

**REGULAR COUNCIL MEETING
CITY COUNCIL CHAMBERS, CITY OF ALBERT LEA
September 28, 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, City Attorney Joel Holstad of Lakes National Law LLP, and City Clerk Daphney Maras.

ADDITIONAL STAFF PRESENT: Fire Chief Jeff Laskowske, Lieutenant Jeff Strom, Human Resource Director Mike Zelenak, Community Engagement & Enrichment Director Cathy Malakowsky, Community Development Director Megan Boeck, 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 officially proclaimed October as Domestic Violence Awareness Month, presenting the proclamation to Maureen Zelenak, Angie Harmdierks, and Kim Tiegs from the Freeborn County Crime Victims Center (FCCVC). To mark the month, FCCVC staff will be on the Government Center lawn tomorrow handing out purple light bulbs and lawn signs for residents to display throughout October.

PUBLIC FORUM

Alice Hanson is Chair of the Senior Center Board. She recommends that the Council continue renting the Senior Center at its current location.

John Caucutt spoke of his opposition to the preliminary tax levy increase.

CONSENT AND APPROVAL OF AGENDA

- A. Approve Minutes of the September 14, 2026 Regular Council Meeting
- B. Approve Minutes of the September 14, 2026 Work Session
- C. Approve Minutes of the September 10, 2026 Special Council/EDA Meeting
- D. Appointment of Michael Davis to the Board of Zoning Appeals
- E. Resolution Declaring Unclaimed and Abandoned Property and Authorizing City Sale Following Published Notice
- F. Resolution Accepting Towards Zero Deaths (TZD) Enforcement Grant
- G. Resolution in Support of MPCA Grant – Green Acres
- H. Lodging Tax Agreement with the CVB

Councilor Baker moved to approve the consent agenda, seconded by Councilor Herman. On a voice 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 26-157 through 26-159
(Included with these minutes)

PETITIONS, REQUESTS AND COMMUNICATIONS - None

UNFINISHED BUSINESS - None

NEW BUSINESS

A. Public Hearing and **Resolution 26-160 Regarding Vacation of Easement – Summerdale Townhomes First Subdivision**

After City Manager Rigg read the background on this item, Mayor Murray opened the public hearing. He called three times. No one spoke. He closed the public hearing.

Two separate easements in Summerdale Townhomes First Subdivision and Summer Dale Addition were discovered in part of a property sale. The easements have been determined to have no public purpose, and vacating will help streamline the sale of the affected properties.

Attached are Exhibit A and Exhibit B, which describe and depict the existing easements.

Motion made by Councilor Baker to approve as read, seconded by Councilor Herman. On voice 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 26-160
Included with these Minutes)

B. Public Hearing and Resolution Regarding:

1) Resolution 26-161 Approving Vacating Easement for Public Roadway and Street Purposes, and any Associated Drainage and Utility Easements in Auditor's Plat No. 3

After City Manager Rigg read the background of items 1-3, Mayor Murray opened the public hearing on all three items. He called three times. No one spoke. He closed the public hearing.

At the request of Kwik Trip and in advance of selling Lot 1, Block 1 of Blazing Star No. 2, staff has amended or corrected language in previously recorded easement vacation documents. The attached resolution states that proper notice has been published as well as mailed to all affected property owners and that the easements previously described as Auditor's Plat No. 3 no longer serve a public purpose and that title shall transfer to Kwik Trip free of any sanitary sewer, water main pipeline, drainage and utility, and street and roadway easements that may have previously existed.

Motion made by Councilor Christensen 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 26-161
Included with these Minutes)

2) Resolution 26-162 Approving Vacating Easement for Underground Sanitary Sewer and Water Main Pipeline, Drainage and Utility, and Street and Roadway in Home Addition

At the request of Kwik Trip and in advance of selling Lot 1, Block 1 of Blazing Star No. 2, staff has amended or corrected language in previously recorded easement vacation documents. The attached resolution states that proper notice has been published as well as mailed to all affected property owners and that the easements no longer serve a public purpose and that title shall transfer to Kwik Trip free of any sanitary sewer, water main pipeline, drainage and utility, and street and roadway easements that may have previously existed.

