REGULAR COUNCIL MEETING
CITY COUNCIL CHAMBERS, CITY OF ALBERT LEA
October 13, 2025 – 7:00 P.M.

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

ABSENT: Councilor Jason Howland and Brian Anderson

ADDITIONAL STAFF PRESENT: Chief of Police Darren Hanson, Human Resource Director Mike Zelenak, Finance Director Kristi Brutlag, and Building/Zoning Official Wayne Sorensen

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

A. Proclamation Declaring October as Domestic Violence Awareness Month

Mayor Murray formally presented the Proclamation declaring October as Domestic Violence Awareness Month. Maureen Williams Zelenak and Kim Tiegs, representing the Freeborn County Crime Victims Crisis Center (CVCC), accepted the proclamation and shared details about the upcoming awareness walk scheduled for October 15, hosted by CVCC to help end domestic violence. They also announced that purple signs and lights are available for residents to display in their yards as a visible show of support for the cause.

PUBLIC FORUM – Terri Jensen expressed her support for the proposed zoning change affecting 21133 and 21135 775th Avenue, stating that the properties are more appropriately designated as part of an Interstate Development District rather than remaining under their current Residential zoning.

CONSENT AND APPROVAL OF AGENDA

A. Approve Minutes of the September 22, 2025 Regular Council Meeting
B. Approve Minutes of the September 22, 2025 Work Session
C. Approve Minutes of the September 24, 2025 Special Meeting Minutes_SRRWD
D. License & Permits
E. Resolution Calling a Public Hearing on Proposed Assessments for Delinquent Water/Sewer Accounts and Miscellaneous Accounts Receivable
F. Resolution Calling a Public Hearing on Proposed Assessments for 2025 Neighborhood Improvement Project (Job 2501)
G. Resolution Calling a Public Hearing on Proposed Assessments for 2025 State Aid Street Overlay Project (Job 2502)

H. Resolution Calling a Public Hearing on Proposed Assessments for 11th St. Reconstruction Project (Job 2503)
I. Resolution Authorizing Clean Up of 601 Main Street West
J. Resolution Authorizing Advance Purchase of two 2026 CIP Police Squad Vehicles
K. Resolution Authorizing the Sale of 917 Broadway Avenue South
L. Resolution Approving Broadway Ridge Grant for 101 South Broadway – Albert Lea Art Center
M. Appointment of Risha Eriksmoen to the Heritage Preservation Commission

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

(See Secretary's Original Resolution 25-161 through 25-168
Included with these minutes)

PETITIONS, REQUESTS, AND COMMUNICATIONS - None

UNFINISHED BUSINESS

A. Ordinance 25-146 Amending Chapter 2, Administration, Article VI. – Boards, Commissions and Authorities – Division 4. Human Rights Commission (2nd Reading)

The ordinance required revision to reflect the commission's new role. Previously tasked with investigating and forwarding discrimination claims to the state, the commission now serves as an advisory committee. Responsibility for investigating discrimination and human rights violations has shifted entirely to the state.

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

(See Secretary's Original Ordinance 25-146
Included with these minutes)

NEW BUSINESS

A. Public Hearing Related to Vacating of Street Lying within 620 Main Street East and 538 Main Street East

Mayor Murray opened the public hearing. He called for public comment three times. Hearing none, he closed the public hearing.

A1. Resolution 24-169 Approving Vacating of Street Lying within 620 Main Street East and 538 Main Street East

Clark Street extends into the properties between 620 and 538 E Main Street. No actual road exists, and staff is recommending vacating this small section to clean up any property boundary or ownership issues.

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

(See Secretary's Original Resolution 25-169
Included with these minutes)

B. Public Hearing Related to Modification of TIF District No. 5-28

Mayor Murray opened the public hearing. He called for public comment three times. Hearing none, he closed the public hearing.

B1. Resolution 24-170 Approving a Modification to the TIF Plan for TIF District No. 5-28 and the Amendment of an Internal Loan

The attached resolution expands and modifies Tax Increment Financing District 5-28, which was created in 2020 and first modified in 2021 to accommodate the development of Vortex Cold Storage. Expanding the district will allow for future development on the same site as well as additional Port Authority property to the North (which will be added to the district in November). This resolution also allows for an interfund loan advance of up to $2,000,000 for qualified costs related to the development.

