

**REGULAR COUNCIL MEETING
CITY COUNCIL CHAMBERS, CITY OF ALBERT LEA
January 26, 2026 – 7:00 P.M.**

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

WARD 3 - Vacant

ADDITIONAL STAFF PRESENT: Chief of Police Darren Hanson

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 – None

CONSENT AND APPROVAL OF AGENDA

- A. Approve Minutes of the January 12, 2026 Regular Council Meeting
- B. Approve Minutes of the January 12, 2026 Work Session
- C. License & Permits
- D. Resolution Accepting Feasibility Report and Calling a Public Hearing at 7:00 PM, February 23rd, 2026 for the 2026 Neighborhood Improvement Project (Job 2601)
- E. Resolution Accepting Feasibility Report and Calling a Public Hearing at 7:00 PM, February 23rd, 2026 for the 2026 State Aid Street Overlay Project (Job 2602)
- F. Resolution Accepting Feasibility Report and Calling a Public Hearing at 7:00 PM, February 23rd, 2026 for the St. Mary Avenue & 14th Street Reconstruction Project (Job 2603)
- G. Resolution Authorizing FY2030 East Main Street (Blake Avenue to 777th Avenue) Grant Application
- H. Resolution Authorizing the Sale of City Property to the City of Hartland
- I. Resolution Requesting Advance of Municipal State Aid Street Funds for the Valley Avenue & Marshall Street Reconstruction Project (Job 2517)
- J. Resolution Authorizing the City of Albert Lea to Execute Minnesota Department of Transportation Grant Agreement for the Albert Lea Municipal Airport Snow Removal Equipment (SRE) Building Door Replacements – Job 2608
- K. Resolution Authorizing Environmental Protection Agency Brownfields Multipurpose Grant Application – 620 Adams Ave. Property

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

(See Secretary's Original Resolution 25-012 through 26-019
Included with these minutes)

PETITIONS, REQUESTS, AND COMMUNICATIONS

A. SMART Transit Updates – Operations Managers Ashley Strand and Joanne Brackey provided an update on SMART Transit, highlighting its growth and ongoing challenges. They noted that SMART Transit has been in service since 2004 and has expanded its routes several times while raising fares only once during that period. Brackey emphasized the significant cost increases affecting their operations, pointing out that a bus purchased in 2020 for \$90,000 now costs \$204,000.

She also described SMART Transit's partnerships, including a collaboration with Mayo Clinic that offers free shuttle service to Waseca for patients. Combined with shuttle routes between Albert Lea and Austin, these services broaden transportation options for residents across the region. Their mission remains focused on helping people access work, school, and medical appointments, supporting individuals in staying in their homes rather than moving to long-term care facilities.

Strand shared ridership statistics illustrating the demand for their services. Both managers expressed appreciation to the council for its continued support.

B. Review of DRAFT Tobacco/Cannabis Ordinance

City Manager Rigg provided an overview of a draft of the Tobacco and Cannabis Ordinances, outlining the revisions and new provisions added to address concerns raised since their initial adoption.

Under the Tobacco Ordinance, Councilmember Christensen proposed adding language to the section limiting smoke shops and tobacco stores to identify licensed tobacco retailers specifically.

Rigg continued by outlining the revisions to the cannabis ordinance, explaining each modification and addressing council questions with input from City Attorney Holstad and City Clerk Maras. Under Sec. 5.031, Councilor Anderson proposed revising the requirement for applicants to become operational from 365 days to 180 days.

Rigg said further revisions will be prepared and presented to the council for a first reading at its next meeting, along with a discussion on whether to change the limit on registered cannabis retailers.

UNFINISHED BUSINESS

A. Update on Appointment to the 3rd Ward - Councilmember Vacancy

Mayor Murray noted that several individuals expressed interest in the third ward vacancy and that he received six strong applications. He will continue conducting interviews and expects to announce the new Third Ward Councilmember by the next council meeting.

NEW BUSINESS

A. Public Hearing Regarding Proposed Vacation of 13th Street

City Manager Rigg said that to effectively plan for future business development and/or expansion, Albert Lea Economic Development Agency (ALEDA) has requested the vacation of 13th Street as dedicated and shown on Port Authority Plat No. 3 (legally described in the attached resolution). The existing street is unimproved and has served no public purpose.

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

A1. Resolution 26-020 Approving Vacation of 13th Street

Motion made by Councilor Anderson 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, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Ordinance 26-020
(Included with these minutes)

B. Resolution 26-021 Supporting the Authority to Impose a Local Sales Tax

This resolution is to notify the State Legislature that the Council wishes to continue its sales tax at the current rate to, in part, continue the watershed improvements to the region and improve certain regional recreational and public services, all of which would otherwise be added as property taxes if done without the sales tax. By using sales tax, the inequity of city-only property taxes for regional use is resolved.

If there is any adjustment needed in project costs paid by sales tax, I would recommend reducing the amount for the trail, as that project has the greatest variability in costs, timeline, grants, and other revenue sources, but would not suggest going below \$9,100,000. If changes are made in the project amount, the number of years for collection will also have to change to reflect the dollar amount.

Councilor Anderson asked the City Manager to clarify his statement that the measure would not create a new sales tax but would instead extend the existing one. Rigg confirmed that the proposal does not establish a new tax. He then outlined the projects that the City's portion of the \$40 million would fund. Anderson also requested clarification on how the projects would be selected. Rigg explained that voters would have the opportunity to vote on each project individually, with only the highest-supported projects moving forward. He added that the council may make any adjustments at this time that they feel are appropriate.

