

**REGULAR COUNCIL MEETING
CITY COUNCIL CHAMBERS, CITY OF ALBERT LEA
June 23, 2025 – 7:00 P.M.**

PRESENT: Mayor Rich Murray, Councilors Rachel Christensen, Larry Baker, Jason Howland, Reid Olson, Keith Van Beek, Brian Anderson, City Manager Ian Rigg, Public Works Director Steven Jahnke, City Attorney Joel Holstad of Lakes National Law LLP, and City Clerk Daphney Maras.

ADDITIONAL STAFF PRESENT: Sergeant-at-Arms-Public Safety Director JD Carlson, Finance Director Kristi Brutlag

CALL TO ORDER AND ROLL CALL - Mayor Murray called the meeting to order at 7:00 PM. City Clerk Maras administered roll call.

PLEDGE OF ALLEGIANCE - Mayor Murray asked all in attendance to stand and recite the Pledge of Allegiance.

CEREMONIAL ITEMS – Mayor Murray read aloud a Proclamation Honoring the Retirement of Public Safety Director JD Carlson.

Public Safety Director JD Carlson expressed his gratitude and honor to have served the City of Albert Lea.

PUBLIC FORUM

Martha Jones-Sichko paid tribute to Public Safety Director Carlson, expressing her sincere respect and gratitude.

Aron Dean, legal counsel for Alcon Excavating, Inc., addressed the inadvertent bid submitted for the Lead Service Line Replacement project and requested that the bids be rejected.

CONSENT AND APPROVAL OF AGENDA

- A. Approve Minutes of the June 9, 2025 Regular Council Meeting
- B. Approve Minutes of the June 9, 2025 Work Session
- C. License & Permits
- D. Resolution Accepting MSFCA Grant for Albert Lea Fire Rescue

Motion made by Councilor Baker to approve the consent agenda as read, seconded by Councilor Howland. On voice call vote, the following councilors voted in favor of said motion: Christensen, Baker, Howland, Olson, Van Beek, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 25-102
Included with these minutes)

PETITIONS, REQUESTS AND COMMUNICATIONS - None

UNFINISHED BUSINESS - None

NEW BUSINESS

A. 2024 Annual Comprehensive Financial Report

The 2024 Financial Statements have been audited by Bergen KDV and are now available for review by both the City Council and the public. Ryan Engelstad, CPA with Bergen KDV, presented an overview of the 2024 reports.

City staff recommends formal acceptance of the 2024 Annual Comprehensive Financial Report. Mr. Engelstad expressed appreciation for the professionalism and clarity demonstrated by Finance Director Brutlag and her team throughout the audit process.

Councilor Christensen thanked Mr. Engelstad for the comprehensive report and inquired whether there were any specific issues the council should monitor in the year ahead. In response, Engelstad highlighted cybersecurity as a key area of concern, noting that the public nature of municipal websites makes them potential targets. He underscored the importance of ongoing employee training to mitigate cyber risks and strengthen the city's digital defenses.

The City Manager remarked that the city's utility services are in a significantly stronger position today compared to several years ago. He expressed his sincere appreciation to Finance Director Brutlag, not only for her tireless work ethic but also for the exceptional quality of her contributions. He acknowledged the complexities of government finance and commended her unwavering dedication and expertise in navigating those challenges.

Councilor Anderson moved to formally accept the 2024 Annual Comprehensive Financial Report. Council Christensen seconded. On voice call vote, all councilors voted in favor of said motion. Mayor Murray declared the motion passed.

B. Resolution 25-103 Granting Approval of an Interim Use Permit for Habben Properties at 1212 Sykes Street

The Planning Commission met on June 3, 2025 to conduct a public hearing to consider the application for an extension of an Interim Use Permit (IUP) for residential conversion housing to accommodate new and potential employees at Select Foods. The purpose of an interim use permit is to temporarily allow a use under certain conditions that would otherwise not be allowed. In this case, residential uses such as dwellings, apartments, and lodging housing are not permitted within the I-2 industrial district but because of the temporary nature of the request, MN Statute 462.359 allows interim use permits as long as a framework for the land use is established.

The Planning Commission made the following findings:

1. The interim use permit for residential conversion housing will continue to alleviate housing shortages which has contributed to the inability of employers to attract and retain employees.
2. The residential conversion housing will not impact nearby properties as the regular residential zoning code will apply.
3. Adequate utilities, access roads and drainage have already been provided and no additional public costs are expected.

The Planning Commission recommends approval with the following conditions:

1. The property shall adhere to residential noise ordinances.
2. All refuse shall be enclosed in a 3-yard dumpster container and scheduled for regular pick-up.
3. No outdoor merchandise display or sales are allowed.
4. No outdoor storage of construction equipment or materials, including vehicles, trailers, lawn mowers, snow blowers, and other recreational vehicles, is allowed on site.
5. The interim use permit shall expire after 24 months from the date of approval with the option to reapply.

