

**REGULAR COUNCIL MEETING
CITY COUNCIL CHAMBERS, CITY OF ALBERT LEA
February 23, 2026 – 7:00 P.M.**

PRESENT: Mayor Rich Murray, Councilors Rachel Christensen, Larry Baker, Ted Herman, 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: Police Chief Darren Hanson, Fire Chief Jeff Laskowske, Finance Director Kristi Brutlag, 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 - None

PUBLIC FORUM –

Dave Karge spoke about the ordinance limiting the number of cats and dogs per household and reported that his neighbors are exceeding those limits. Mayor Murray stated that staff will follow up with Mr. Karge to address his concerns

Bruce Holland addressed the council to express his opposition to the proposed City Hall remodel. He cited concerns about rising property taxes and the increased tax levy, and he also objected to using money from the water and sewer fund for the project, noting that those funds should be reserved for needed WWTP improvements.

Tally Rokuse reported ongoing drug activity in her neighborhood. She noted a tent and a motorhome on the property, with a generator running continuously. She also stated that the residence appears to be without water or electricity.

CONSENT AND APPROVAL OF AGENDA

- A. Approve Minutes of the February 09, 2026 Regular Council Meeting
- B. Approve Minutes of the February 09, 2026 Work Session
- C. Licenses and Permits
- D. Resolution Approving State of Minnesota Joint Powers Agreement with the City of Albert Lea on Behalf of its City Attorney
- E. Resolution Authorizing City of Albert Lea and Pickerel Lake Township to Enter into an Agreement for Fire Protection Services
- F. Resolution Authorizing City of Albert Lea and Albert Lea Township to Enter into an Agreement for Fire Protection Services
- G. Resolution Temporarily Suspending Pet License Fees and Changing the License Period

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

PETITIONS, REQUESTS, AND COMMUNICATIONS - None

UNFINISHED BUSINESS

A. Ordinance 26-150 Amending Chapter 5 Cannabis Product – Article I. – Administration (2nd Reading)

The cannabis ordinance amendments create greater alignment with alcohol licensing standards regarding approval, denial, and revocation. These changes also clarify what constitutes public health and safety under Sec. 5.001, reducing ambiguity in the current language. Additional adjustments address concerns that have emerged over time, including the length of time a business may remain non-operational when the number of registrations is capped. The ordinance also clarifies that no “waiting list” exists; if an application is submitted when no registrations are available, it becomes void after 30 days. At the first reading, the council voted to increase the number of available cannabis registrations from two (2) to four (4).

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, Herman, Olson, Van Beek, Anderson. Mayor Murray voted nay. Mayor Murray declared the motion passed.

(See Secretary's Original Ordinance 26-150
(Included with these minutes)

B. Ordinance 26-151 Amending Chapter 12 – Businesses and Business Regulations – Article XII. – Tobacco (2nd Reading)

Changes to the tobacco ordinance address longstanding issues as they relate to holding multiple licenses. Unlike the restrictions for off-sale alcohol, tobacco store owners could hold multiple licenses, reducing competition. This change corrects that inconsistency. In addition, several administrative elements required for alcohol and cannabis registrations are being incorporated into the tobacco licensing process, following the Department of Revenue's recommendations.

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, Herman, Olson, Van Beek, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Ordinance 26-151
(Included with these minutes)

C. Ordinance 26-152 Amending Chapter 50, Article IV, Section 50.0845, 50.0846, and

50.0847 (2nd Reading)

After a complete overhaul of the sign ordinance in May of 2024, staff continues to find adjustments that will simplify the sign ordinance and clarify language for both property owners and developers.

Attached is an ordinance amendment that works to correct the site triangle setback in section 50.0845 residential districts, which should be 25 ft, not 20 ft. The amendment also removes the limit on the number of wall signs and instead regulates with a maximum of 200 square feet in Section 50.0846 commercial districts and Section 50.0847 industrial districts.

The Planning Commission held a public hearing on February 3, 2026 in regard to these amendments and recommends approval.

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

(See Secretary's Original Ordinance 26-152
(Included with these minutes)

D. Resolution 26-036 Approving Publication Summary – Ordinance 26-150, 26-151, and 26-152

Ordinance Summaries may be published if they reasonably inform the public of the effect and intent of the Ordinance. Summaries fulfill all legal requirements as if the entire summarized matter had been published, and also direct the public on how to obtain the complete Ordinance.