As previously presented during the Work Session, Rebecca Kurtz of Ehlers joined via Zoom to repeat her presentation.

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

(See Secretary's Original Resolution 25-170
Included with these minutes)

C. **Resolution 24-171 Approving Donation of Appliances for the Albert Lea Municipal Airport**

A 2014 Samsung refrigerator and a 2018 Whirlpool range were donated to the Albert Lea Municipal Airport. The estimated value of the appliances is $325.00 per appliance for a total of $650.00. The said donation fits the criteria set forth in the City’s donation policy.

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

(See Secretary's Original Resolution 25-171
Included with these minutes)

D. **Resolution 25-172 Accepting Bid for the Front Street Basin Project – Job 2507**

In December of 2024 the Council approved executing a Minnesota Pollution Control Agency (MPCA) Grant Agreement for the Front Street Basin Project. The project is to increase the stormwater storage areas and create a trail system on the city-owned property south of West Front Street, and between 4th Avenue West and Maplehill Drive. In February, the Council approved the preparation of plans and specifications and authorization of bidding.

Engineering and HR Green have reviewed the bids opened on Tuesday, September 23, 2025 for the Front Street Basin Project. The city received five bids. Engineering is recommending the low bid of $460,313.75 from Jensen Excavating & Trucking LLC of Albert Lea, Minnesota. The Engineer's estimate was $877,112.34. The bid abstract is attached.

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

(See Secretary's Original Resolution 25-172
Included with these minutes)

E. **Resolution 25-173 Accepting the Offer of the Minnesota Public Facilities Authority to Purchase a $637,142.00 Taxable Grant Anticipation Revenue Note of 2025C, Providing for its Issuance and Authorizing Execution of a Minnesota Public Facilities Authority Master Loan (Bond Purchase) and/or Grant Agreement and a Lead Service Line Replacement Program Order ID Albert Lea**

The 2023 Minnesota Legislature appropriated $240 million for lead service line replacements, and approximately $40 million per year in federal funds from the Infrastructure Investment and Jobs Act is also available. To access these funds, public water systems apply through the Drinking Water Revolving Fund, which is jointly administered by the Minnesota Department of Health (MDH) and the Public Facilities Authority (PFA).

In 2025, the City of Albert Lea applied for and received loan and grant funding to replace approximately 150 private and public lead water services. As part of this, the City is to issue a $637,142 Taxable Grant Anticipation Revenue Note. This note issuance will be on October 28th. The PFA will repay the full amount of the note through a grant and Master Agreement.

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

(See Secretary's Original Resolution 25-173
Included with these minutes)

F. **Resolution 25-174 Authorizing Amendment No. 1 to the Professional Services Agreement with Bolton & Menk Inc. for the Valley Avenue & Marshall Street Reconstruction Project - Job 2517**

In April 2025, the City Council authorized staff to enter into a professional services agreement with Bolton & Menk, Inc. for design and construction oversight services for the Valley Avenue Reconstruction Project

The project includes the complete reconstruction of Valley Avenue from Johnson Street to Hawthorne Street, including pavement, curb and gutter, sidewalk, retaining wall, storm sewer, sanitary sewer, and watermain replacement. Construction is scheduled for 2026 and will be funded through a combination of federal funds, State Aid funds, sewer and water funds, and special assessments. Federal funding reimbursement will occur between 2026 and 2028.

During preliminary data collection and design, several deficiencies were identified in the existing sanitary sewer along Valley Avenue, including shallow pipe depths and sections installed at less than the minimum grade. These issues have contributed to sewer backup problems in the area. Extending the project to include Marshall Street—from Valley Avenue to approximately 50 feet west of Bridge Avenue—will allow the new sanitary sewer to be installed at a deeper elevation with proper grade to improve system performance and reliability.

This amendment, in the not-to-exceed amount of **$58,000**, adds the design of the Marshall Street segment to the existing contract with Bolton & Menk, Inc. City Manager Rigg clarified that this does not involve the work that has already been done but rather extending from that area and moving West.

