

**REGULAR COUNCIL MEETING  
CITY COUNCIL CHAMBERS, CITY OF ALBERT LEA  
April 22, 2024 – 7:00 P.M.**

**PRESENT:** Mayor Rich Murray, Councilors Rachel Christensen, Larry Baker, Jason Howland, Robert Rasmussen, Sherri Rasmussen, Brian Anderson, City Manager Ian Rigg, Public Works Director Steven Jahnke, City Attorney Joel Holstad of Lake National Law LLP, and City Clerk Daphney Maras.

**ADDITIONAL STAFF PRESENT:** Sergeant-at-Arms-Public Safety Director JD Carlson, City Planner Megan Boeck, 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**

**A. Proclamation Declaring May as REACT Month**

Mayor Murray read aloud the proclamation declaring May as Radio Emergency Associated Citizens Teams Month. Through REACT, over 7000 people participate as volunteers to provide highway safety and emergency communications using their own two-way radios in their communities. Albert Lea is fortunate to have a local unit known as Southern Minnesota Albert Lea REACT, Inc.

**B. Proclamation Declaring Arbor Day 2024 in the City of Albert Lea as April 26, 2024**

Mayor Murray read aloud the proclamation declaring April 26<sup>th</sup> Arbor Day 2024. In 1872, J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for planting of trees. This holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska. Arbor Day is now observed throughout the nation and the world. Albert Lea has been recognized as a Tree City USA by the National Arbor Day Foundation and desires to continue its tree-planting ways.

**PUBLIC FORUM**

Gerald Molkenthin spoke as a representative of the Fountain Lake Point Condo Association at Highview Trail. Their concerns are specific to the potential traffic issues if no egress is installed prior to the development of that particular parcel in the Highview Trail area. He implored council to consider this evaluation prior to proceeding with new development.

Margaret Hagen lives in the Highview Trail condos and is also a part of the Fountain Lake Point Condo Association. She spoke of two ponds located in that area. She reported the City is responsible for these ponds and asks that they be maintained at this time.

Bruce Manwarren thanked the Police Department for services.

### **CONSENT AND APPROVAL OF AGENDA**

- A. Approve Minutes of the April 08, 2024 Regular Council Meeting
- B. Approve Minutes of the April 08, 2024 Work Session
- C. Approve Minutes of the April 4, 2024 Council/Staff Retreat
- D. Approve Minutes of the April 12, 2024 Canvass Board Meeting
- E. License & Permits
- F. Resolution Declaring Cinco de Mayo a Community Festival
- G. Resolution Declaring Wind Down Wednesdays As Community Festivals
- H. Resolution Authorizing Broadway Ridge Renewal Grant Funding for 202 W. Clark Street
- I. Resolution Approving Plans and Ordering of Bids for the 2024 Alley Reconstruction Project – Job 2405

Motion made by Councilor Baker to approve the consent agenda as read, seconded by Councilor S. Rasmussen. On roll call vote, the following councilors voted in favor of said motion: Christensen, Baker, Howland, S. Rasmussen, R. Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 24-076 through 24-079  
Included with these minutes)

### **PETITIONS, REQUESTS AND COMMUNICATIONS**

- A. Albert Lea Fire & Rescue – Albert Lea Care Resource Connection Presentation

Deputy Fire Chief Jeff Laskowske provided an overview of the new Care Resource Connection program. He said the overall goal of this program is to teach and assist residents Care Resource Connection is a nonprofit group bringing resources to local EMT and paramedics to assist local citizens. The program is a collaborative effort with various organizations, including Mayo Clinic Health System. Seniors will see the biggest benefit, but the program encompasses all ages and groups. Albert Lea Fire rescue may consult with individuals to assess and assist in securing the best resource for their circumstance. This program is in the early stages but could have a significant impact on the lives of local residents.

Councilor Christensen commended AL Fire Rescue for taking on this initiative and finding ways to connect and collaborate to bring these services to Albert Lea. City Manager Rigg said he is very excited about this program and thinks it is a great fit for Albert Lea.