Motion made by Councilor Anderson to approve as read, seconded by Councilor Olson. 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 26-162
Included with these Minutes)

3) Resolution 26-163 Approving Vacating Easement for Constructing and Maintaining Underground Sanitary Sewer and Watermain Pipe in Third Home Addition

At the request of Kwik Trip and in advance of selling Lot 1, Block 1 of Blazing Star No. 2, staff has amended or corrected language in previously recorded easement vacation documents. The attached confirms that the property was part of Third Home Addition and is now locally known as the Blazing Star No. 3 Plat, being a re-plat of Lot 1, Block 1 of Blazing Star No. 2, being part of Auditors plat No. 2 (Torrens Certificate No. 10359) states that proper notice has been published as well as mailed to all affected property owners and that the title shall transfer to Kwik Trip free of any sanitary sewer, watermain pipe line, drainage and utility, and that the existing easements for underground sanitary sewer and watermain pipe line no longer serve a purpose to the public and should be vacated.

Motion made by Councilor Baker to approve as read, seconded by Councilor Anderson. On a 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 26-163
Included with these Minutes)

C. Resolution 26-164 Approving Conditional Use Permit for a Retail Gas Station and

Convenience Store Facility at 219 Garfield Ave.

Kwik Trip Inc. applied for a conditional use permit for a 11,000 sq ft retail gas station, car wash, and convenience store located on the Blazing Star. The PD Planned Development District states that all uses shall be permitted by conditional use permit, and all elements of the site development shall be controlled within the conditional use permit.

The Planning Commission held a public hearing on Tuesday, September 1, 2026 and made the following findings:

- 1) The application is consistent with the 2040 Comprehensive Plan, which designates the property as a downtown mixed-use district whose purpose is to capitalize on opportunities that enhance and improve land use patterns and allow for a combination of residential and commercial uses.
- 2) The proposed project meets the conditions of the PD Planned Development District related to density, size, open space, and green space.
- 3) The proposed project will transform a previously abandoned site into a productive use.
- 4) The proposed development is compatible with the surrounding uses and will not negatively impact the public health, safety, and welfare of the surrounding area.

Planning Commission recommends approval of the Conditional Use permit with the following conditions:

- 1) Ground and/or rooftop equipment be screened.
- 2) Trash enclosures be constructed with like building materials.
- 3) A stormwater pond maintenance agreement be entered into and adhered to.

Motion made by Councilor Anderson 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 26-164
Included with these Minutes)

D. Resolution 26-165 Approving Stormwater Maintenance Agreement

The attached agreement outlines construction, maintenance and inspection responsibilities between Kwik Trip and the City of Albert Lea for a stormwater pond located on Blazing Star No. 2.

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 26-165
Included with these Minutes)

E. Resolution 26-166 Accepting Donations as Presented to the City of Albert Lea

The City of Albert Lea is generally authorized to accept donations pursuant to Minnesota Statutes Section 465.03 for the benefit of its citizens. Staff recommends acceptance of the following donations as submitted for Council review and approval.

- Kennel Club of Freeborn County – Electrical Upgrade Arena Parking Lot

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 Resolution 26-166
Included with these Minutes)

F. Resolution 26-167 Opting to Increase Firefighter Benefit Level for Firefighters Vested in the Statewide Volunteer Firefighter Plan

The Albert Lea Fire Rescue Paid-on-call members are requesting a 3-year agreement to increase their year-per-service credit while allowing the City of Albert Lea to split the state fire aid and utilize the bulk aid to supplement the full-time fire pensions. The current year-per-service level is \$4300.00. They request an increase to \$4500 in 2027, \$4700 in 2028, and \$5000 in 2029. With the current balance and investments, the plan will remain over 300% funded through this increase. It is recommended to agree to the 3-year plan, increase the paid-on-call pension levels, and split the state fire aid for those 3 years.

City Manager Rigg confirmed Councilor Anderson's statement that rejecting the pension increase could cause the city to lose State funding. Mayor Murray added that because the program is currently 300% overfunded, the increase will not require City matching funds and remains budget-neutral. He extended his appreciation to the Volunteer Firefighters for their service.

Motion made by Councilor Christensen 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 26-167
Included with these Minutes)

G. Resolution 26-168 Adopting 2027 Preliminary Budget and Property Tax Levy

This resolution adopts the 2027 preliminary general fund budget and tax levy. The levy is a 7.87% increase over the 2026 final tax levy. The preliminary property tax levy of \$9,960,000 can be reduced before final adoption in December but not increased. Finance Director Kristi Brutlag will have a presentation on the 2027 Preliminary General Fund Budget and General Fund and Debt Tax Levy.

Brutlag presented an overview of the preliminary budget and property tax levy, which includes the HRA and EDA levies. The current proposed total general fund and debt levy stands at 7.87%. Brutlag noted that staff continues to review budgets for additional line-item reductions, echoing

discussions from the prior work session.