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, Herman, Olson, Van Beek, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 26-036
(Included with these minutes)

NEW BUSINESS

A. Public Hearing Regarding and Resolution 26-037 Ordering Improvement and Preparation of Plans for the 2026 Neighborhood Improvement Project (Job 2601)

A public hearing is being held for public input for the 2026 Neighborhood Improvement Project, City Job No. 2601.

The proposed project consists of bituminous mill & overlay and miscellaneous curb & gutter and sidewalk replacement on the following streets:

- James Avenue – 7th Street to 2nd Street
- Frank Avenue – 7th Street to Front Street

- St. Joseph Avenue – 7th Street to 4th Street
- Water Street – 1st Avenue to West Avenue
- Ermina Avenue – W. Main Street frontage road to Fountain Street
- Oak Lane – Ermina Avenue to Adams Avenue
- Adams Avenue – W. Main Street frontage road to Clark Street
- Euclid Avenue – W. Main Street frontage road to Clark Street
- William Street – Euclid Avenue to St. Mary Avenue
- Bancroft Drive – Greenwood Drive to Lakewood Avenue
- Michael Place – Bancroft Drive to the cul-de-sac
- Lakewood Avenue – 141' south of Bancroft Drive to the cul-de-sac
- Green Lea Lane – Greenwood Drive to Lakewood Avenue

Work in the mill & overlay area will involve milling the existing bituminous street surfacing for a 6-foot width along each concrete gutter line so the new bituminous layer will match with the level of the concrete gutter. A 2-inch-thick layer of bituminous will be laid over the entire width of the street. The project would also involve replacing sections of curb & gutter that have settled and are causing drainage issues. Sidewalk will be replaced where it is damaged or settled causing a tripping hazard, and to bring the pedestrian ramps into compliance with Americans with Disabilities Act standards.

There are 366 properties to be assessed as part of this project. The assessment rates depend on the width of the roadway and range between \$24.15 per foot to \$33.20 per foot. The preliminary assessment roll is attached to this report.

The assessment terms will be over five, ten, or fifteen years according to the City's Assessment Policy. The interest rate will be based on bonding in 2026.

The estimated project cost is \$1,686,631.82 and would be paid for with assessments, sanitary sewer funds, and City bonding funds. A neighborhood meeting was held on February 11, 2026 to discuss the project with the affected residents.

Councilor Baker asked whether residents could be assured that their driveways would not be affected by the mill-and-overlay work. Jahnke acknowledged that there is always some risk and that issues have occurred in the past, but emphasized that staff will make every effort to prevent any impact.

Mayor Murray opened the public hearing. He called the first time.

Water Street resident **Lyle Johnson** argues that the assessments do not comply with Minn. Stat. § 429 and are therefore invalid, and the maintenance is the responsibility of the city. He plans to appeal when the final notice is issued. He also questioned whether taxpayers are paying the assessment on the former high school site now owned by the Port Authority.

Second call: **Dave Karge** said he does not believe Frank Ave. needs improvements at this time, noting that 3rd and 4th Street are in significantly worse condition. He also asked who is responsible for paying for the improvements from James to Front Street. He also inquired about the process for putting up signs to restrict semi-truck access on Frank Ave.

Third call: **Virgil Loge** inquired about how long a street generally lasts before needing upgrades. He added that James Street is not in poor shape and that other streets in the neighborhood are in much greater need of repair.

Robert Hoffman, who owns property on Water Street, explained that a privately owned drive behind the homes functions as an alley even though it is not publicly maintained. Residents rely on it to access their garages, and he has maintained it for many years. He asked whether this might be an appropriate time for the city to consider assuming responsibility for its maintenance.

Robyn Moor stated that she supports Lyle Johnson's view that maintaining the roads is the city's responsibility, not the taxpayers. She asked whether any grants might be available to help ease the financial burden for residents required to pay these assessments. She also noted that she was pleased to learn, after moving to Albert Lea, that it is a Blue Zones community and appreciates that it is easily accessible by bike or on foot.

Mayor Murray closed the public hearing.

City Manager Rigg addressed each question raised during the public forum. He began by addressing concerns about the city's compliance with the statute, explaining that a mill-and-overlay project is classified as an improvement rather than routine maintenance. He added that he is confident the City's current policy aligns with statutory requirements.

On the question of whether the Port Authority pays street assessments, he noted that it is assessed in the same manner as other public entities, such as the county or the school district.

