

**REGULAR COUNCIL MEETING
CITY COUNCIL CHAMBERS, CITY OF ALBERT LEA
December 8, 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 City Clerk Daphney Maras.

ADDITIONAL STAFF PRESENT: Chief of Police Darren Hanson, Fire Chief Jeff Laskowske, Human Resource Director Mike Zelenak, Finance Director Kristi Brutlag, Building/Zoning Official Wayne Sorensen, and Community & Engagement Enrichment Director Cathy Malakowsky.

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

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

CEREMONIAL ITEMS - None

PUBLIC FORUM – Robert Fjelbrotten spoke regarding the stop sign at Loves Truck Stop location.

CONSENT AND APPROVAL OF AGENDA

- A. Approve Minutes of the November 24, 2025 Regular Council Meeting
- B. Approve Minutes of the November 24, 2025 Work Session
- C. Resolution Accepting & Awarding Low Bids for 2026 Chemicals & Fuel

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 25-204
Included with these minutes)

PETITIONS, REQUESTS, AND COMMUNICATIONS - None

UNFINISHED BUSINESS - None

NEW BUSINESS

- A. TRUTH IN TAXATION (**Public Hearing**)

Finance Director Kristi Brutlag opened the discussion with a slideshow explaining how the final figures were determined for the 2026 Tax Levy, HRA Levy, General Fund Budget, and Capital

Improvement Plan. Many of the details mirrored the discussion from the work session prior to this meeting.

Councilor Baker asked whether the proposed EV vehicle purchases noted in the CIP include the cost of charging stations. City Manager Rigg explained that this cost is typically incorporated into the final purchase price.

Councilor Van Beek asked which EV brands the City is considering for purchase. Rigg explained that the specific brand is not a determining factor; instead, the City evaluates which makes and models best meet operational needs and offers the greatest value under the State bid pricing.

Brutlag emphasized that the portion of 2026 projects financed through the levy will result in an increased levy in 2027. She noted that whenever the CIP projects are cash-flowed, the City aims to keep the levy as stable as possible from year to year.

Mayor Murray opened the public hearing and invited comments on any of the Truth in Taxation items listed on the agenda.

He called the first time. Jon Gerke spoke of his opposition to the proposed property tax increases specifically affecting his rental units.

Mayor Murray called a second time. Jerry Collins voiced his opposition to the proposed increased property tax on the distressed S. Broadway property he purchased and converted into a business. He noted that greater transparency and better public education would help residents more easily understand the financial reports presented during the Truth in Taxation session.

Jeff Renchin spoke of his opposition to the proposed increased property tax on his home, even after a fire that damaged a significant portion of the home.

Virgil Loge spoke of his opposition to his proposed property tax increase.

Cynthia Gale spoke of her opposition to the proposed property tax increase.

Jerry Collins returned to the podium to clarify that, while many public comments focused on property taxes, those rates are determined by the county rather than the city. He encouraged residents to share their concerns at county board meetings, where those changes may be applied.

Mayor Murray called a third time. No one spoke. Mayor Murray closed the public hearing.

Mayor Murray expressed appreciation to the public for their comments. Councilor Baker echoed the Mayor's remarks and highlighted the steps the council takes to keep the levy as low as possible. Councilor Anderson then asked City Manager Rigg what would be required by the City to reduce the levy below 5.9%. Rigg responded by outlining several options that could be reviewed and temporarily removed, though each carried some degree of risk.

Councilor Christensen echoed the remarks of Mayor Murray and Councilor Baker, thanking staff for their diligent work, noting that Albert Lea faces challenges similar to those of many other cities. She encouraged residents to engage with their state representatives and emphasized that the budget committee works diligently on the budgets.

Christensen recommended that the budget committee begin its meetings earlier in the year to allow sufficient time for thorough review and any needed revisions. Rigg noted that this could be incorporated into a resolution outlining the committee's meeting schedule

She continued by asking whether the Building/Zoning Official had the information discussed during the work session regarding the number of new single-family homes built over the past two years. Building/Zoning Official Sorensen reported that in 2024, four new single-family homes were constructed, along with 12 new mobile homes placed in the Stoney Creek Estate. So far in 2025, there have also been four new single-family homes built and an additional 12 mobile homes added to the Stoney Creek Estates.

