

**REGULAR COUNCIL MEETING
CITY COUNCIL CHAMBERS, CITY OF ALBERT LEA
November 24, 2025 – 7:00 P.M.**

PRESENT: Mayor Rich Murray, Councilors Rachel Christensen, Larry Baker, Jason Howland, 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 Deputy City Clerk Karla Tukua.

ABSENT: City Clerk Daphney Maras

ADDITIONAL STAFF PRESENT: Sergeant-at-Arms-Police Chief Darren Hanson.

CALL TO ORDER AND ROLL CALL – Mayor Murray called the meeting to order at 7:00 PM. Deputy City Clerk Tukua administered roll call.

PLEDGE OF ALLEGIANCE – Mayor Murray asked all in attendance to stand and recite the Pledge of Allegiance.

CEREMONIAL ITEMS

Police Chief Darren Hanson proudly introduced Police Officer Andrew Thorson as the newest staff member to complete FTO, followed by Deputy City Clerk Tukua formally administering the Oath of Office.

PUBLIC FORUM

CONSENT AND APPROVAL OF AGENDA

- A. Approve Minutes of the November 10, 2025 Regular Council Meeting
- B. Approve Minutes of the November 10, 2025 Work Session
- C. License & Permits
- D. Resolution Authorizing Downtown Wayfinding Signage in City Right-of-Way

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

(See Secretary's Original Resolution 25-197
Included with these minutes)

Councilor Howland made note that there was an error in the wayfinding proposal, explaining there was a spelling error on the sign in the proposal and the map had the wrong proposed locations based on the bullet points on the map. City Manager Rigg clarified the sign would reflect the correct spelling and locations for council approval.

PETITIONS, REQUESTS AND COMMUNICATIONS - None

UNFINISHED BUSINESS - None

NEW BUSINESS

A. Public Hearing Regarding Fee Increase of On-Sale and Off-Sale Liquor License

Mayor Murray opened the Public Hearing Regarding Fee Increase of On-Sale and Off-Sale Liquor License. He called for the first time. James Hagen Co-Owner of Bleachers Sports Bar and Grill spoke and expressed his strong opposition of the 40% increase in the Liquor License fee. He spoke proudly about Bleachers and other small businesses being integral to the City and the investments they have made to be here in Albert Lea. Bleachers employs 25 staff members who depend on their job to support their families and they in turn support the local economy. Hagen spoke of Bleachers tax expenses and of additional operating costs in running a small business. Hagen said if this fee increase passes, they may need to reduce their operating hours, cut staff or even possibly close. Explaining, these are the realities that small business owners face. Hagen stated Bleachers is a gathering spot for families a venue for local musicians, comedians and more. He urged council to instead of increasing the fee, to reduce it by \$800. Stating such a move would send the message that the City values the support of its local entrepreneurs. Hagen urged council to reconsider the proposed increase due to the strain it will place on small businesses and thanked council for their time and consideration.

Mayor Murray called two more times if anyone would like to speak and no one spoke.

City Manager Rigg displayed a slide presentation for the staff report prior to the public hearing. The slide presentation showed the changes and how Albert Lea's fees compares to surrounding cities. He stated that the City's current on-sale fees have not changed in over 21 years and off-sale licensing fee was last increased in 2018. Rigg also went through the different city costs that the license fee helps pay for.

If approved, the new fees will be reflected in the 2026 Fee Schedule Resolution adopted in December 2025. The off-sale license fee is set by statute, and Albert Lea currently charges \$450 annually. Staff is proposing an increase to the statutory maximum of \$560. The proposed change is intended to better align licensing fees with the actual costs of administration, compliance monitoring, enforcement, and public safety efforts.

Councilor Baker brought up a concern from another small business owner that was not able to attend tonight's meeting. The business owner asked if this fee could be instituted in increments instead of all at once. The business owner also mentioned the tax levy that went up last year and the County's potential tax levy increase this year, which will be another increase for businesses. Baker asked if this business owner would be able to speak at the next Council Meeting, to which Rigg said they could speak at the public forum. Olson asked for clarification on when they will vote on the fee schedule, to which Rigg stated it should be at the December 8th council meeting.

Christensen stated she wanted to acknowledge Mr. Hagen's comments. She herself has been a small business owner and noted the truth of his comments and the sacrifices small business

owners make. Christensen stated it was not good planning on waiting this long to raise the fee. She would like to see a lower increase in 2026. Howland agreed with Christensen, adding restaurants and bars had a tough time during Covid, with many having to close permanently. Howland said he'd be in favor of an increase but not as significant. Anderson stated the need of an increase has been documented, but same as Howland, he'd be in favor of a gradual increase.