Regarding roadway lifespan, he said the city follows a general schedule for pavement life and replacement. He also stated that staff will follow up on the private driveway being used as an alley and on the request for signage to restrict semi-truck access on Frank Avenue.

Mayor Murray asked Public Works Director Jahnke to outline the typical life cycle of residential streets. Jahnke explained that the city aims for each road to last about 75 years. After the initial paving, a street will generally receive a mill and overlay at around 20–30 years, and another at approximately 50 years, which should carry it through to the 75-year mark. That 75-year point also aligns with the expected lifespan of the underground infrastructure, making it the appropriate time for a full reconstruction.

He also highlighted the significant cost difference between a mill-and-overlay project and a complete reconstruction. Even when a road still appears to be in good condition, performing a mill and overlay at the optimal time is the most cost-effective way to extend its life and ensure it reaches the full 75-year cycle.

Councilor Baker requested an overview of the assessment appeal process. City Manager Rigg provided background information and then referred the matter to the City Attorney, who, in turn, asked the City Clerk to outline the initial steps. Clerk Maras described the process beginning with

the resident's receipt of the final assessment charge, the submission of their appeal, and the issuance of the required filing form. The City Attorney then continued by explaining the steps that occur once the resident files the form with the District Court.

In response to Councilor Anderson's question, Rigg outlined the tiered assessment structure, explaining how the assessment amount corresponds to the number of years over which it is applied. He also described how the interest rate is determined and reviewed the payment options available to residents.

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

(See Secretary's Original Resolution 26-037
(Included with these minutes)

B. Public Hearing Regarding and Resolution 26-038 Ordering Improvement and Preparation of Plans for the 2026 State Aid Street Overlay Project (Job 2602)

A public hearing is being held for public input for the 2026 State Aid Street Overlay Project, City Job No. 2602.

City Manager said this proposed project involves the bituminous mill & overlay and miscellaneous curb & gutter and sidewalk replacement on Clark Street from Ermina Avenue to West Avenue.

Work in the mill & overlay area will involve milling the existing bituminous street surfacing for a 6-foot width along each concrete gutter line so the new bituminous layer will match with the level of the concrete gutter. A 2-inch thick layer of bituminous will be laid over the entire width of the street. The project would also involve replacing sections of curb & gutter that have settled and are causing drainage issues, and settled or damaged sidewalk to address tripping hazards and to bring the pedestrian ramps into compliance with Americans with Disabilities Act (ADA) standards.

There are 15 properties to be assessed as part of this project. The preliminary assessment rate is \$34.38 per foot. Abutting properties will be assessed for 25% of the sidewalk replacement costs, per the Assessment Policy. The assessment rate for sidewalk replacement is \$3.02 per square foot. The preliminary assessment roll is attached to this report.

The assessment terms will be over five, ten, or fifteen years based on the City's Assessment Policy. The interest rate will be based on bonding in 2026.

The estimated project cost is \$186,386.90 and would be paid for with assessments, bonding funds, and Municipal State Aid Funds.

A neighborhood meeting was held February 10, 2026 to discuss the project with the affected residents.

Mayor Murray opened the public hearing. He called three times. No one spoke. He closed the public hearing.

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

(See Secretary's Original Resolution 26-038
(Included with these minutes)

C. Public Hearing Regarding and Resolution 26-039 Ordering Improvement and Preparation of Plans for the St. Mary Avenue & 14th Street Reconstruction Project (Job 2603)

A public hearing is being held for public input for the St Mary Avenue & 14th Street Reconstruction Project (City Job No. 2603).

The proposed project calls for the complete reconstruction of portions of St Mary Avenue and 14th Street (approximately 1,232 total feet). Proposed work will include complete removal and replacement of the pavement, curb & gutter, sidewalk, sanitary sewer, storm sewer, and watermain. The existing concrete and bituminous pavements will be removed and replaced with a bituminous surface. The streets are:

- St. Mary Avenue – William Street to Clark Street
- 14th Street – Myers Road to the east end

St. Mary Avenue is 37 feet wide with a sidewalk on the west side. This street is wider to allow for parking on both sides of the street to serve First Lutheran Church, the Freeborn County Department of Human Services building, and other surrounding businesses. The project would also include replacing both the steps and a portion of the concrete abutment that protects the steep slope from the street to the municipal parking lot adjacent to the project. The watermain, sanitary sewer, and storm sewer are proposed to be replaced, and the street reconstructed with the same width and sidewalk configuration as the existing street.