1. Resolution 25-205 Establishing the Tax Levy for 2026

The City Council approved a preliminary levy of \$9,469,700 in September. The levy being recommended for final adoption will be established at \$9,286,000 (\$183,700) less than what was proposed in September, with \$6,533,000 for the General Fund operating levy and \$2,753,000 for the debt service levy. The increase from 2025 is \$517,700 or 5.9%.

Motion made by Councilor Anderson to establish the 2026 Tax Levy at 5.9%, seconded by Councilor Christensen.

Councilor Howland noted, as residents mentioned during the public hearing, that he, too, has felt the impact of rising property taxes. He emphasized that the increases stem from the County Assessor's office, not the City, and pointed out that the city's tax rate is actually lower this year than last. He noted that with the proposed levy increase reduced to 5.9% from the preliminary 8%, he is prepared to support the new rate.

Councilor Baker revisited Rigg's earlier comments to Councilor Anderson, asking whether it might be worth taking on some risk if it meant lowering the tax levy. Rigg explained that temporarily pausing the soil district debt payment would reduce the levy to 5.3%. However, this would require using roughly \$53,000 from the general fund reserves if the sale proceeds do not arrive before the payment is due. He added that the impact on the levy would be temporary, since an existing agreement requires the increment to be paid based on a set property value, regardless of whether the building is constructed. Finance Director Brutlag concurred with Rigg's recommendation, noting that a specific fund other than the general fund, should be identified to cover the \$53,000 should the payment fail to come through.

Councilor Van Beek stated that he does not support the 2026 Tax Levy, citing concerns with the CIP and the General Fund budget. He reiterated comments from the recent work session, noting that he has yet to receive responses to questions he submitted more than a week ago.

After a lengthy discussion, Councilor Anderson amended his motion to lower the levy to 5.3% by removing the \$53,000 from the soil district, seconded by Councilor Christensen. On roll call vote, the following councilors voted in favor of said motion: Christensen, Baker, Howland, Olson, Anderson, and Mayor Murray. Councilor Van Beek voted nay. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 25-205
Included with these minutes)

2. Resolution 25-206 Approving the Albert Lea Housing and Redevelopment Authority Final Property Tax Levy for Fiscal Year 2026

The City Council in September approved a preliminary HRA property tax levy of \$266,000. The maximum special levy as provided by Minnesota Statute 469.033 is \$309,067 (.0185% of Estimated Market Value of \$1,670,633,100). The HRA is recommending the final levy be set at \$266,000 for redevelopment/work force housing. This is the same levy amount as 2025.

Councilor Baker said after a discussion with the Executive Director of the HRA yesterday, she agreed to lower the HRA Levy to \$125,000. Baker asked what effect this reduction has on the levy to which Rigg responded it would be equivalent to approximately 1.7% decrease to the City's levy.

Councilor Anderson noted that last year's HRA levy was not fully utilized because the agency received additional federal funding. He suggested directing remaining funds toward developing vacant lots throughout the city.

Councilor Howland stated he will be voting no, citing a lack of transparency. He expressed concern that the HRA has no project plan, the current fund balance remains unknown, and the Director has never presented a clear plan to the council regarding how taxpayer dollars are being used. Baker responded, stating that plans are underway to build a three-bedroom home. He also noted that the HRA is working to identify housing options that are affordable for the local workforce. Councilor Anderson agrees there is a lack of project plans, but attributes this to staff changeover. To Howland's comment, Baker responded that he thinks there is approximately \$650,000 in the fund. Van Beek noted his concern that only four residential homes were built in 2025, and said this is why he supports reducing the HRA levy.

Motion made by Councilor Baker to amend the proposed HRA Tax Levy by reducing it from \$266,000 to \$125,000, 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. Councilor Howland voted nay. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 25-206
Included with these minutes)

3. Resolution 25-207 Adopting the 2026 General Fund Budget

The proposed 2026 General Fund revenue and expenditure budget being recommended for approval is \$21,586,000, which is an increase of \$890,385 or 4.30% increase over 2025.

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, Howland, Olson, Anderson, and Mayor Murray. Councilor Van Beek voted nay. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 25-207
Included with these minutes)

4. Resolution 25-208 Adopting the 2026 - 2030 Capital Improvement Plan

Each year, a five-year Capital Improvement Plan is developed by staff to provide a long-range planning tool as a means of identifying needs, available resources, and setting priorities for infrastructure improvements and capital purchases. The attached resolution would adopt the 2026 - 2030 Capital Improvement Plan.