Brutlag reported that the HRA is requesting its maximum 2027 levy of \$300,533, while the Economic Development Authority is seeking a \$170,000 levy, well below its \$294,523 limit.

She concluded by outlining the next steps that include: adopting the preliminary levies tonight, continued review of the budget through October and November, and holding the Truth in Taxation public hearing on December 14. The final step is approving the 2027 budgets, final tax levy, 2027–2031 Capital Improvement Plan, and the 2027 fee schedule (including water and sewer rates) at that same meeting.

Brutlag noted that several budgetary variables remain outstanding, including health insurance costs, open enrollment projections, and ongoing union negotiations. Staff will continue a line-by-line review of the budget to minimize the final tax levy impact on the community.

Councilmember Baker noted the challenge of keeping the tax levy as low as possible while still maintaining essential resident services.

City Manager Rigg highlighted the administration's focus on sustainable, long-term community development and growth.

Councilmember Anderson emphasized the critical nature of Local Government Aid (LGA), noting that while LGA funding has remained flat, operational costs continue to rise, a reality he stressed community members must understand.

Councilor Olson reminded the council of the cuts that took place back in 2008 and services that were never replaced. He does not believe the city engages in wasteful municipal spending.

Councilor Christensen emphasized staff commitment to reducing the budget to the best of their ability. She said she will support this preliminary levy tonight with the expectation that council will provide staff with direction on what items they might find opportunities for reduction.

Councilor Herman acknowledged resident requests for a zero-percent levy but stressed the severe impact this would have on the community, noting it would require cutting a city department entirely.

City Manager Rigg explained how sharing staff across departments has reduced administrative overhead as part of an ongoing effort to keep operations lean. He emphasized that compliance-driven safety items, such as secure Motorola body-worn camera storage, remain fixed costs required by state mandates.

Calling it the toughest meeting of the year, Mayor Murray said he believes in the future of this community. He cited several companies that have recently invested in Albert Lea that will bring more people to this community. He reiterated that Albert Lea is open for business. He said 7.87% is not acceptable, so when we meet again in December, we want to see a budget that meets the needs of the community and does not overtax the taxpayers, but still delivers the services that we want.

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

(See Secretary's Original Resolution 26-168
Included with these Minutes)

H. Resolution 26-169 Adopting 2027 HRA Preliminary Property Tax Levy

This resolution adopts the 2027 HRA Levy of \$300,533. 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 \$1,624,505,175, or \$300,533. The HRA is requesting 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.

Councilor Baker serves on the HRA Board and noted that the board will review their needs, and it is very possible the proposed levy amount will be reduced. Councilor Anderson also serves on the HRA Board and reiterated what Baker stated.

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

(See Secretary's Original Resolution 26-169
Included with these Minutes)

I. Resolution 26-170 Adopting 2027 EDA Preliminary Property Tax Levy

City Manager Rigg provided an overview of this preliminary Levy. He noted this resolution adopts the 2027 EDA Levy of \$170,000. Minnesota Statute 469.107 subdivision 1 limits the EDA levy to .01813 percent of the estimated market value. For 2026, the maximum amount is .01813% of \$1,624,505,175, or \$294,523. The EDA is requesting that these funds be designated for economic and housing development. 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.

Addressing Councilor Baker's question, Rigg outlined how the Broadway Ridge renewal grant supports the community. He noted that business owners use the funds to revitalize the downtown area by repairing things such as roofs, windows, and facades.

Councilor Anderson suggested the EDA preliminary budget be discussed again in more detail at a future work session prior to final approval in December, noting he will support this preliminary budget as long as discussion continues prior to final adoption.

Motion made by Councilor Christensen to approve as read, seconded by Councilor Baker. On a voice vote, the following councilors voted in favor of said motion: Christensen, Baker, Olson,

Anderson, and Mayor Murray. Councilors Herman and Van Beek voted Nay. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 26-170
Included with these Minutes)

J. Resolution 26-171 Authorizing a Small Cities Development Program Local Income Plan Forgivable Loan for Renovation of LMI Family Property Located at 225 Pearl Street S.

The City of Albert Lea was awarded Small Cities Development Program (SCDP) funds to develop viable, eligible communities and provide suitable living environments by expanding economic opportunities principally benefiting low- to moderate-income households. As such, Landmark Apartments of Albert Lea, LLC has applied for SCDP funds to install new windows, HVAC, a water heater, and exterior paint at 225 Pearl Street South.