### **UNFINISHED BUSINESS**

**A. Ordinance 24-112 Repealing and Replacing in Its Entirety – Chapter 24 – Historical Preservation (2<sup>nd</sup> Reading)**

This is the final reading of the ordinance to repeal and replace the existing Chapter 24 on Heritage Preservation. Staff recommends approval Repealing Chapter 24 and Replacing in its entirety.

Motion made by Councilor Baker, seconded by Councilor Anderson. On roll call vote, the following councilors voted in favor of said motion: Christensen, Baker, Howland, S. Rasmussen, R. Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Ordinance 24-112  
Included with these minutes)

**B. Resolution 24-080 Approving Publication Summary – Ordinance 24-112**

Ordinance Summaries may be published if they reasonably inform the public of the effect and intent of the Ordinance. Summaries fulfill all legal requirements as if the entire summarized matter had been published and also directs the public how to obtain the complete Ordinance. Staff recommends approval to publish an Ordinance Summary for Ordinance 24-112

Motion made by Councilor Baker, seconded by Councilor Anderson. On roll call vote, the following councilors voted in favor of said motion: Christensen, Baker, Howland, S. Rasmussen, R. Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 24-080  
Included with these minutes)

**NEW BUSINESS**

**A. Resolution 24-081 Approving Guaranteed Energy Savings Agreement with Apex Facility Solutions of Coon Rapids, MN for City Arena Refrigeration System (#1)**

Community Engagement & Enrichment Director Cathy Malakowsky presented a slideshow describing the contract agreements with Apex. She explained with the majority of Albert Lea voters approving the referendum to fund improvements at Rec Facilities, the first step for the City Arena is a contract with Apex Facility Solutions for the design phase. This will be the first of two design contracts for the City Council to approve. This first agreement to be voted on in the April 22<sup>nd</sup> meeting covers the refrigeration system with related projects of frost removal and replacement of the Colstrup Rink floor.

The second agreement to be voted on in the following meeting will cover the remainder of projects managed by Apex. The design contracts are separate to clarify the components eligible for federal funding (investment tax credits). The projects will transition from design to construction via amendments to the design contract later this year. After the design phase, which will include pricing, the Council will decide whether to approve individual construction projects as amendments to the design contract. This first design agreement is presented in Exhibit 1 and will cost \$362,000. This fee was included in the estimates in the proposal so the total cost remains the same.

Motion made by Councilor Howland, seconded by Councilor Christensen. On roll call vote, the following councilors voted in favor of said motion: Christensen, Baker, Howland, S. Rasmussen, R. Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 24-081  
Included with these minutes)

**B. Resolution 24-082 Accepting Bid for the 2024 Neighborhood Improvement Project - Job 2401**

Rigg said Engineering has reviewed the bids opened Tuesday, April 9, 2024 for the 2024 Neighborhood Improvement Project. The project has 3 main components: bituminous mill & overlay in the Fairlane Terrace area, bituminous surface and watermain replacement on the Spicer Road- cul-de-sac, and replacement of the bituminous surface on the east end of Hammer Road. The streets in the mill & overlay area include:

- Fairlane Terrace – Richway Drive to Briarwood Drive
- Crestview Road – Fairlane Terrace to Levison Street
- Foothills Boulevard – Crestview Road to Fairlane Terrace
- Spicer Road – Fairlane Terrace to Foothills Boulevard
- Briarwood Drive – Garfield Avenue to Crestview Road
- Kent Avenue – Fairlane Terrace to Levison Street
- Levison Street – Garfield Avenue to Crestview Road
- Columbus Avenue – Hawthorne Street to Crestview Road

Engineering received one bid. Engineering is recommending the low bid of \$1,125,456.89 from Ulland Brothers of Albert Lea, Minnesota. The Engineer's estimate was \$1,153,726.50.