Councilor Van Beek stated that he will not support the CIP, citing numerous unanswered questions and his opposition to purchasing electric vehicles for use in Minnesota. He added that if the city does move forward with the purchase, a local dealership should, at a minimum, be able to provide warranty and service support.

Motion made by Councilor Christensen to amend the CIP with the removal of the City Center project pending further discussion and council approval, seconded by Councilor Van Beek. Upon further clarification, Councilor Van Beek withdrew his motion, and Councilor Anderson motioned the second. On roll call vote, the following councilors voted in favor of said motion: Christensen, Baker, Olson, Anderson, and Mayor Murray. Councilors Howland and Van Beek voted nay. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 25-208
Included with these minutes)

5. Resolution 25-209 Amending Fee Schedule for 2026

The 2025 fee schedule was reviewed by staff, and the changes recommended effective January 1, 2026, are noted in red. The 2026 fee schedule includes a 7% increase in the sewer rates and a 5% increase in the water rates.

A motion was made by Councilor Baker to amend the 2026 Fee Schedule to include the discussed tiered fee structure for on-sale liquor license increases, which will be reflected in the final resolution, seconded by Councilor Christensen. 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 25-209
Included with these minutes)

6. Resolution 25-210 Adopting the 2026 Water, Sewer, Solid Waste and Airport Budgets

While the City is not required to formally adopt budgets for other funds, Staff recommends approving the budgets to provide more information and transparency to the public on spending for such funds.

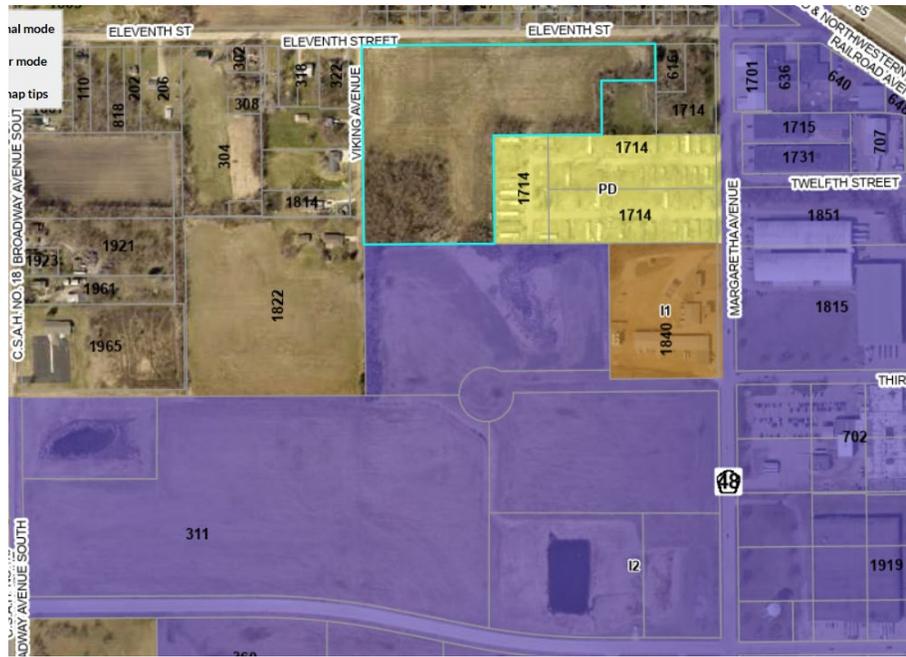
Councilor Anderson noted that while the water and sewer fund currently has a healthy balance, suggesting that a rate increase may not be immediately necessary, the City must plan ahead. Setting aside funds now for future WWTP improvements is a fiscally responsible approach and helps avoid burdening residents with a significant rate hike all at once.

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: Christensen, Baker, Howland, Olson, Van Beek, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 25-210
Included with these minutes)

B. Ordinance 25-149 to Rezone the Landuse Map from Single-Family Residence (R-1) to Industrial District (I-2) for PID 34.435.0090 (1st Reading)

Albert Lea Economic Development Agency (ALEDA) has applied to re-zone PID 34.435.0090 (no address) Single Family Residence (R-1) to Industrial District (I-2) in order to effectively plan for future business development and/or expansion. The property directly abutting to the south (also owned by ALEDA) and the remaining Port Authority No. 3 or the ALEDA Jobs Park is currently zoned Industrial District which eliminates the concern for spot zoning.