14th Street is 42 feet wide from back-to-back of curb and is proposed to be reconstructed to the same configuration. No sidewalk is proposed to be installed along 14th Street. This section of 14th Street has experienced a large number of watermain breaks in recent years, so the watermain is proposed to be replaced. The sanitary sewer and mainline storm sewer are in good condition and are not proposed for replacement. The curb & gutter along the north side of the road will be replaced as it is almost directly over the watermain. The existing curb on the south side is also in good condition and will be left in place.

Properties will be assessed for half of the street width abutting the project and 25% of the sidewalk replacement costs.

The proposed assessment rate for St Mary Avenue is \$168.48 per foot, and \$148.08 per foot for 14th Street. The proposed assessment rate for the sidewalk is \$2.23 per square foot.

There are 12 properties proposed to be assessed as part of this project (7 along 14th Street and 5 along St Mary Avenue). A preliminary assessment roll is attached to this report.

The estimated project cost is \$1,178,418.80 and would be paid for with assessments, sanitary sewer funds, water funds, and City bonding funds. A neighborhood meeting was held on February 12, 2026 to discuss the project with the affected residents.

Mayor Murray opened the public hearing. He called three times. No one spoke. He closed the public hearing.

City Manager Rigg noted that the County Administrator submitted an email expressing opposition to the proposed assessments for the County's property at 245 Clark St. W.

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, Herman, Olson, Van Beek, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 26-039
(Included with these minutes)

D. Resolution 26-040 Approving Plans and Ordering Bids for the Valley Avenue & Marshall Street Reconstruction Project (Job 2517)

On February 9, 2026 a public improvement hearing for the Valley Avenue & Marshall Street Reconstruction Project was held and the project was authorized to proceed.

The project calls for the complete reconstruction of portions of Valley Avenue, Johnson Street, and Marshall Street (approximately 2,291 total feet). Work will include complete removal and replacement of the pavement, curb & gutter, sidewalk, sanitary sewer, storm sewer, and watermain. The impacted streets are as follows:

- Valley Avenue – Hawthorne Street to Johnson Street
- Johnson Street – Valley Avenue to Marshall Street
- Marshall Street – Johnson Street to Bridge Avenue

The streets will be reconstructed to similar configurations as the existing streets with minor changes to the street and boulevard widths, and to make accessibility improvements. Both streets have sidewalks on both sides of the street. On-street parking is allowed on both sides of the street on Valley Avenue, and is restricted to the east side only on Marshall Street.

The estimated project cost is \$4,902,484.40 and would be paid for with assessments, bonding funds, sanitary sewer funds, water funds, Federal funds, and Municipal State Aid Street funds.

The plans and specifications have been completed and have been presented to the Council for approval and authorization of bidding.

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

(See Secretary's Original Resolution 26-040
(Included with these minutes)

E. Resolution 26-041 Approving Plans and Ordering Bids for the TH-13 Trail Project (Job 2411)

On December 22nd a presentation was given to the City Council regarding trail grants and 2026 construction. The first portions proposed to be constructed is from Fountain Street to Highway 13, a portion from Sunset Street to County Road 74, and four bridges.

The estimated project cost is \$1,600,267 with the City and County portions each estimated at approximately \$273,335 and the remainder paid with MnDOT AT Grant, MnDNR Local Grant, and a MnDNR Regional grant.

HDR Inc. has prepared the plans and specifications and Freeborn County will be the project manager and administer this project. The plans and specifications have been completed and have been presented to the council for approval and authorization of bidding.

City Manager Rigg said that if voters approve the sales tax referendum in November, the City should have the ability to use the local option sales tax to help fund this project. Councilor Christensen added that connecting the project to the local option sales tax is important to ensure it does not place additional pressure on the property tax levy.

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

(See Secretary's Original Resolution 26-041
(Included with these minutes)

F. Resolution 26-042 Adopting the 2025 Freeborn County Hazard Mitigation Plan

Freeborn County is required to update its Hazard Mitigation Plan every five years to stay eligible for FEMA funding that supports projects reducing long-term risks from natural hazards. Albert Lea staff have been active partners in the development of the 2025 Freeborn County Hazard Mitigation Plan, working alongside county officials, emergency management personnel, and other jurisdictions. The plan outlines strategies to lessen the impacts of flooding, severe weather, and other hazards on people and property.