Motion made by Councilor S. Rasmussen, seconded by Councilor Anderson. On roll call vote, the following councilors voted in favor of said motion: Christensen, Baker, Howland, S. Rasmussen, R. Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 24-082  
Included with these minutes)

**C. Resolution 24-083 Accepting Bid for the Marshall Street & Sibley Avenue Reconstruction Project – Job 2403**

Engineering has reviewed the bids opened Tuesday, April 16, 2024 for the Marshall Street & Sibley Avenue Reconstruction Project. Work will include complete removal and replacement of the pavement, curb & gutter, sidewalk, sanitary sewer, storm sewer, and watermain. The streets are:

- Marshall Street – Bridge Avenue to E Main Street (TH 65)

- Sibley Avenue – Marshall Street to E. Main Street (TH 65)

The project also involves slip lining a storm sewer. Due to timeline concerns the price from the slip lining company reflected their full construction season. This bid item came in at \$170,775.00, the engineers estimate for this bid item was \$51,750.00. The pipe is in good condition and can wait to be slip lined as part of a larger slip lining project in the future at a cheaper rate. Engineering will remove this item from the contract through a change order, we anticipate this will result in significant savings.

Engineering received three bids. Wencil Construction and Heselton Construction both had addition errors in the total cost. After correction Wencil's submitted a bid for \$1,253,058.00 and Heselton for \$1,314,667.45. The project is awarded to BCM Construction, Inc of Faribault, MN with a low bid of \$1,088,632.00. The Engineer's estimate was \$1,003,517.00. The bid abstract is attached.

Councilor Christensen asked if the bid of \$1,088,632 reflects the change order to which Jahnke said it does not and explained that when the bid contract is signed the company will sign the change order at that time. Furthermore, the bid is actually \$150,000 less than what is shown here. Christensen asked for clarification that dialogue related to the assessments and equitability of this project are still open. To which Rigg replied, the financing is set up so that the final assessment decision does not have to be made now and can be further discussed at a later date. Councilor S. Rasmussen commented on the assessments within this project. She said she looks forward council continuing review of the current assessment policy.

Motion made by Councilor Baker, seconded by Councilor Anderson. On roll call vote, the following councilors voted in favor of said motion: Christensen, Baker, Howland, S. Rasmussen, R. Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 24-083  
Included with these minutes)

#### **D. Resolution 24-084 Accepting Bid for the 7th Street & Winter Avenue Reconstruction Project - Job 2404**

Engineering has reviewed the bids opened Tuesday, April 16, 2024 for the 7th Street & Winter Avenue Reconstruction Project. Work will include complete removal and replacement of the pavement, curb & gutter, sidewalk, sanitary sewer, storm sewer, and watermain. The existing concrete and bituminous pavements will be removed and replaced with a bituminous surface. The streets are:

- 7th Street – SE Broadway Avenue to James Avenue
- Winter Avenue – Fountain Street to Abbott Street

Engineering received four bids. Engineering is recommending the low bid of \$1,312,453.00 from BCM Construction, Inc. of Faribault, Minnesota. The Engineer's estimate was \$1,491,424.50.

Motion made by Councilor Baker, seconded by Councilor Christensen. On roll call vote, the

following councilors voted in favor of said motion: Christensen, Baker, Howland, S. Rasmussen, R. Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 24-084  
Included with these minutes)

#### **E. Resolution 24-085 Amending Fee Schedule for 2024**

Rigg presented the specific amendments to the fee schedule and provided detail below.