Port Authority Plat No. 3 was platted in 2010 as a continuation of the Jobs Park—its development included road infrastructure, utilities, and regional retention ponds which has attracted new industrial users such as Vortex Cold Storage, Design Ready Controls and Green Acres Milling. As the park has filled over time, the available parcel to the North is a reasonable location for expansion given the existing roadways and available utilities.

The Planning Commission held a public hearing on December 2, 2025 and after considering the staff report in addition to public testimony the commission recommends approval based on the following:

1. Rezoning the property will not have an adverse effect on existing and adjacent properties as the area is largely industrial.
2. The use meets the general zoning requirements of the Industrial District.

Planning Commission recommends approval.

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, Olson, Van Beek and Mayor Murray. Councilor Howland and Anderson voted nay. Mayor Murray declared the motion passed.

(See Secretary's Original Ordinance 25-149
Included with these minutes)

C. Public Hearing Related to City's Proposed Broadway Ridge Grant Project for 130 North Broadway Ave. Mayor Murray opened the public hearing. He called three times. No one spoke. Mayor Murray closed the public hearing.

C1. Resolution 25-211 Approving Broadway Ridge Grant for 130 North Broadway Ave

Midway Enterprises has submitted a Broadway Ridge Renewal Grant for reimbursement up to 50% of costs associated with a complete roof replacement and new upper story windows which will provide a matching grant of \$50,000.00. At this time the proposed work has not been completed and funds will not be distributed until all improvements have been reviewed and inspected by the City's Zoning and Building Official for compliance with compliance with application requirements.

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

(See Secretary's Original Resolution 25-211
Included with these minutes)

D. Public Hearing Related to City's Proposed Broadway Ridge Grant Project for 137 North Broadway Ave. Mayor Murray opened the public hearing. He called three times. No one spoke. Mayor Murray closed the public hearing.

D1. Resolution 25-212 Approving Broadway Ridge Grant for 137 North Broadway Ave.

5K Properties, LLC has submitted a Broadway Ridge Renewal Grant for reimbursement up to 50% of costs associated with window replacement as well as new front and rear entrances which will provide a matching grant of \$50,000.00.

Significant improvements have been made to the interior as well which will be calculated into the match eligible expenses.

At this time the proposed work has not been completed and funds will not be distributed until all improvements have been reviewed and inspected by the City's Zoning and Building Official for compliance with application requirements.

Motion made by Councilor Baker to approve as read, seconded by Councilor Howland. 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 25-212
Included with these minutes)

E. Public Hearing Regarding Housing Tax Abatement on Property Within the City of Albert Lea – 508 Milrose Circle. Mayor Murray opened the public hearing. Jerry Collins asked how long the abatement lasts, to which City Manager Rigg provided details. Mayor Murray called two more times. No one spoke. Mayor Murray closed the public hearing.

E1. Resolution 25-213 Authorizing a Housing Tax Abatement on Property Within the

City of Albert Lea for the Purpose of Funding Costs for Construction of a Single-Family Home – 508 Milrose Circle

A public hearing is required before granting a housing tax abatement for parcel number 34-404-0080 in the City of Albert Lea, for the construction of a new single-family home. The abatement will assist in new construction and increase the tax base for the community.

Motion made by Councilor Howland to approve 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 25-213
Included with these minutes)

F. Public Hearing Regarding Declaring Property Without Public Purpose, Waive Planning Commission Review, and Authorizing Sale – 610 4th Street East. Mayor Murray opened the public hearing. He called three times. No one spoke. Mayor Murray closed the public hearing.

F1. **Resolution 25-214 Declaring Property Without Public Purpose, Waive Planning Commission Review, and Authorize Sale – 610 4th Street East**

This hearing is to determine if the property at 610 4th Street East continues to have a public use. There has been a proposal sent to the City Manager in response to an RFP. Ownership by the City is not necessary and converting to affordable housing better serves the public's interests.

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

(See Secretary's Original Resolution 25-214
Included with these minutes)

G. **Resolution 25-215 Deferring Special Assessment for Certain Property Based Upon Age or Disability**

The property owner of Parcel 34.134.0020 – 2417 Marshall St SE, has applied for deferment regarding the assessment on their property for street Project 2501 – the 2025 Neighborhood Improvement Project. Staff has reviewed their application and the property owner qualifies based on guidelines established by City policy.

