REGULAR COUNCIL MEETING
CITY COUNCIL CHAMBERS, CITY OF ALBERT LEA
September 22, 2025 – 7:00 P.M.

PRESENT: Mayor Rich Murray, Councilors Rachel Christensen, Larry Baker, Jason Howland, 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.

ABSENT: Councilor Reid Olson

ADDITIONAL STAFF PRESENT: Deputy Police Chief Darren Palmer, Finance Director Kristi Brutlag, Community Engagement & Enrichment Director Cathy Malakowsky.

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 – None

PUBLIC FORUM

Cody Schaefer expressed concerns regarding taxation and snow removal services.

Bruce Manwarren spoke of deteriorating fences along the highway that require repairs.

Thomas Newell voiced his opposition to the Economic Director's decision to move overseas and maintain a remote work arrangement.

CONSENT AND APPROVAL OF AGENDA

A. Approve Minutes of the September 08, 2025 Regular Council Meeting
B. Approve Minutes of the September 08, 2025 Work Session
C. License & Permits
D. Resolution Supporting the Freeborn County Regional Trail Designation Application in Greater Minnesota for the Songbird Trail – Job 2411
E. Resolution Authorizing Solar on Public Buildings (SPB) Grant Program Application and Solicitation of Quotations – 2025 Misc. 226
F. Resolution Authorizing Execution of the MNDOT Grant Agreement for the Albert Lea Municipal Airport Snow Removal Equipment (SRE) Purchase – Job 2509
G. Resolution Accepting Towards Zero Deaths (TZD) Enforcement Grant

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

(See Secretary's Original Resolution 25-153 through 25-155
Included with these minutes)

PETITIONS, REQUESTS, AND COMMUNICATIONS - None

UNFINISHED BUSINESS - None

NEW BUSINESS

A. **Resolution 22-157 Adopting 2026 Preliminary Budget and Property Tax Levy**

This resolution adopts the 2026 preliminary general fund budget and tax levy. The levy is an 8% increase over the 2025 final tax levy. The preliminary property tax levy of $9,769,700 can be reduced before final adoption in December, but not increased. Finance Director Kristi Brutlag provided a presentation on the 2026 Preliminary General Fund Budget and General Fund and Debt Tax Levy, outlining the information as presented at the work session before this council meeting.

Brutlag noted that the $1 million allocated for personnel services, some of which reflect costs associated with the compensation and classification study, set to conclude in 2026, and the launch of the Minnesota Paid Leave Program, also beginning in 2026. Aside from these additions, overall expenses remain largely consistent with 2025. City Manager Rigg noted that nearly 30% of personnel expenses stem from three key items: approximately $120,000 for the additional patrol officer, $100,000 in workers' compensation costs, and $50,000 for the State-mandated paid leave insurance program. In response to Councilor Anderson's inquiry, he outlined the annual costs associated with implementing the compensation and classification pay equity plan, which is set to conclude in 2026. He emphasized that the city's wages have historically lagged behind those of comparable municipalities, and the recent adjustments have resulted in positive outcomes. Addressing Councilor Baker's question, Rigg noted that the city had been at risk of losing Local Government Aid (LGA) due to noncompliance with a pay equity audit.

Councilor Baker said he would like to see the levy decrease by the December meeting. Councilmember Howland noted that during his early years on the council, the city maintained a zero percent increase in its general fund operating levy. However, he observed that levy rates have steadily climbed over time. He emphasized that the bulk of last year's increase stemmed from voter-approved funding for recreational facility referendum projects. Regarding the proposed 8.00% levy for 2026, Howland made it clear that unless the figure is substantially reduced by December, he will not support it. He stressed that residents cannot afford further tax hikes and urged the city to make difficult budgetary decisions, including potential cuts to staffing or services, before the year's end. Mayor Murray thanked the council and staff who worked on the budget, adding he concurs with Councilor Howland that 8.00% is not acceptable and the budget will need additional review to find ways to bring the levy down.

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

(See Secretary's Original Resolution 25-157
Included with these minutes)

B. **Resolution 22-158 Adopting 2026 HRA Levy**

This resolution adopts the 2026 HRA Levy of $266,000. Minnesota Statute 469.033 subdivision 6 limits the HRA levy to .0185 percent of the estimated market value. For 2026, the maximum amount is .0185% of $1,670,633,100 or $309,067. To the staff's knowledge, no official resolution to increase the levy to $309,067 or lower it from $266,000 has been passed. The levy is the same as the 2025 HRA Levy. The HRA is requesting that these funds be designated for redevelopment. This levy can be reduced but not increased before final adoption in December. The designation of the funds can be changed before final adoption in December. The HRA board requests approval.

