is going to join the call as well. If anyone else wants to join at 10:00 just let me know.

Most of this looks to be in line with what we've talked about before, but the water tower was something new that Jared and I talked about today. I'll give it some thought, but Todd if you have some thoughts please let me know. They carved out about 0.75 acres (200'x160') for the tower and I'm checking to see if that's enough. The Hillcrest site is about 0.25 acres (tower parcel only) and Island Heights is about 0.70 acres, without the road in front of Bonnie's.

Thanks,

Craig Britton, PE

Civil Engineer, Office Manager, VP
507-206-2125
3777 40th Avenue NW Suite 200
Rochester, MN 55901-8297



support@onsitecomputersinc.com
On-Site Computers, Inc.
651-209-0265

003237

From: [Sejkora, Erin](#)
To: [Craig Britton](#); [Elizabeth Howard](#)
Cc: [Jared Olson](#); [Mark Maghrak](#); [Bot, Courtney](#)
Subject: Project Skyway AUAR - Wastewater/Water Data Request
Date: Tuesday, April 22, 2025 10:09:57 AM

Good morning Craig and Elizabeth,

Would it be possible to obtain the information listed below to assist us with developing the wastewater and water appropriation sections of the Draft AUAR ideally by the end of the week?

- A copy of the City's NPDES wastewater discharge permit
- Average daily flow was found in the City's Comp Plan. Is there more detail on the city's current wastewater flows and loads as noted below?
 - Average wet weather flow
 - Average BOD load
 - Average TSS load
- Is there a Facility Plan or Engineering Report that describes how design flows/loadings are calculated for the future regionalized North Zumbro WWTF?
 - If not included in a Facility Plan or Engineering Report, have there been any other studies or calculations to determine future (e.g. 2040 or 2050) wastewater flows and loads for the City of Pine Island? Did those calculations include any wastewater projections for future industrial users? If so, how much?
- What is the proposed capacity of the potential 3rd water tower (noted in the Comp Plan, p. 70)? What is the driver for another water tower?
- Are there calculations to determine future (e.g. 2040 or 2050) water demands (average and maximum day) for the City of Pine Island? Did those calculations include any water demand projections for future industrial users? If so, how much?

Please let me know if you have any questions on the information requested.

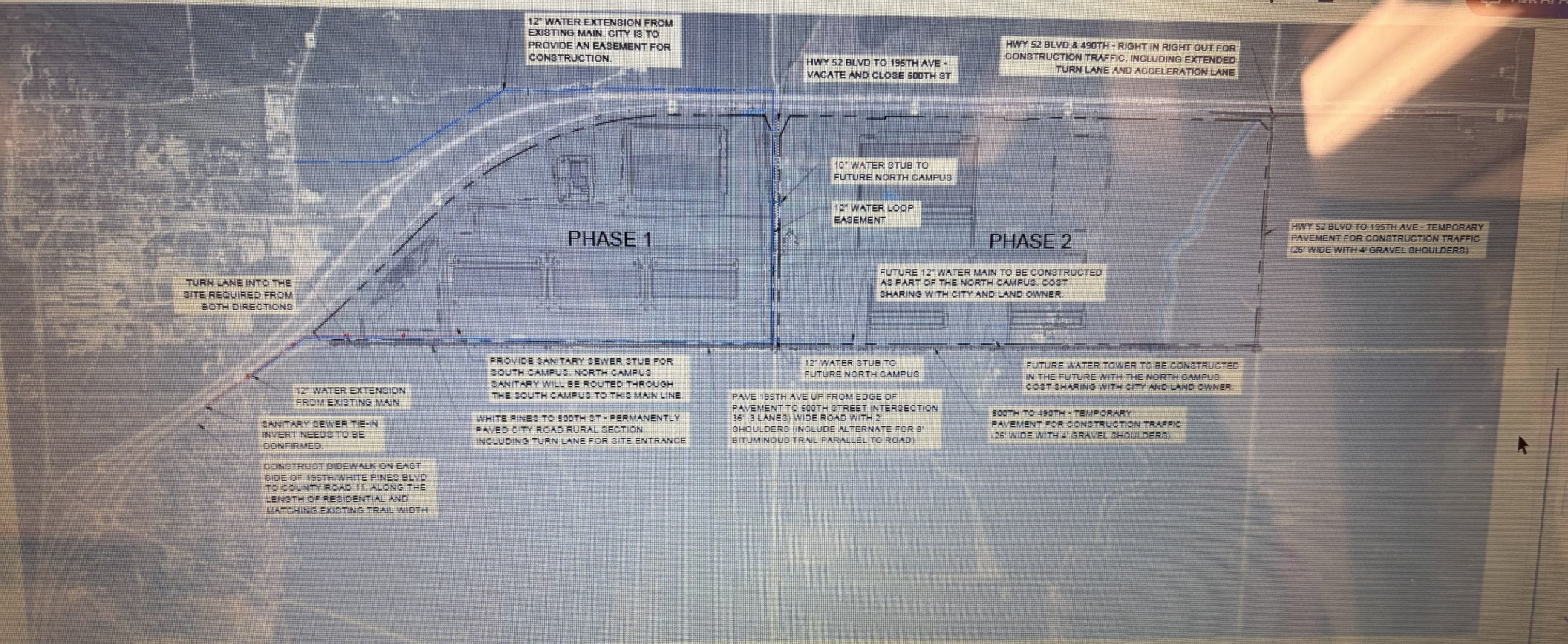
Thank you for your help with this!