Rigg clarified the process for each time there is an adjustment, noting he didn't think we could do a gradual increase. Adding, there would need to be a separate public hearing for each increase and the city would incur the cost associated with a public hearing for each increase. There was continued discussion between council regarding this process. Rigg stated he will get clarification by the next meeting. In response to Howland's question, Rigg explained that only liquor licenses required a public hearing when raising fees.

B. Resolution 25-198 Authorizing Construction Manager at Risk (CMAR) Services for Wastewater Treatment Plant Improvements (Job 2518)

The City of Albert Lea's Public Works division sought proposals from qualified parties to provide Construction Management at Risk (CMAR) services for the Wastewater Treatment Plant (WWTP) Improvements. The CMAR will be utilized for the purpose of facilitating the cost evaluation, constructability, scheduling, and sequencing of work for the efficient use and proper allocation of available funds for the WWTP improvements.

Five firms submitted proposals and three firms were shortlisted and interviewed.

The selection committee is recommending to accept the proposal from Rice Lake Construction Group located at 22360 County Road 12, Deerwood, MN 56444, based upon the scoring evaluation, interview, and experience, at a total cost of \$19,300.00.

This resolution authorizes the staff to proceed with working with the City's consultant engineer to prepare and execute contracts with Rice Lake Construction Group and authorizes the City Manager to sign the agreement with Rice Lake Construction.

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

(See Secretary's Original Resolution 25-198
Included with these minutes)

C. Resolution 25-199 Approving State Grants for the Solar on Public Building Projects (Jobs 2523-2525)

The City of Albert Lea, applied and successfully received four grants for the construction of four solar arrays on four City-owned, high energy use buildings. The grant funding for the four projects totals \$377,485 and covers 70% of the total cost to construct the four solar arrays at the facilities listed below. An additional Federal Tax Credit will be utilized to cover the remaining 30% of the

costs of construction, leaving the City with an anticipated net cost of zero for the construction of these projects. A financial summary for each location is as follows:

| | Grant Award total | Federal Tax Credit | Project Total Cost |
|------------------------------|-------------------|--------------------|--------------------|
| Albert Lea City Hall | \$90,945.00 | \$38,976.00 | \$129,921.00 |
| Albert Lea Fire Station | \$94,725.00 | \$40,596.00 | \$135,321.00 |
| Albert Lea Main Lift Station | \$102,760.00 | \$44,040.00 | \$146,800.00 |
| Albert Lea City Garage | \$89,055.00 | \$38,166.00 | \$127,221.00 |

Howland expressed his support on this, especially since it could be a zero cost to the city. It will also reduce costs by using clean and efficient energy.

Baker referred his question to City Engineer Jahnke, he inquired about a previous opportunity where the roof was deemed not structurally sound to install solar panels. Jahnke stated he couldn't speak to his question, but noted there were two firms that looked at the roof and both felt it would work. Rigg explained about a green roof that had been previously looked at and our roof was not structurally sound for that project.

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

(See Secretary's Original Resolution 25-199
Included with these minutes)

D. Resolution 25-200 Authorizing City Manager to Enter into Redevelopment Agreement on Tax Forfeiture Properties with Freeborn County

This agreement sets the terms between the City and the County in the following:

- County sells the lots at 721 St Thomas, 816 Newton South and 705 Madison to the City for \$4,000 each.
- Sale price of each lot is waived if housing is developed on each lot.
- City indemnifies the County on any Tyler v Hennepin repercussions.

The City Manager has looked into constructing two houses on the lots of 721 St Thomas and 816 Newton South using the existing ground conditions and utilities post demolition to save approximately \$25,000 each in the construction cost. Funding for the construction will come from the Housing Fund that will have about \$500,000 post redevelopment incentives on all identified eligible lots. Lot 705 Madison will be added to an existing developer agreement on targeting the same block and will align with our deadline to the County.

Anderson asked about why we are indemnifying the County on Tyler v Hennepin. Rigg deferred

to Attorney Holstad and he reviewed the Tyler v Hennepin case for council. Also adding that tax forfeiture laws have been re-written so that any value received by the government entity that forecloses, needs to be returned to the owner. Holstad explained the City protects itself against the Tyler liability by not selling the property at a profit.

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

(See Secretary's Original Resolution 25-200
Included with these minutes)

E. Resolution 25-201 Accepting Donations as Presented to the City of Albert Lea

May 24, 2025 the Albert Lea City Council Ordered the Abatement of a Hazardous Structure at 809 Clark Street West. The property is now in an Estate process and the executor wishes to gift the property to the City. The Estate has no financial means to abate the structure. Several potential reuses of the property are possible and will be explored.

Rigg asked Attorney Holstad if a motion could be made for an additional property that came up today. Explaining the property owner, Jon Grahn, is willing to deed property located at 825 First Ave. South to the City of Albert Lea. Holstad explained that the motion should state pending a title search, so we are accepting a gift with a clean and clear title.