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

(See Secretary's Original Resolution 25-158
Included with these minutes)

C. **Ordinance 25-146 Amending Chapter 2, Administration, Article VI. – Boards, Commissions and Authorities – Division 4. Human Rights Commission (1st Reading)**

The ordinance needed to change because the commission's purpose has changed. What used to be a commission that investigated and forwarded to the state claims of discrimination is now an advisory committee. Claims of discrimination or human rights violations are investigated by the state.

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

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

D. **Resolution 25-159 Authorizing Broadway Ridge Grant with 212 S. Broadway, LLC**

The Broadway Ridge Grant is intended to assist property owners of property within the downtown commercial historic district in making façade improvements that preserve the historic character of the property. Robert and Angie Hoffman, or 212 South Broadway LLC, applied for a matching grant for the replacement of the rubber roof, which totaled Forty-Two Thousand One Hundred and no/100 Dollars ($42,100.00). Attached is a resolution authorizing matching funds up to 50% or Twenty-One Thousand Fifty and no/100 Dollars ($21,050.00) for work completed.

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

(See Secretary's Original Resolution 25-159
Included with these minutes)

MAYOR AND COUNCIL REPORTS

First Ward, Councilor Christensen reported:

- Ward Items – Working on one ward item in the Greenwood Ave. area.
- Committee Update – Senior Center projects are under consideration. The Planning Commission will be meeting next week. The Worksite Wellness committee will be meeting again after taking a few months off. She explained that this group works to improve the work environments of businesses. Invited the public to contact her to learn more about the Blue Zones project. The Blue Zones collaborated with the Human Rights Commission and held an event at the Farmers Market in the north lot - "Flavors without Borders". Will be attending the upcoming joint meeting with the SRRWD.
- Public Announcements – Ask drivers to slow down, as the city has received many complaints about speeding. The Teen Pizza party will be held at the Skate Park this Friday.

Second Ward, Councilor Baker reported:

- Ward Items – Passed along his ward item to the City Manager
- Committee Update – Will attend the HRA meeting tomorrow. Attended the city/county joint trail meeting last week and reported the costs associated with the bridges.
- Public Announcements – Spoke of a conversation he recently had with a resident who talked highly of the All-Inclusive Park. Spoke of the Oat Mill's new building under construction.

Third Ward, Councilor Howland reported:

- Ward Items – None
- Committee Update – Attended the city/county joint trail meeting and spoke of the proposed Song Bird trail. Will be attending the CVB Board meeting tomorrow.
- Public Announcements – Received a call regarding speeding E-Bikes and scooters.

Fourth Ward, Councilor Olson reported: ABSENT

- Ward Items –
- Committee Update –
- Public Announcements –

Fifth Ward, Councilor Van Beek reported:

- Ward Items – working on one ward item.
- Committee Update – will be attending the HRA meeting tomorrow night,
- Public Announcements – Participated in a fundraiser for the Humane Society.

Sixth Ward, Councilor Anderson reported:
- Ward Items – Attended a Karen event at the park in his ward sponsored by the Karen Baptist Church
- Committee Update – Will be attending the HRA meeting tomorrow night.
- Public Announcements - None

<u>MAYOR REPORT</u>:
Attended the following events:
- ALEDA project updates
- Law Enforcement appreciation lunch
- Attended the Pizza Ranch award presentation
- Met with the organizer of Eddie Cochran weekend and discussed the plan for next year's event
- Visited the Oat Mill, and the next day attended the event at Wedgewood sponsored by the Oat Mill investors
- The Latin American event in the North Lot
- Recover for Life event held in Central Park
- The Battery Energy Storage System (BESS) meeting where the facility is proposed to be built near Glenville
- Safety event held at Morin Park
- Business After Hours at Wedgewood
- Fundraiser at Moose Lodge for the History Center
- Attended several high school sporting events.

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

<u>CITY MANAGER REPORT</u>
- Wrapping up items for land sale.
- Will be communicating with the County regarding two lots for the potential demo converted to new construction
- Sending a letter to SHIPPO regarding why the 300-block building must come down.
- Working with developers on another site in the 300-block area
- Staff are working on the final touches related to a new inspection software program.
- Attended the Human Rights Commission meeting with staff and are reviewing an ordinance to include high school students in the commission.
- Attended the Oat Mill's meeting at Wedgewood
- Will be attending an Entrepreneur Summit at Wedgewood Cove
- Thanked the ALPD, High School, and Sheriff's Dept. for their response to the threat at the high school this morning.

<u>APPROVAL OF CLAIMS</u>
A. Resolution 25-160 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, Van Beek, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

See Secretary's Original Resolution 25-160
Included with these minutes)

Councilor Howland motioned for adjournment; Councilor Anderson 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 13, 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 8:15 PM

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Mayor Rich Murray

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Daphney Maras
Secretary of the Council