Erin Sejkora AICP
Associate, Project Manager
Senior Environmental Planner
She/Her



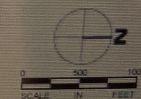
Search

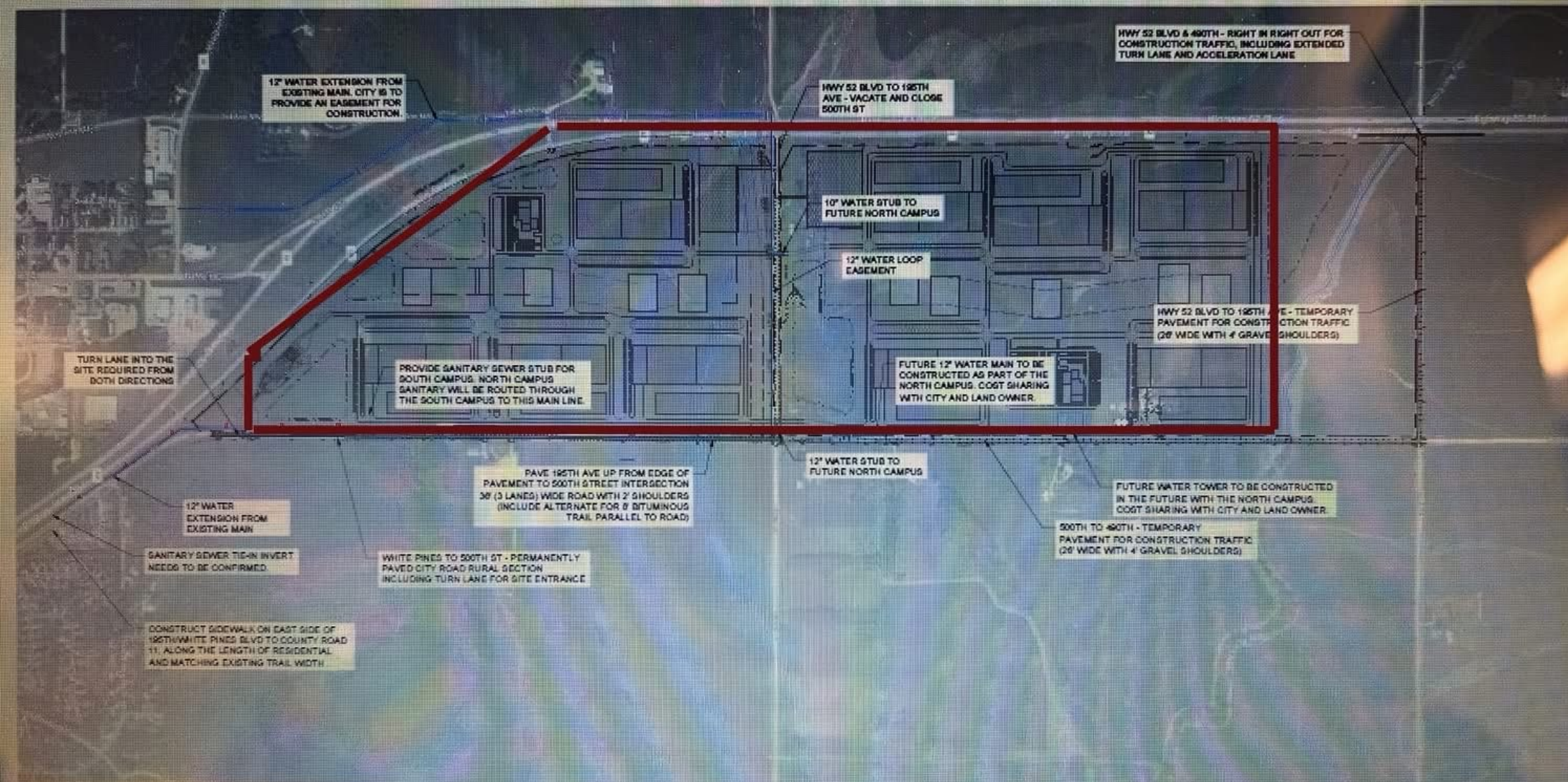




DEVELOPMENT AGREEMENT NOTES

1. ALL PUBLIC IMPROVEMENTS FOR THE SOUTH CAMPUS ARE TO BE DESIGNED AND CONSTRUCTED TO CITY STANDARDS BY THE DEVELOPER AND FUNDED BY THE DEVELOPER.