- **Cannabinoid Fees** - According to the League of MN Cities, cities may continue to license edible cannabinoid products until the Office of Cannabis Management begins issuing licenses. Currently, those businesses that sell edible cannabinoid products to consumers must be registered with the Minnesota Department of Health. However, once the OCM begins issuing lower-potency hemp edible retailer licenses, cities are likely preempted from continuing to issue their own licenses and would begin registering retailers through the city's cannabis retailer registration process. This change is expected to begin summer of 2024.
- **Street Openings and Sanitary Sewer Industrial Limits** - This item corrects a multiplication error in the Street Openings. For the sanitary sewer industrial limits, it clarifies the level that charges for BOD, Total Suspended Solids, and TKN go into effect.
- **Reduced Fees for Youth Rec Programs** - The goal of reduced fees for youth rec programs is to remove the financial barrier to participating in programs that offer physical, mental and social benefits. The City of Albert Lea has offered free swim lessons and Aquatic Center passes to Freeborn County Head Start students the past 2 years. The results of the swim program have been mixed, with half the students not showing for swim lessons, despite extra communications. The Recreation Department would like to replace this program with reduced fees for any youth residing in Albert Lea who receives some form of assistance from the Freeborn County Department of Human Services, State of Minnesota or Federal Government. It can be food assistance, daycare assistance, subsidized housing, MN Sure insurance, or Social Security benefits. Called a scholarship, it would cover 70% of a program fee with the participant providing the remaining 30%. By requiring some participation in the fee, staff believe students would be more committed to completing the requirements. We also believe the scholarship program is more equitable by opening access to discounted rates for more youth.
- **Changes to Mobile Vendor Reservations** – The City is exploring working with a local business on a start-up program that will make reservations and access possible through a 3<sup>rd</sup> party pay and locking system. This will be similar to bike or kayak rentals. The price needs to be changed from “electric only” to “reservation” regardless of electric use in order for the agreement to work. This will be explored for approximately 24 months.

*See attached resolution.*

Motion made by Councilor Howland, seconded by Councilor Anderson. On roll call vote, the

following councilors voted in favor of said motion: Christensen, Baker, Howland, S. Rasmussen, R. Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 24-085  
Included with these minutes)

#### **F. Resolution 24-086 Approving Workforce Housing Grant Application**

Rigg said the option that has been chosen for this grant application is 100% residential with support services placed to minimize the number of units on the ground level. Roughly this is a \$17M project. With at least a \$6.3M dollar gap. Of which \$4.25M is hoped for in a Workforce Housing Grant. The City's match is \$2,125,000 through already expended demolition and site correction costs, any potential forgiveness of land value in the purchase price, and present value in a "pay-go" TIF agreement.

The City or developer cannot simply say that we have a housing shortage. We have to provide some kind of shortage. The city has two recent rental market studies showing our vacancy rate is less than 5%. These units are market rate housing and are not subsidized lower rents or restricted by income. Viewing the proforma there is a risk to the investors. Lowering the risk without creating unreasonable profits by the investors requires governmental assistance in the amount shown in the resolution.

Local benefit is an improved block on our main throughway. Mix of living and retail in a downtown is a necessity to keep a downtown active. The City may in the end expend more money demolishing buildings so preventing this from happening is important for the City financially. The county, school district and city have stated one of their top goals or need is more housing. Through TIF all three agencies participate on a solution if this grant is awarded. City Manager recommends approval.

Motion made by Councilor Baker, seconded by Councilor S. Rasmussen. On roll call vote, the following councilors voted in favor of said motion: Christensen, Baker, Howland, S. Rasmussen, R. Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 24-086  
Included with these minutes)

#### **G. Resolution 24-087 Amending Main Corridors Renewal Grant Policy**

Rigg explained the attached draft of the Main Corridors Renewal Grant Policy which was been amended to include commercially zoned properties along the Front Street corridor. Staff estimates that this amendment could financially benefit between 20-30 commercial properties throughout the Front Street corridor as indicated on the attached map.

This amendment is a result of public inquiry and was followed up with Council discussion at the

work session in early April at which time staff was asked to provide an update on the fund balance -- \$270,168.27 remains in fund 227 which is used for both Broadway Ridge and Main Corridor Grants. However, there are several pending grant requests for various properties (Freeborn Bank, Jacobson, Hobby Shop, etc.) which could significantly reduce that balance by the end of 2024.

Councilor Howland asked what the plan is to replenish this fund as additional commercial properties are added to the eligibility, thereby depleting the current available funds. Rigg offered options to consider in the future including grants, adding it will ultimately be entirely up to the council.