Adopting the plan shows the City's commitment to proactive risk reduction and ensures Albert Lea and the county remain eligible for FEMA Hazard Mitigation Assistance grants. Council approval is one of the final steps before the plan is submitted to FEMA for review.

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, Herman, Olson, Van Beek, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 26-042
(Included with these minutes)

G. Resolution FAILED Accepting Bid and Awarding Contract for Remodeling the City Center Building

City Manager Rigg said Monday, February 23rd, 2026 the Council will have a resolution to approve a major improvement to the City Center Building. The only other time such an improvement has been down was in 2007 with the expansion of the library. The project cost \$1.2M adjusted for inflation from 2007 to 2026. Actual construction inflation would have the project costs even higher in 2026.

There has been no building wide review and change to alter space for the service and function of staff and users. As an example, when the fire quarters were vacated in 2020, the original plan was only to look at that space, not how all it fits together. This was a continuation of not mixing capital planning with operational efficiencies to intentionally keep project costs down and unintentionally keep or make operational expenses higher.

Completing this project as a whole will leave remaining spaces and improvements within the scope of the library project. If both projects are done this will fully update the building since its construction.

This apparent winning bid from WEB Construction with alternates 1 and 2 added totals \$1,462,627 dollars. Unplanned items or those removed from the bidding process but require completion total \$97,000 in addition to the bid.

Bonding is expected to be \$600,000 in levy paid debt while other funds will fill the remaining \$1.3M of the approximate \$1.9M total budget.

Highlights of Why

The building layout continues operational inefficiencies instead of giving opportunity to remove them:

- Continue to equip three separate work areas instead of one
- Through attrition, one administrative assistant position may be cut or reduced
- Climate control for separated zones adds cost
- Lost opportunity for cross training

This building was designed for a different use and area:

- It is like a shopping mall for separate operations, not one operation
- It is not designed for modern safety standards as seen in most public buildings
- Limited ability to work independently if employee is wheelchair bound
- Changes in technology requires improvements to electrical service and communications

Doing it once is cheaper than doing the following separately:

- Electrical upgrades as there are no circuit breakers available
- CAT 5 line is past its life of reliability
- Windows and flashing
- ADA compliance improvements
- OSHA compliances
- Some areas of flooring need replacement including loose floor tiles with asbestos
- Replacement of lights
- Door lock replacements with electronic key cards
- Server security with proper HVAC
- Camera additions

Some needed improvements only make sense in a larger remodel. As an example, the secure doors require electricity and CAT 5 or 6 connections. This requires some rewiring and electrical panel upgrades as we have only one breaker left on the lower level. These improvements or replacements require expensive workarounds or new holes in walls to run the power and communication to the doors.

Costs of the Project

Savings in Operations:

- \$2,400 annually in equipment
- \$3,000 in climate control and lighting
- \$60,000 minimum in staffing costs post open floor plan, planned technology improvements and final cross training across what use to be three separate office areas.

Annual savings in maintenance and separate improvements

- \$2,500 in lighting ballast replacement
- Not increasing levy contributions from \$60,000 to \$90,000 annually into the Building Maintenance Fund

Assuming a \$600,000 bond at 20 years:

- \$46,000 annual payment
- \$2.70 in taxes annual per \$100,000 of valuation with no efficiencies
- (\$37,900) to (\$97,900) in operational reductions or cost avoidance annually

What is “want” and “need” is subjective, what is eventual replacement by the best guess from the architect and building official is:

- Window sealing = \$40,000
- Asbestos = \$33,807
- Flooring over the next 5 years = \$200,000
- HVAC = \$90,000
- Electrical and CAT 5 = \$100,000 minimum with limited improvements as needs change or failures occur
- Lighting = previous estimates were \$70,000 without ceiling grid costs or repositioning.
- OSHA complaint cubicle stations = \$50,000

What some may consider is “want”:

- Breakroom = \$50,000
- Restrooms = \$25,000 each
- Windows = \$50,000 start (needs further review).