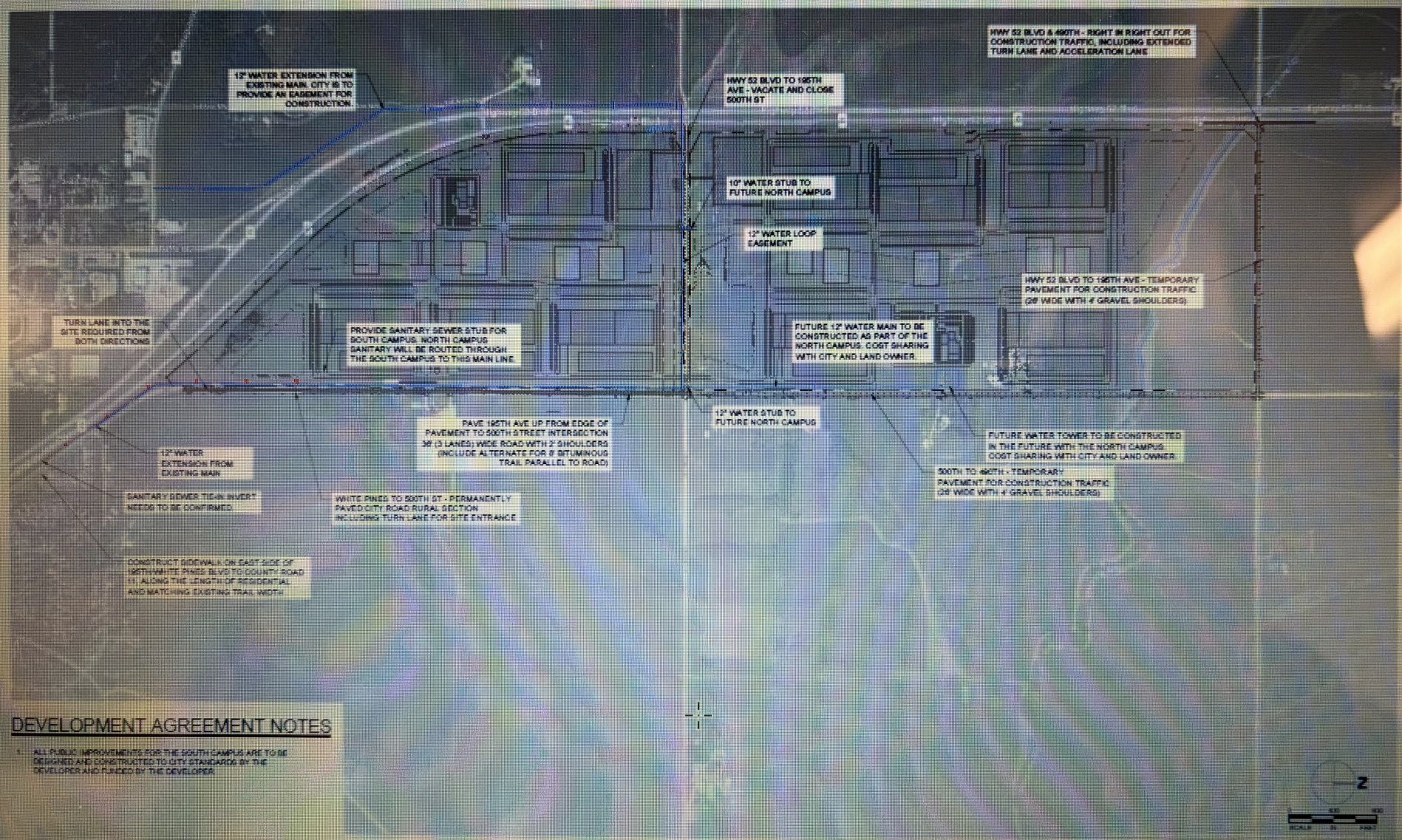




DEVELOPMENT AGREEMENT NOTES

1. ALL PUBLIC IMPROVEMENTS FOR THE SOUTH CAMPUS ARE TO BE DESIGNED AND CONSTRUCTED TO CITY STANDARDS BY THE DEVELOPER AND FUNDED BY THE DEVELOPER.





DEVELOPMENT AGREEMENT NOTES

- 1. ALL PUBLIC IMPROVEMENTS FOR THE SOUTH CAMPUS ARE TO BE DESIGNED AND CONSTRUCTED TO CITY STANDARDS BY THE DEVELOPER AND FUNDED BY THE DEVELOPER.