Councilor Christensen added, for clarity, this is a matching grant. She spoke of the importance of maintaining and protecting the commercial buildings as it is much more cost effective than allowing them to deteriorate. She supports replenishing this fund and encourages property owners to utilize these grant dollars.

Motion made by Councilor Christensen, seconded by Councilor Howland. On roll call vote, the following councilors voted in favor of said motion: Christensen, Baker, Howland, S. Rasmussen, R. Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 24-087  
Included with these minutes)

**MAYOR AND COUNCIL REPORTS:**

First Ward, Councilor Christensen reported:

- Ward Items – She and the Mayor met with Andy Henschel of the Shellrock River Watershed where they discussed the continuance of the dredging of Fountain Lake. The project is still waiting for the permit to move forward.
- Committee Update – Will be attending a Blue Zones committee meeting tomorrow. Attended a meeting at Mayo Clinic where they discussed their involvement in the community. Gave a shout out to Rebecca Krissinger for organizing the Youth Honors Orchestra that performed on Sat., April 13<sup>th</sup>. She will be rehearsing with Cantori on Sat.

Second Ward, Councilor Baker reported:

- Ward Items – None
- Committee Update – No committee updates. He asked if City staff has an idea of when the Government Channel will be back up and running. Rigg responded he will follow up. Baker said he attended the Abba concert at the Marion Ross Theatre and spoke of how fabulous it was. He said he will be volunteering this Saturday at the landfill cleanup day.

Third Ward, Councilor Howland reported:

- Ward Items – None other than he heard from some of the residents at the Fountain Lake Condo Association who spoke during the public forum this evening. He clarified that only one of the two ponds mentioned are owned by the City. He asks City staff include him in on future communication related to this project.



- Committee Update – Attended the Park & Rec Board meeting last week. Some individuals at the meeting proposed a project to improve the Frank Hall Park Grizzlies Football/Rugby field and add storage containers. The Board approved this project and it will now move forward to council in the near future.

Fourth Ward, Councilor S. Rasmussen reported:

- Ward Items – Announced the demolition of the house on Bridge and Hawthorne is now in process.
- Committee Update – Attended a Senior Center meeting recently. Encourages residents to get involved as there are a lot of activities going on. Will attend the HRA meeting tomorrow and Board of Appeals meeting on May 8.

Fifth Ward, Councilor R. Rasmussen reported:

- Ward Items – Working on one ward item.
- Committee Update – Will attend a Library Board meeting next week.

Sixth Ward, Councilor Anderson reported:

- Ward Items – Just wrapped up one ward item and working on another.
- Committee Update – Attending an HRA meeting tomorrow. Reported one of the members of the board, Mike Bartz, who was a resident at the HRA recently passed away.

#### **MAYOR REPORT:**

Attended the following:

- Transportation Committee meeting at the County
  - The MNDOT meeting held in the council chambers related to the I90/I35 corridor
  - Chamber Business After-Hours gathering at Wedgewood
  - Shellrock River Watershed meeting
  - Attended four meetings at ALEDA over the last couple of weeks.
- Mentioned the upcoming events and noted the events are also listed on the City's website.

#### **CITY MANAGER REPORT**

- Thanked the people who attended tonight's council meeting
- Has been working on new development projects
- In regular communication related to grant funding with local and federal representatives
- Spoke of the RFP for development on property in the Highview Trail area. He assured the access concerns will be addressed and will work toward a solution
- Reminded the public of the Albert Lea Landfill cleanup day this Saturday

#### **APPROVAL OF CLAIMS**

##### **A. Resolution 24-088 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 the claims, seconded by Councilor Baker. On roll call vote, the following councilors voted in favor of said motion: Christensen, Baker, Howland, S. Rasmussen, R. Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 24-088  
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, May 13, 2024. On roll call vote, all councilors voted in favor of said motion.

Mayor Murray declared the motion passed and the meeting adjourned.

**ADJOURNMENT: 8:22 P.M.**

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Mayor Rich Murray

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Daphney Maras  
Secretary of the Council