Additional information:

Between one and four people have utilized the temporary housing units at one time, and most of those new hires have found permanent housing in as little as one month, but some have had to stay up to four months.

City staff reviews the calls for service provided by the AL PD for 1212 Sykes Street and found that there have been no calls for service (noise complaints, junk violations, etc.) since the time the IUP was originally issued.

Motion made by Councilor Baker to approve as read, seconded by Councilor Anderson. On voice call vote, the following councilors voted in favor of said motion: Christensen, Baker, Howland, Olson, Van Beek, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 25-103
Included with these minutes)

C. Resolution 25-104 Accepting Donations as Presented to the City of Albert Lea

Albert Lea Roofing is seeking to donate \$12,800 for the replacement of the roof on the Fountain Lake Park Gazebo. This will cover all labor, materials and cleanup for the project.

Albert Lea Roofing is also asking to do the following advertising for this:

1. FAA compliant - Drone Footage
2. Press release of their donation

3. Yard signs placed near the project for up to two weeks after the project completion

Motion made by Councilor Baker to approve as read, seconded by Councilor Anderson. On voice call vote, the following councilors voted in favor of said motion: Christensen, Baker, Howland, Olson, Van Beek, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 25-104
Included with these minutes)

D. Resolution 25-105 Increasing Donation to the All Together Albert Lea Inclusive Playground

The City set aside \$350,000 at the end of 2022 for the Albert Lea Inclusive Playground, and the funds have earned interest. This resolution increases the City's commitment to the All-Inclusive Playground by the interest earned on those funds, approximately \$37,000.

Motion made by Councilor Anderson to approve as read, seconded by Councilor Christensen. On voice call vote, the following councilors voted in favor of said motion: Christensen, Baker, Howland, Olson, Van Beek, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 25-105
Included with these minutes)

E. Resolution 25-106 Accepting Bid for 2025 Lead Service Line Replacement Project – Job 2508

Engineering has reviewed the bids opened on June 3, 2025 for the 2025 Lead Service Line Replacement Project. This project is a City project designed and administered by the City. The project involves the replacement of lead service lines throughout the City. The City has secured a \$500,000 State grant and a \$500,000 Federal grant for this project. An additional \$500,000 State loan has also been secured for this project; it is anticipated that the additional \$500,000 State loan will transfer into a 100% forgivable loan.

This project was let as one advertisement for bids with three sub-groups of 50 service line replacements within. Bidders were allowed to bid on any combination of groups 1-3, and the contract is awarded to the low bidder for each group. The Engineer's estimate was \$1,338,421.98. Engineering received 4 bids for groups 1 and 3 and five bids for group 2. The bid results are as follows:

Contractor	Bid	Bid	Bid	TOTAL
	Group 1: 50 services	Group 2: 50 services	Group 3: 50 services	

Alcon Excavating Inc. Rochester, MN	\$181,106.48	\$216,967.65	Incomplete	\$398,074.13
H&M Underground Solutions Austin, MN	\$367,130.40	\$418,937.20	\$480,495.00	\$1,266,562.60
BCM Construction, Inc. Faribault, MN	\$433,865.40	\$479,101.70	\$532,708.00	\$1,445,675.10
Platinum Plumbing Solutions, LLC Albert Lea, MN	no bid	\$357,120.60	no bid	\$357,120.60
Five Star Energy Services Waukesha, WI	\$740,950.60	\$783,729.60	\$896,306.00	\$2,420,986.20

Alcon Excavating Inc. had an error in Bid Group 3. They failed to put numbers in two of the larger bid items. Due to this, the bid was not considered complete and was not considered. Alcon Excavating Inc. was considerably below the engineer's estimate and other bidders on Bid Group 1 and Bid Group 2. They are currently evaluating whether to accept the bid or decline the work and forfeit the 5% bid bond.

H&M had additional errors in groups 2 and 3, again not impacting the low bid. The bid totals above are the correct amounts.

This Resolution acknowledges that the bids were accepted and summarizes the bids.

Engineering is recommending the low bid for each of the project groups. If Alcon chooses to decline the work, the bid will be awarded to the next low bidder in the amounts listed above. The bid abstract is attached.

In response to Councilmember Baker's questions, City Attorney Holstad explained that the matter requires further review with the City Manager and Public Works Director Jahnke before a final recommendation can be made regarding how to proceed with the failed and withdrawn bids from Alcon.