Motion made by Councilor Baker to approve as read, seconded by Councilor Howland. 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 25-215)

Included with these minutes)

H. **Resolution 25-216 Ordering Preparation of Feasibility Reports for 2026 Improvements**

This resolution would order the preparation of feasibility reports for improvements proposed for the 2026 construction season. The projects are in the CIP and have been reviewed and prioritized by the City Council. The projects are:

Job 2517 – Valley Avenue & Marshall St. Reconstruction Project (STCON-26-01)

This proposed project would involve complete reconstruction including pavement, curb & gutter, watermain, sanitary sewer, and storm sewer on the following streets:

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

Job No. 2601 – 2026 Neighborhood Improvement Project (STOVL-26-02)

This proposed project would involve the bituminous mill & overlay and miscellaneous curb & gutter 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 feet south of Bancroft Drive to the cul-de-sac
Green Lea Lane – Greenwood Drive to Lakewood Avenue

Job No. 2602 – 2026 State Aid Street Overlay Project (STOVL-26-01)

This proposed project would involve bituminous mill & overlay and miscellaneous curb & gutter replacement on the following street:

Clark Street – Ermina Avenue to West Avenue

Job No. 2603 – St Mary Avenue & 14th Street Reconstruction Project (STCON-26-02 & WAT-F-26-01)

This proposed project would involve complete reconstruction, including pavement, curb & gutter, watermain, sanitary sewer, and storm sewer on the following streets:

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

Job No. 2604 – Sorensen Road Watermain Replacement Project (WAT-F-26-02)

This proposed project would involve the replacement of the watermain located in the east ditch of the following road:

Sorensen Road – TH65 to Hammer Road

Job No. 2606 – 2026 Lead Service Line Replacement Project

This proposed project involves replacement of approximately 150 lead service lines. This project will be funded with grant funding.

Motion made by Councilor Baker to approve as read, seconded by Councilor Olson. 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 25-216
Included with these minutes)

I. **Resolution 25-217 Amending Professional Agreement with Bolton & Menk, Inc. for Work Order No. 4 – 2025 Misc.**

The replacement of the snow removal equipment building door is in the CIP for year 2027 using 70/30 state grant funds. In November, MNDOT Aeronautics notified the City that funding for the door replacement project is available if the project could be completed in 2026.

The project would involve replacing 14-foot doors with one wider door. With larger equipment over the years, it has become very difficult to enter and exit this building as well as store seasonal equipment.

The airport board had discussed seeking funding for a replacement snow removal equipment building. The cost for a new building is estimated between \$900,000 and \$1,100,000. The current building is newer and in good shape, replacing the doors would provide a building that meets all the airport needs at a lower cost. It would unlikely to get funding for a new building. If we don't approve at this time there is no guarantee there will be state funding for the door project in the future.

This resolution would amend the professional services agreement to include Work Order No. 4, the work involves structural engineering services to modify the existing building to accommodate the wider door. The design services contract is for \$35,096.

The estimated cost of the snow removal equipment building door replacement (including engineering) is \$359,500.

The estimated project costs and breakdown are as follows:

Total Cost	\$359,500
State share	\$251,650
City share	\$107,850

A state grant will be coming back to Council in early 2026 for approval.

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

(See Secretary's Original Resolution 25-217
Included with these minutes)

J. Resolution 25-218 Temporarily Reducing On-Sale Liquor License Fees for 2026 and 2027

Increases to “on sale” and “off sale” liquor license fees require a public hearing. That hearing was held on November 24th, 2025. It has been 21 years since the last increase to \$2,000 for “on sale” licenses. Adjusting for inflation that amount now exceeds \$3,400. To not raise the fee is to pass cost on to the general public. To increase greater than \$3,400, even if justified against the collective cost of public safety responses as a result of the nature of the business, it would increase the fee beyond its same purchasing power in 2001. Additionally, software advancements may create efficiencies to not require an increase of \$3,400 to match inflation and \$2,800 is estimated to be what is necessary for cost and comparison.

If the increase passes in the amount of \$2,800, it is also recommended the City creates an adjustment period. Staff recommends a discounted price of \$2,400 in 2026 and \$2,600 in 2027. This discount will only be for license renewal as there is some efficiency in renewal as there is for those who submit a week in advance of the last Council meeting prior to expiration.