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

(See Secretary's Original Resolution 25-174
Included with these minutes)

G. **Resolution 25-175 Accepting Bid and Awarding Contract for Demolition of 338 Broadway Ave.**

Bids were received, opened, and tabulated on September 30, 2025. The lowest responsive bid was submitted by Dulas Excavating, Inc. of Wells, MN. The total of all four scopes is $595,000. At this time, staff recommends proceeding with Scope 3, which includes the demolition of 338 Broadway Avenue South, removal of its foundation, and removal of the remaining foundations at 332 and 324 Broadway Avenue South, properties previously demolished. The unstable condition of 338 Broadway Avenue South had previously prevented the safe removal of the adjacent foundations.

The bid for Scope 4, which involves the demolition and foundation removal of 314 Broadway Avenue South, has been accepted. However, execution of this scope will be deferred until a separate development agreement authorizing the demolition is finalized and approved by the City Council.

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

(See Secretary's Original Resolution 25-175
Included with these minutes)

H. **Resolution 25-176 Approving 1 Year Agreement with Kavira Health**

This service is funded through savings from our current health insurance renewal and is designed to promote employee wellness while potentially reducing future healthcare costs.

Councilor Christensen expressed support of this program for one year, while encouraging the city to remain open to emerging health care opportunities in Albert Lea on behalf of the Health Care Coalition, and thoughtfully consider what they might offer.

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

(See Secretary's Original Resolution 25-176
Included with these minutes)

I. **Resolution 25-177 Approving Minnesota Employment and Economic Development Cleanup Grant Application.**

The attached resolution approves the submission of a Contamination Cleanup Grant to MN DEED for costs associated with assessing and contamination cleanup at the Albert Lea Family Housing site on the Blazing Star Landing. The grant application is due to MN DEED on November 3, 2025.

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

(See Secretary's Original Resolution 25-177
Included with these minutes)

J. **Resolution 25-178 Committing Local Match and Authorizing Contract Signature**

The attached resolution authorizes the City Manager to enter into agreements with the

Department of Employment and Economic Development to secure contamination cleanup funding for the Albert Lea Family Housing project at Blazing Star Landing. It also affirms the City of Albert Lea's commitment to provide the required local match, representing 25% of the total project costs, estimated between $137,500 and $171,250.

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

(See Secretary's Original Resolution 25-178
Included with these minutes)

K. **Ordinance 25-147 Amending Zoning and Landuse Map from R-2 to B-2 - 642 Marshall and 437 Bridge Avenue (1st Reading)**

Security Bank Minnesota applied to re-zone 642 Marshall Street and a portion of 437 Bridge Avenue (a parcel with split zoning) from one to four Family Residence (R-2) to Community Business (B-2) to allow for future expansion of parking and building areas for Security Bank. A portion of 437 Bridge Avenue is already zoned (B-2), which eliminates the concern for spot zoning.

In addition, the 2040 Comprehensive Plan identifies this area as commercial, which includes both large-scale and local serving uses.

The Planning Commission held a public hearing on October 7, 2025 and after considering the staff report in addition to public testimony, the commission recommends approval based on the following:

1. Rezoning the property will not have an adverse effect on existing and adjacent residential properties, as the use has existed in that area for well over 40 years.
2. The use meets the general zoning requirements of the commercial district.

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

(See Secretary's Original Resolution 25-147
Included with these minutes)

L. **Ordinance 25-148 Amending Zoning and the Landuse Map from Single Family Residence District (R-1) to Interstate Development District (IDD) for Property Located at 21133 and 21135 775th Ave. (1st Reading)**

Terri Jensen, ALC, a listing broker on behalf of the property owners at 21133 and 21135 775th Ave. applied to re-zone the properties from Single Family Residence (R-1) to Interstate

Development District (IDD) in order to proactively plan for future sale and development of the properties. Property directly across Interstate I-35 is currently zoned IDD, which eliminates the concern for spot zoning. In addition, the 2040 Comprehensive Plan identifies this area as industrial in nature, which allows for design, assembly, processing, storage, warehousing and other uses associated with manufacturing options.

The Planning Commission held a public hearing on October 7, 2025 and after considering the staff report in addition to public testimony, the commission recommends approval based on the following:

1. Rezoning the property will not have an adverse effect on existing and adjacent properties as the area is largely commercial and/or industrial.
2. The use meets the general zoning requirements of the Interstate Development District.