Motion made by Councilor Howland to award the bid to the lowest responsive bidder, seconded by Councilor Olson. On voice call vote, the following councilors voted in favor of said motion: Christensen, Baker, Howland, Olson, Van Beek, Anderson. Mayor Murray abstained. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 25-106
Included with these minutes)

MAYOR AND COUNCIL REPORTS

First Ward, Councilor Christensen reported:

- Ward Items – None
- Committee Update – Mentioned exciting developments happening with Blue Zones in Albert Lea, including the walking Moais. The Senior Center is preparing a request for proposals for a new location for the Senior Center.
- Public Announcements – The city will launch its new website on Tuesday. Expressed sincere gratitude to Executive Director Shari Sprague, congratulating her on her departure and recognizing her dedicated years of service to the Chamber of Commerce. In addition, heartfelt thanks were extended to JD Carlson upon his retirement, honoring his outstanding service and commitment to the City of Albert Lea.

Second Ward, Councilor Baker reported:

- Ward Items – None
- Committee Update – He attended the recent Southern Minnesota Area of Rural Transit (SMART) board meeting. He reported the statistics of passengers, miles traveled, and hours.
- Public Announcements – Attended the Hatch open house, aka Makerspace. He described it as an impressive space for entrepreneurs.

Third Ward, Councilor Howland reported:

- Ward Items – None
- Committee Update – Attended last week's Park & Rec Board meeting at Edgewater Cottage. The board provided updates on the status of various recreation facility projects. He encouraged council members to visit the arena to view the progress on the lobby renovations. He also reported that the boilers at the Aquatic Center are now operational. However, construction on the new entrance is scheduled to begin after the pool season concludes. Installation of the new windows and doors at the Marion Ross Center is expected in late July. Will be attending the CVB meeting tomorrow and will report on that next week.
- Public Announcements - None

Fourth Ward, Councilor Olson reported:

- Ward Items – Working on a couple of ward items.
- Committee Update – None
- Public Announcements – Extended appreciation to the Fair Board for booking numerous events at the Fairgrounds.

Fifth Ward, Councilor Van Beek reported:

- Ward Items – None

- Committee Update – Attended the first Human Rights Commission meeting last week.
- Public Announcements – He participated in the Ride for Heroes program in Clarks Grove last week, where a substantial amount of money was raised for local heroes. He will be attending the Isaiah Round Table discussion later this week.

Sixth Ward, Councilor Anderson reported:

- Ward Items – Working on a couple of ward items.
- Committee Update - None
- Public Announcements – Recently attended the Chamber After-Hours event and expressed gratitude to Shari Sprague for her dedicated service as Chamber Director. He will be succeeding her as Chair of the Relay for Life.

MAYOR REPORT:

Attended the following events:

- The Freeborn County work session with the ALEDA Director and Councilor Baker. They presented on receiving housing funds.
- Met with the Albert Lea Health Care Coalition
- Wind Down Wednesday
- Met with the ALEDA Director
- Thursdays on Fountain
- Eddie Cochran weekend. He reported there were 240 cars to view.
- Park and Rec Board meeting with Councilor Howland
- Juneteenth Program at Edgewater Pavilion
- Attended the Ride for Heroes with Councilor Van Beek and presented raised funds to the group
- Judged at the Albert Lea Truck Show held at the Fairgrounds and commended the young group of people who put this truck show together.

Mentioned the upcoming events and said they are also listed on the City's website.

CITY MANAGER REPORT

- Attended the Pride Festival held at Central Park on Saturday
- He and the Public Works Director met with the Watershed Director to discuss working together on projects
- Noted alternatives are being reviewed for the 300 block, and exploring grant funding options to remove the old Merrick building
- Will be attending the LMC conference later this week
- Thanked JD Carlson for his many years of service to the community and the country as a Marine

APPROVAL OF CLAIMS

A. Resolution 25-107 Approving Claims

- (1) Presentation of Claims Over \$25,000

The attached resolution directs the Mayor and City Treasurer to issue the payment of claims as presented in the Detail of Claims report. In addition, Maras displayed a list of claims over \$25,000 for the public's viewing, transparency, and education.

Motion made by Councilor Anderson to approve the claims, seconded by Councilor Howland. On voice call vote, the following councilors voted in favor of said motion: Christensen, Baker, Howland, Olson, Van Beek, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

See Secretary's Original Resolution 25-107
Included with these minutes)

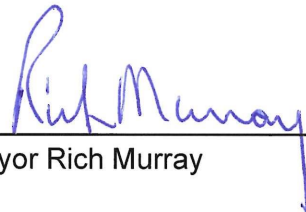
Councilor Howland motioned for adjournment; Councilor Van Beek seconded. That there being no further business, the Council meeting adjourns until the next regular meeting of the Albert Lea City Council at 7:00 p.m. on Monday, July 14, 2025. On a voice call vote, all councilors voted in favor of said motion.

Mayor Murray declared the motion passed and the meeting adjourned.

ADJOURNMENT: 8:13 P.M.



Daphney Maras
Secretary of the Council



Mayor Rich Murray