The attached Agreement authorizes the City Manager and Mayor to enter into a Loan Agreement for a maximum amount of Twelve Thousand Five Hundred and no/100, which is forgivable after five (5) years, provided the property isn't sold, transferred, or conveyed before the end of the five years.

Motion made by Councilor Anderson to approve as read, seconded by Councilor Van Beek. On a voice 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 26-171
Included with these Minutes)

K. Resolution 26-172 Authorizing Broadway Ridge Grant Agreement for 224 Clark St. E.

The Broadway Ridge Urban Renewal Grant is intended to provide financial assistance to owners of historic commercial property interested in making façade improvements to preserve the architectural character that is unique to Albert Lea's downtown commercial historic district. Dan Dorman, on behalf of Junior and Wanda Dorman Irrevocable Trusts, at 224 E Clark Street, has applied for grant funding for building wall repair and tuckpointing in the amount of \$20,940, which will provide a matching grant of \$10,470.00. The project has been inspected and approved by the City's Building Official.

Motion made by Councilor Baker to approve as read, seconded by Councilor Herman. On a voice 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 26-172
Included with these Minutes)

L. Resolution 26-173 Authorizing Broadway Ridge Grant Agreement for 127 S. Broadway Ave.

The Broadway Ridge Urban Renewal Grant is intended to provide financial assistance to owners of historic commercial property interested in making façade improvements to preserve the architectural character that is unique to Albert Lea's downtown commercial historic District.

CH Rental Services, LLC previously applied for a matching grant in the amount of \$16,210.62 to be awarded to provide for removing and replacing storefront windows and doors and installing new windows on the upper front and back of the building, completed in September of 2024.

CCH Rental Services LLC applied for additional grant funds for tuckpointing in the amount of \$72,500, which would provide matching funds of \$36,250. However, the maximum grant in support of a qualifying project for any one building shall not exceed \$50,000 in five years. Instead, the applicant will receive an additional \$33,789.38 in matching funds to reach the maximum grant amount of \$50,000.

The project has been approved by the City's Building Official.

Motion made by Councilor Baker to approve as read, seconded by Councilor Anderson. On a voice 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 26-173
Included with these Minutes)

MAYOR AND COUNCIL REPORTS

First Ward, Councilor Christensen reported:

- Ward Items – None
- Committee Update – None
- Public Announcements – Attended several meetings over the last two weeks

Second Ward, Councilor Baker reported:

- Ward Items – None
- Committee Update – Reported on the HRA meeting he attended last week

Third Ward, Councilor Herman reported:

- Ward Items – None
- Committee Update – Attended the Park & Rec Board meeting where they discussed the lack of staff at the swimming pool over the summer and issues that it created. They also discussed the possibility of naming the new dock on Bridge Avenue.
- Public Announcements – Mentioned events he attended within the community.

Fourth Ward, Councilor Olson reported:

- Ward Items – None
- Committee Update – None
- Public Announcements – Attended the Nations of Patriots event. Attended Homecoming events.

Fifth Ward, Councilor Van Beek reported:

- Ward Items – Working on one ward item
- Committee Update – None
- Public Announcements – On September 19, Bergdale Harley-Davidson hosted the Nation of Patriots, who came to Albert Lea to retire the flag. Attended the local football game.

Sixth Ward, Councilor Anderson reported:

- Ward Items – None. Encourages residents to contact him with comments on the budget
- Committee Update – Attended an HRA meeting
- Public Announcements – Mentioned events he attended within the community.

MAYOR REPORT

Attended the following meetings:

- On September 15, Chamber Business Hours
- Two ALEDA updates
- On September 16, National Honor Society
- Cradle to Career Event at Riverland
- On September 19, Nation of Patriots, Suicide Walk. Alzheimer's walk, and High School football game.
- September 25 and 26, Homecoming events, and High School Cross Country

Mentioned the upcoming events, adding they are also listed on the City's website.

CITY MANAGER REPORT

- Continued work on the budget
- Meeting with the Unions to negotiate. He added that they have felt more like partners in trying to come up with a solution.
- Attended a conference where he presented on housing projects Albert Lea is currently working on.

APPROVAL OF CLAIMS

A. Resolution 26-174 Approving Claims

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

The attached resolution directs the Mayor and City Treasurer to issue 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 Christensen to approve as read, seconded by Councilor Herman. 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 26-174
(Included with these minutes)

Councilor Christensen moved 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 12, 2026. On a voice vote, all councilors voted in favor of said motion.

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

ADJOURNMENT: 8:48 PM

Mayor Rich Murray

Daphney Maras
Secretary of the Council