Councilor Baker asked whether the contractor plans to use local subcontractors for the project. Building/Zoning Official Sorensen explained that Webb Construction has not yet provided its subcontractor list, but noted that the lowest qualified bids are typically prioritized. Baker then asked what safety measures are being considered for the public restrooms. Rigg explained that the proposed cameras are intended to monitor the flow of people entering and exiting the facilities, which would help staff stay aware of activity in the area. He also noted that most businesses provide private restrooms for their employees, and other city buildings already have dedicated employee facilities. Rigg described situations in which female staff members have felt uncomfortable because of incidents in the public restrooms. He added that ensuring employees have their own restrooms is not only a safety measure but also an issue of fairness and equity.

City Attorney Holstad emphasized that security concerns at City Hall have become increasingly serious, noting that surveillance cameras are essential to protect staff. He explained that specific criminal offenders have previously targeted City of Albert Lea employees within this building, creating risks that current measures do not adequately address. Metal detectors, he added, do not mitigate the types of threats City Hall is currently facing.

He also pointed to a significant rise in individuals who are distrustful of government, including First Amendment auditors who film inside public buildings to assert their constitutional rights. While lawful, this activity can expose private or sensitive workplace information, adding another layer of security and privacy concern. Holstad emphasized that he isn't taking a position for or against the project. Instead, he's underscoring that there is a significant issue the City is responsible for addressing, specifically, ensuring the safety of the public, the data involved, and the employees who work here.

City Manager Rigg explained that the open-concept building design would let staff to meet with individuals in a shared, visible area, ensuring greater safety and security because other

employees can easily see what's happening. The layout and features of the proposed building design are focused on balancing availability, security, and efficiency.

Councilor Herman said he's been hearing from many residents who want clarity on the project's cost to taxpayers. Rigg explained that the proposal includes \$600,000 in bonding and approximately \$300,000 from the building and maintenance fund, which would amount to \$2.70 per \$100,000 of assessed home value. He also addressed why the building maintenance fund hasn't accumulated for major upgrades over time, also noting that past fixes were done in small, piecemeal projects. Those incremental repairs, he said, ultimately increased the cost of the improvements now being proposed.

Councilor Anderson noted that the construction work at the Government Center should not be compared to the proposed City Hall project, emphasizing that the two differ significantly in cost. He explained that he and several other council members served on a committee that thoroughly reviewed the proposal and substantially reduced both the scope and the overall price from the original plan. He highlighted ongoing concerns related to ADA compliance, building security, and the need to address these issues responsibly. He also pointed out that staff working in the lower-level office area are overcrowded and that these conditions have been left unaddressed for far too long. He stated that it is time to move forward with the necessary improvements and confirmed that he will be supporting the project.

Rigg responded to Councilor Baker's question regarding using general funds for this project. Noting it is an option, however, there is an inherent risk in using that fund related to bonding, TIF proceeds, and additional factors.

Councilor Christensen noted that this is a difficult issue, explaining that because extensive repairs are already needed, it can sometimes be more efficient to complete all of the work at once. She questioned whether every possible option had been explored to keep the project more affordable. She added that this proposal comes at a particularly challenging time for residents, who are still feeling the impact of last December's unexpected costs. She also remarked that, in her professional experience, she has never had a private restroom; facilities were always shared with the public. At this time, she said she is not prepared to support the project, believing taxpayers have reached their limit. She also expressed discomfort with drawing from the water and sewer fund, given the required upgrades at the WWTP.

Councilor Van Beek agreed with Councilor Christensen's remarks. He noted that he has had many "colorful" conversations with constituents, and one recurring concern is the use of the water fund to pay for the project. He also asked when the condition of the windows in the Engineer's area was first identified. Rigg replied that he became aware of the issue approximately six to nine months after he was hired and that it was evaluated more fully as part of the broader project review. Van Beek stated that he believes the matter was a maintenance issue that should have been addressed a long time. He emphasized again that he does not support staff working remotely. On the funding side, he noted that he values employee safety and appreciates their work, but believes the project should be limited to the existing building-maintenance budget or

supported through alternative funding sources. He made clear that he will not be supporting this proposal.

Councilor Baker noted the rising cost of construction materials and emphasized that prices are unlikely to decrease. Delaying the project, he said, would only make it substantially more expensive a decade from now, and this should be something to consider.

Councilor Anderson requested the Finance Director's assessment of the sewer and water fund as it relates to the WWTP. He further questioned whether the City could realistically accumulate sufficient reserves to complete the required phosphorus-reduction improvements without financial assistance from the State. Mayor Murray invited Finance Director Brutlag to speak. Brutlag explained that any amount taken from the water and sewer fund will ultimately influence utility rates because the fund must be replenished. She said she could not estimate how much the rates might change. City Manager Rigg then outlined additional funding options for the council to consider.