Following extensive deliberation during the work session, the Council has agreed to implement a phased transition for the increase in on-sale annual liquor license renewal fees. Renewal fees will be temporarily reduced to \$2,200 in 2026, \$2,400 in 2027, and \$2,600 in 2028, with the final permanent rate of \$2,800 taking effect in 2029. These temporary reductions will apply solely to license renewals and will be available only to applicants who submit all required documentation at least one week before the final Council meeting before their license expiration.

Motion made by Councilor Baker to approve as amended, implementing the tiered fee structure as noted above from 2026 through 2029, seconded by Councilor Olson. 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 25-218
Included with these minutes)

K. Resolution 25-219 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.

- Statewide Health Improvement Partnership (SHIP) Freeborn County

Motion made by Councilor Christensen to approve 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 25-219
Included with these minutes)

L. Resolution 25-220 Authorizing Interfund Loan for Advance of Certain Costs in Connection with the Recreational Facilities and Solar Projects

The Albert Lea City Council approved recreational facility and solar projects in 2024 at an approximate cost of \$12.25 million. With the City expecting about \$2.455 million in federal incentives, the City bonded for \$9.8 million. Because the City cannot apply for the federal incentives until the projects are complete, there will be a gap in funding until receiving the incentives. With the projects nearing completion, the City has used almost all the bond proceeds, and the fund will have a negative balance by Dec. 31, 2025. To cover the funding gap, staff are recommending an interfund loan from the Sewer Fund to the Recreation Facilities Fund to cover expenses until receiving the federal incentives.

Councilor Howland asked whether there is any risk the City might not receive the federal incentives, given the current climate surrounding green energy. Rigg responded that he believes the 40% incentive will meet the required timeline and guidelines.

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

(See Secretary's Original Resolution 25-220
Included with these minutes)

MAYOR AND COUNCIL REPORTS

First Ward, Councilor Christensen reported:

- Ward Items – None
- Committee Update – None

- Public Announcements – Shout out to First Lutheran Church for hosting Billy McLaughlin last night.

Second Ward, Councilor Baker reported:

- Ward Items – Will be relaying his ward items to the City Manager
- Committee Update – Attended an ALEDA meeting last Wednesday
- Public Announcements - None

Third Ward, Councilor Howland reported:

- Ward Items – None
- Committee Update – None
- Public Announcements - None

Fourth Ward, Councilor Olson reported:

- Ward Items – Received a ward item this evening that he will address
- Committee Update – Will be attending an airport meeting next week
- Public Announcements – Reminded the public to give the snowplows room this winter.

Fifth Ward, Councilor Van Beek reported:

- Ward Items – None
- Committee Update – None
- Public Announcements – None

Sixth Ward, Councilor Anderson reported:

- Ward Items – None
- Committee Update – None
- Public Announcements - None

MAYOR REPORT:

Attended the following events:

- ALEDA project review, which is an extensive list as well as a regular meeting
- Special meeting regarding the search for a new Executive Director
- District 241 Facilities meeting
- Black Friday and Small Business Saturday last weekend
- Worked with Ruby's Pantry at the Fairgrounds

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

CITY MANAGER REPORT

- Thanked the council, public, and staff for their effort and patience while preparing the budget.
- Invited the council to attend the Karen Community New Year celebration be held on Saturday, December 20th at the High School

APPROVAL OF CLAIMS

A. Resolution 25-221 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 Howland to approve as read, seconded by Councilor Anderson. On roll 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 Ordinance 25-221
(Included with these minutes)

CLOSED SESSION

Property Purchase – 13D subd. 3 (C)(1) – PID 08-025-0101

Motion made by Councilor Anderson to move into closed session at 9:08 PM, seconded by Councilor Howland. On voice call vote, the following councilors voted in favor of said motion: Christensen, Baker, Howland, Olson, Van Beek, Brian Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

Motion made by Councilor Howland to move out of closed session at 9:18 PM, 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.

Staff received direction from Mayor Murray during the closed session.

Councilor Howland motioned for adjournment; Councilor Christensen 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, December 22, 2025. On a voice call vote, all councilors voted in favor of said motion.

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

ADJOURNMENT: 9:19 PM

Mayor Rich Murray

Daphney Maras
Secretary of the Council