Motion made by Councilor Baker to amend resolution to accept donation of property at 809 Clark St. West, and also, the property located at 825 First Ave. South, pending a title search to ensure a clean and clear title, seconded by Councilor Anderson. On voice call vote, the following councilors voted in favor of said motion: Christensen, Baker, Howland, Olson, Van Beek, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(Secretary's Original Resolution 25-201
Included with these minutes)

F. Resolution 25-202 Accepting Donation and Authorizing Purchase of Street Banners

The City's blue and green downtown light pole banners are beginning to fall apart and need replacement. At this time the City would accept CVB donations to replace these banners and buy matching banners to go along Bridge Avenue. Additional holiday banners for Bridge Avenue will be purchased. The total cost is \$20,480 with \$10,240 coming from the CVB.

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

(Secretary's Original Resolution 25-202)

Included with these minutes)

MAYOR AND COUNCIL REPORTS

First Ward, Councilor Christensen reported:

- Ward Items – None
- Committee Update – Attended the Senior Center Advisory Board meeting, they are looking at the different proposals for their center and on-going programming. Attended the Blue Zones meeting, budget meeting and will attend the Planning Commission meeting next week.
- Public comments – Wished everyone a happy Thanksgiving.

Second Ward, Councilor Baker reported:

- Ward Items – None
- Committee Update – He met with Phillip Johnson, Mayor Murray, Commissioner Edwin and HRA Director Dr. Mitchell at ALEDA. They spoke with the owners of GFY Custom Homes in regards to putting up a duplex on property the HRA owns. Meeting went well and they will discuss further at the next HRA meeting.

Third Ward, Councilor Howland reported:

- Ward Items – None
- Committee Update – Attended the Park & Rec Board meeting held at the Marion Ross Center where they were able to see the updates to the building as a result of the referendum passed last year. The board decided to hold off on giving a recommendation on the Merrick property. They need more information before giving council their recommendation.
- Public Comments – Attended the ALDI grand opening, it was well received with the line of people extending to the highway. Great to be there and celebrate the opening with everyone.

Fourth Ward, Councilor Olson reported:

- Ward Items – None
- Committee Update – None
- Public Comments – Wished everyone a Happy Holidays and reminded residents with the weather coming in to have patience and give snow plows room when on the roads.

Fifth Ward, Councilor Van Beek reported:

- Ward Items – One ward item
- Committee Update – Attended the quarterly Library meeting, noting their merger is complete and usage is increasing. They also discussed the Library's strategic plan.
- Will attend the HRA meeting this week.

Sixth Ward, Councilor Anderson reported:

- Ward Items – None
- Committee Update – HRA meeting tomorrow. He attended the Chamber After Hours event sponsored by Riverland.

MAYOR REPORT

Attended the following meetings:

- 11/11 attended the Veteran's events and thanked them for all they do in our community.
- Participated in the Albert Lea Tribune progress edition discussion.
- Attended the Albert Lea High School facilities board meeting to discuss facilities within the community.
- Attended ALDI's grand opening, noting the first person was there at 4:30am. He welcomed ALDI's to Albert Lea.
- Attended Freeborn Mower Electric meeting on future of electricity.
- Attended Youth for Christ banquet.
- Attended the WDS-Vortex Solar Project ribbon cutting at Vortex.
- Revocity meeting on the 300 Block and future of project.
- Attended the Help Care meeting regarding their new clinic coming to the Skyline Mall in Albert Lea.
- Attended meeting at ALEDA with Councilor Baker regarding the HRA and housing project.
- Stated that City Offices will be closed for Thanksgiving Day
- He reminded public of Small Business Saturday and additional events coming up.
- Lastly, he stated he is thankful for the people in our community and he's thankful to be their Mayor. Wished everyone a Happy Thanksgiving.

CITY MANAGER REPORT

- He added that the Friday after Thanksgiving City Offices and certain services will also be closed.
- Staff is meeting to go over the City's Strategic Plan.
- Asked Council to bring any questions they might have after reviewing the budget to him, so he can get the answers before the public hearing on December 8th.
- Looking to set up a meeting between the SRRWD, City and Mayor to discuss the share of the sales tax revenue and moving forward with the referendum in fall of 2026

APPROVAL OF CLAIMS

A. Resolution 25-203 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, Tukua displayed a list of claims over \$25,000 for the public's viewing, transparency and education.

Motion made by Councilor Baker, 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 25-203
Included with these minutes)

Councilor Howland motioned for adjournment; Councilor Anderson seconded. That there being no further business, the Council meeting adjourn until the next regular meeting of the Albert Lea City Council at 7:00 p.m. on Monday, December 8th 2025. On voice call vote, all councilors voted in favor of said motion.

Mayor Murray declared the motion passed and the meeting adjourned.

ADJOURNMENT: 8:02 P. M.

Mayor Rich Murray

Karla Tukua
Secretary Pro Tem