Councilor Herman said he agrees with Councilor Van Beek. He added he cannot see adding more taxes to the citizens at this time.

Rigg asked when the economy and tax climate would ever be favorable enough for the public to support this project. He said the answer is *never*, because it's City Hall—there will never be a moment when spending even one dollar on this facility feels "perfect." However, he emphasized that delaying the project only increases operational costs, leads to higher taxes in the long run, and forces staff to continue working in inefficient spaces.

Mayor Murray stated that taxpayers are feeling overburdened and emphasized the need to ask residents which services they consider most essential, noting that not everything can be funded. He referenced the increasing tax pressure on property owners and acknowledged that some building improvements are necessary. He concluded by saying he will not be supporting the City Hall project.

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

(Resolution FAILED)

MAYOR AND COUNCIL REPORTS

First Ward, Councilor Christensen reported:

- Ward Items – None
- Committee Update – The Senior Center Board met last week, and she expressed appreciation to the Mayor for attending and greeting the group. The Board also welcomed three new members. Blue Zones met last week as well and shared that the Walking Moais will officially re-launch in April. Age-Friendly Freeborn County held its meeting at the Fire Station and noted what an outstanding group it is, serving the community in meaningful ways. She also thanked Erin Haag from the United Way for meeting with her to discuss

how to better support vulnerable residents, and for providing a tour of the Welcome Pantry.

Second Ward, Councilor Baker reported:

- Ward Items – None
- Committee Update – Will be attending the HRA meeting tomorrow. The ALEDA Board met and have chosen a candidate for the ALEDA Assistant Director.

Third Ward, Councilor Herman reported:

- Ward Items – None
- Committee Update – None

Fourth Ward, Councilor Olson reported:

- Ward Items – Reported a resident recently had three dead deer in their yard. He called the DNR, who removed the three deer, and they will be checked for chronic wasting disease.
- Committee Update – None

Fifth Ward, Councilor Van Beek reported:

- Ward Items – None
- Committee Update – Attended a recent Human Rights Commission meeting. Attended a fundraiser at the Eagles for the Nation of Patriots last Saturday. He said he will be attending the Housing Redevelopment Meeting tomorrow and will be attending the Budget Committee meeting on Wednesday.

Sixth Ward, Councilor Anderson reported:

- Ward Items – None
- Committee Update – Will attend the HRA meeting tomorrow night. He said he appreciates the public's attendance at tonight's meeting and last weeks.

MAYOR REPORT:

Attended the following events and provided details of each:

- He said he received a letter from the Human Rights Commission concerning the presence of ICE in the community.
- Over the last two weeks, has received ALEDA updates
- Senior Center meeting
- On Feb. 12th – The Lakeview Reading Program, where he read to two elementary-aged grades
- Followed up with several community partners regarding how things are going within their business
- Big Freeze on Feb. 14th
- Albert Lea Robotics Team event
- ALEDA Annual meeting on Feb. 17th
- Moose Lodge State Convention was held on Feb. 20th. He commended the Moose Lodge for all its support for the community.

- Boys Basketball game on Feb. 20th
- Hockey at the City Arena
- ALEDA meeting this morning
- Shout out to six Albert Lea Wrestlers heading to State

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

CITY MANAGER REPORT

- Met with the HRA to discuss options for reallocating unused city levy funds to support the Tapestry project, a low-income housing development at the Blazing Star site.
- Finalizing documents for the upcoming lobbying effort.
- Preparing for Lobbying Day on March 25; only three council members may attend to avoid creating a quorum.
- Participated in the ALEDA interview process for the Assistant Director position.
- Provided the council with an update on one of the TIF districts, noting that when the district closes in 2028, it is projected to generate nearly \$500,000 in revenue.

APPROVAL OF CLAIMS

A. Resolution 26-043 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 as read, seconded by Councilor Herman. On voice call vote, the following councilors voted in favor of said motion: Christensen, Baker, Herman, Olson, Van Beek, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Ordinance 26-043
(Included with these minutes)

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, March 9, 2026. On a voice call vote, all councilors voted in favor of said motion.

Mayor Murray declared the motion passed, and the meeting adjourned.

ADJOURNMENT: 9:21 PM

Mayor Rich Murray

Daphney Maras
Secretary of the Council