Councilor Christensen proposed increasing the Miracle Field allocation from \$1.1 million to \$1.5 million. She also raised concerns about the \$4.5 million designated for the library, noting that the public may question how that amount would be used and could view it as inflated.

Rigg explained that the \$4.5 million is a preliminary estimate and that additional work between now and November will help refine the specific needs and costs. He added that if the full amount is not required, it can be reduced accordingly.

After discussion, the council agreed to increase funding for the Miracle Field and to reduce the allocation for the Songbird Trail from \$9.7 million to \$9.3 million, noting that the trail project has greater access to potential grant funding.

Councilor Van Beek expressed that he felt pressured to make a decision, as the information was not provided early enough to allow for a thorough review. Mayor Murray concurred, stating that when there are large projects coming up, it would be best to receive details far in advance to allow time for council to digest and review.

Motion made by Councilor Baker to approve the changes to the amounts allocated for the Miracle field and Songbird Trail, seconded by Councilor Anderson. On roll call vote, the following councilors voted in favor of said motion: Christensen, Baker, Olson, Van Beek, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Ordinance 26-021
(Included with these minutes)

C. Resolution 26-022 Authorizing Purchase of 37.56 Acres, Parcel Number 08.025.0101

The City of Albert Lea seeks to purchase 37.56 acres west of the WWTP from Robert L. and M. Susan Dammen. The property abuts the WWTP to the west, which is land owned by the City. The cost is \$400,000. Purchase of the property will provide an area for the development of the site.

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

(See Secretary's Original Ordinance 26-022
(Included with these minutes)

D. Resolution 26-023 Authorizing City Manager to Purchase and Place a Modular Home at 409 Clark Street W.

This resolution advances the City's goal of improving housing options and reinvesting in a neighborhood in need of revitalization. A modular home is proposed as a cost-effective way to add quality housing and test new approaches for future infill development.

Because the project involves more than \$100,000 in unlisted capital spending, Council approval is required. Selecting the modular home first allows accurate site plans and construction quotes to be developed.

The resolution authorizes the City Manager to:

- Purchase a 2- or 3-bedroom modular home using up to \$150,000 from the housing fund.
- Hire a contractor for site preparation with a budget of \$120,000.
- Execute all necessary agreements.
- List and sell the completed home at a price affordable to a 3- to 4-person household earning 80–115% of AMI.

The housing fund has approximately \$625,000, and through current development agreements or grants, has committed potentially \$70,000 over the next two years. This project is intended to support neighborhood improvement and expand attainable housing options.

Motion made by Councilor Baker 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, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Ordinance 26-023
(Included with these minutes)

E. Resolution 26-024 Authorizing City Manager to Purchase and Place a Modular Home at 915 Autumn Street

This item mirrors the preceding council action. includes authorizations to the City Manager consistent with the prior item. Overall, this project, like the one preceding it, aims to reinforce neighborhood stability and increase the variety of attainable housing available within the community.

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, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Ordinance 26-024
(Included with these minutes)

MAYOR AND COUNCIL REPORTS

First Ward, Councilor Christensen reported:

- Ward Items – None
- Committee Update – Planning Commission will be meeting next week. Blue Zones project team will be meeting tomorrow.
- Public Announcements – Mentioned the walking Moi's taking place weekdays at the

YMCA from 12:00-1:00. The Chamber of Commerce's Government Affairs Committee will be putting together forms and training for citizens related to the 2026 elections. Thanked everyone who participated in the PTSD and suicide prevention sessions that were held last week.

Second Ward, Councilor Baker reported:

- Ward Items – None
- Committee Update – Will be attending an HRA meeting tomorrow. Mentioned that the HRA has selected a company to check the soil at one of the existing properties owned by the HRA and anticipates moving forward with placing a duplex in that spot.

Third Ward - VACANT:

Fourth Ward, Councilor Olson reported:

- Ward Items – None
- Committee Update – None

Fifth Ward, Councilor Van Beek reported:

- Ward Items – Working on two Ward items
- Committee Update – Will be attending an HRA meeting tomorrow
- Public Announcements – Recognized Police Chief Hanson and the entire department for their outstanding dedication and performance over the past few weeks.

Sixth Ward, Councilor Anderson reported:

- Ward Items – None
- Committee Update – Will be attending an HRA meeting tomorrow

MAYOR REPORT:

Attended the following events and provided details of each:

- Meeting every Tuesday morning with ALEDA Director Phillip Johnson via Zoom, reviewing projects
- On January 13, he presented YIG (Youth in Government) awards at the YMCA
- Attended the ALHS wrestling dual in Alden
- January 19th attended the Martin Luther King event at Riverland College.
- January 20th had an interview on Power 96 with Ron Hunter
- Attended the PTSD meeting at the American Legion last week
- Met with HRA Director Dr. Mitchell
- Attended the celebration regarding the new Althing Clinic coming to Albert Lea
- Invited people to participate in the Polar Plunge during the Big Freeze in February
- Toured Cargill last week and noted they have 300 employees
- Thanked the AL Police Department for their exceptional work this week.

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

CITY MANAGER REPORT

- He reported that most of the things he has been working on were discussed at tonight's meeting.

APPROVAL OF CLAIMS

A. Resolution 26- 025 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 as read, seconded by Councilor Baker. On roll call vote, the following councilors voted in favor of said motion: Christensen, Baker, Olson, Van Beek, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Ordinance 26-025
(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, February 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: 8:40 PM

Mayor Rich Murray

Daphney Maras
Secretary of the Council