Building and Zoning Official Wayne Sorensen clarified that the IDD Zone requires thorough site plan review by the Planning Commission for each proposed use. Every application must follow the prescribed review process. Final approval of the site's design rests with the City Council.

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

(See Secretary's Original Resolution 25-148
Included with these minutes)

MAYOR AND COUNCIL REPORTS

First Ward, Councilor Christensen reported:

- Ward Items – None
- Committee Update – She and the City Manager and Councilor Howland met with officials from the County last week where they discussed collaboration and the sharing of resources. Particularly IT issues. Blues Zones meets this week under the leadership of acting chair Tricia Dahl. The Senior Center group will be meeting on Wednesday to review proposals on a new Senior Center location.
- Public Announcements – Spoke of the Domestic Violence and reminded the public there are resources available locally.

Second Ward, Councilor Baker reported:

- Ward Items – None
- Committee Update – Attended an ALEDA meeting last week. Will be attending an upcoming HPC meeting. Will be joining the tour of a coal-burning power plant with Freeborn Mower Electric
- Public Announcements - None

Third Ward, Councilor Howland reported: ABSENT

- Ward Items –

- Committee Update –
- Public Announcements -

Fourth Ward, Councilor Olson reported:
- Ward Items – None
- Committee Update – Airport Advisory meeting a few weeks ago. Topic of discussion was the size and type of new hangar that is going to be installed at the airport.
- Public Announcements – None

Fifth Ward, Councilor Van Beek reported:
- Ward Items – Working on a ward item.
- Committee Update – None
- Public Announcements – None

Sixth Ward, Councilor Anderson reported: ABSENT
- Ward Items –
- Committee Update –
- Public Announcements -

MAYOR REPORT:
Mayor clarified to the public that while council meetings may appear to move swiftly through agenda items, this efficiency stems from the in-depth discussions held during Work Sessions and the advance distribution of council packets, which members review thoroughly prior to the meeting.

Attended the following events:
- Entrepreneurial Bridge event at Wedgewood Cover last week.
- A 300 Block meeting
- Attended the Out of Darkness walk that started at Trinity Church, ending at New Denmark Park
- ALEDA Board meeting
- Freeborn County Courthouse Crime Victims Crisis Center gathering
- The National Honor Society, where 45 students were inducted
- Homecoming week
- Daybreakers Kiwanis
- Big Island Rendezvous
- Albert Lea High School choir concert
- Met the new Chamber of Commerce Director
- Met with the Golden Kiwanis at the Historical Center
- Lunch and Learn at City Hall – Disaster Preparedness
- Human Rights Commission
- Stars Mentoring Cookoff between himself and the Mayor of Austin
- Landfill Fall Cleanup

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

CITY MANAGER REPORT

- Met with the County Officials to discuss collaboration efforts and have agreed to meet on a quarterly basis
- Strategic Plan meeting is on Sat., October 18th
- Met with the Watershed regarding the renewal of the sales tax
- Will be attending a conference beginning on Oct. 20th
- Working on budget and CIP
- Described the positive future of Vortex and the benefits of the TIF as discussed earlier on the agenda

APPROVAL OF CLAIMS

A. Resolution 25-179 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 Baker to approve the claims, seconded by Councilor Van Beek. On voice call vote, the following councilors voted in favor of said motion: Christensen, Baker, Olson, Van Beek, and Mayor Murray. Mayor Murray declared the motion passed.

See Secretary's Original Resolution 25-179
Included with these minutes)

CLOSED SESSION

Property Purchase – 13D subd. 3 (C)(1) – PID 08-025-0101

Motion made by Councilor Christensen to move into closed session at 8:07 PM, seconded by Councilor Baker. On voice call vote, the following councilors voted in favor of said motion: Christensen, Baker, Olson, Van Beek, and Mayor Murray. Mayor Murray declared the motion passed.

Motion made by Councilor Baker to move out of closed session at 8:17 PM, seconded by Councilor Van Beek. On voice call vote, the following councilors voted in favor of said motion: Christensen, Baker, Olson, Van Beek, and Mayor Murray. Mayor Murray declared the motion passed.

Staff received direction from Mayor Murray during the closed session.

Councilor Christensen 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, October 27, 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: 8:18 PM

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Mayor Rich Murray

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Daphney Maras
Secretary of the Council