

**REGULAR COUNCIL MEETING
CITY COUNCIL CHAMBERS, CITY OF ALBERT LEA
July 8, 2024 – 7:00 P.M.**

PRESENT: Mayor Rich Murray, Councilors Rachel Christensen, Larry Baker, Jason Howland, Robert 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: City Planner Megan Boeck, Finance Director Kristi Brutlag. Sergeant-at-Arms Public Safety Director JD Carlson.

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 – Public Safety Director JD Carlson introduced two new Police Officers Gregg Calbick and Jacob Gibson. Carlson noted the addition of these two officers now brings the police department to full staff. City Clerk Maras administered the Oath of Office to Calbick and Gibson.

PUBLIC FORUM – Eric Swan spoke of continued flooding at his home on First Avenue.

Bruce Manwarren – Commented on the patriotic 4th of July parade.

CONSENT AND APPROVAL OF AGENDA

- A. Approve Minutes of the June 24, 2024 Regular Council Meeting
- B. Approve Minutes of the June 24, 2024 Work Session
- C. License & Permits
- D. Resolution Adding a Designated Depository of City Funds and Electronic or Wire Transfers, Investment of Municipal Funds, and Collateral Securing Deposits for 2024
- E. Resolution Accepting Bid and Awarding Contract for the 2024 State Aid Overlay Project – Job 2402
- F. Resolution Approving the State of Minnesota DEED Grant Redevelopment Agreement No. 245456 for the Blazing Star Landing Eberhart Street Infrastructure Development Project – City Job 2413
- G. Resolution Approving Plans and Specifications and Ordering of Bids for the Blazing Star NE Corner Site Remediation Project – Job 2416
- H. Resolution Approving the State of Minnesota DEED Cleanup Grant Agreement No. 241960 for the Blazing Star Landing NE Corner Development Project – City Job 2416
- I. Resolution Accepting Donation as Presented to the City of Albert Lea
- J. Resolution Approving Election Judges for the August 13, 2024 Primary Election
- K. Appointment of Daniel Thorpe as Resident Board Member to the HRA Board

Councilor Christensen mentioned the donation accepted is for a tree to be planted at Edgewater Park. This tree was donated by Todd and Nancy Leach in memory of Crystal Ferley who passed away recently just shy of 101 years old.

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

(See Secretary's Original Resolution 24-119 and 24-125
Included with these minutes)

PETITIONS, REQUESTS AND COMMUNICATIONS – None

UNFINISHED BUSINESS - None

NEW BUSINESS

A. Public Hearing Regarding Housing Tax Abatement on Property Within the City of Albert Lea – 1507 Ashley Ct.

A public hearing is required before granting a housing tax abatement for parcel number 34-370-0410 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.

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

A1. Resolution 24-126 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 – 1507 Ashley Ct.

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

(See Secretary's Original Resolution 24-126
Included with these minutes)

B. Public Hearing Related to the City's Proposed Broadway Ridge Grant Project for Schumaker Properties, LLC at 132 S. Broadway Ave.

The Broadway Ridge Grant is intended to assist property owners of historic commercial property in making façade and site improvements that preserve the architectural character that is unique to Albert Lea's downtown. Schumaker Properties LLC applied for a matching grant funds for façade restoration under the Broadway Ridge Grant Fund for property at 132 S Broadway (former Hobby Shop Building).

The property owner has requested a matching grant of \$55,595.00 which is \$5,595 more than current policy allows due to additional roof repairs needing to be made after purchase of the building from the City of Albert Lea. The project consists of removal of new windows and doors, foundation work, removal of awning, exterior lighting, exterior signage, façade painting and roof repair.

If the Council should choose to approve the request for an amount higher than current policy allows, the attached resolution will be amended to reflect the final amount approved.

Lastly, a final inspection of the work completed will need to be done before funds can be distributed.

B1. Resolution 24-127 Approving Broadway Ridge Grant for Schumaker Properties, LLC at 132 S. Broadway Ave.

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

Councilor Christensen said council had a lengthy discussion during the work session regarding this topic. Given the guidance from the City Attorney stating there is not a clear definition on what “extenuating circumstances” entail, she proposes at this time, it would not be prudent to approve above the \$50,000. She also suggested council review the BRG policy and make amendments to further define the program and consider increasing the available funding to accommodate larger requests.

Councilor Howland noted the importance of upholding the policy as written given the ambiguity of the “extenuating circumstances” clause.

Remaining council concurred with Howland and Christensen.

Motion made by Councilor Howland to approve the grant amount capped at \$50,000, seconded by Councilor Anderson. On roll call vote, the following councilors voted in favor of said motion: Christensen, Baker, Howland, Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 24-127
Included with these minutes)

C. Public Hearing Related to the City’s Proposed Broadway Ridge Grant Project for Century Partners, LLC at 201-211 S. Broadway Ave.

The Broadway Ridge Grant is intended to assist property owners of historic commercial property in making façade and site improvements that preserve the architectural character that is unique to Albert Lea’s downtown. Century Partners LLC applied for a matching grant funds for façade restoration under the Broadway Ridge Grant Fund for properties at 201-211 S Broadway (Freeborn Bank and Jacobson Building).

The property owners have requested a matching grant of \$100,000 which is \$50,000 more than current policy allows due to extenuating circumstances surrounding the existing condition of the buildings. The project consists of signage, installation of a fire escape, flood lights, window repair and replacement, new doors and roof membrane which equals \$484,000.

If the Council should choose to approve the request for an amount higher than current policy allows, the attached resolution will be amended to reflect the final amount approved.

Lastly, the property owners will need to apply for proper building permitting, completed the stated work and have a final inspection done before funds can be distributed.

C1. Resolution 24-128 Approving Broadway Ridge Grant for Century Partners, LLC at 201-211 S. Broadway Ave.

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

Mayor Murray said he will abstain from conversation and voting due to his ties to the owners. Councilor Baker will also abstain due to his working relationship with the owners.

Councilor Christensen said although she fully supports the both projects, she reiterated what she said for the BRG resolution approved earlier for Schumaker's owners of the 132 S. Broadway building must also apply to 201-211 S. Broadway as well.

Motion made by Councilor Anderson to approve the grant at \$50,000, seconded by Councilor Howland. On roll call vote, the following councilors voted in favor of said motion: Christensen, Howland, Rasmussen, Anderson. Mayor Murray and Councilor Baker abstained. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 24-128
Included with these minutes)

D. Resolution 24-129 Approving the Issuance of, and Providing the Form, Terms, Covenants and Directions for the Issuance of its Taxable Tax Increment Revenue Note, Series 2024C in an Aggregate Principal Amount Not to Exceed \$750,000

The City of Albert Lea and Northwest Development Group, LLC (Sky Flats) entered into a development agreement in 2021 that would provide \$750,000 in Tax Increment Financing upon the completion of 50-unit multi-family apartment complex at 1619 W Main Street.

This resolution acknowledges completion of the project and authorizes the issuance of a TIF note not to exceed \$750,000 of which payments will start on August 1, 2024.

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

(See Secretary's Original Resolution 24-129)

Included with these minutes)

E. Resolution 24-130 Providing for the Issuance and Sale of \$15,555,000 General Obligation Bonds, Series 2024B, pledging for the Security Thereof Net Revenues, Special Assessments and Levying a Tax for the Payment Thereof

Rigg explained per the City Charter, the City of Albert Lea has the authority to issue General Obligation Improvement Bonds to provide assessable public improvement projects undertaken by the City. Staff recommends the sizing of the bond to be \$15,555,000 to finance Job 2401 the 2024 Neighborhood Improvement Project, Job 2402 the 2024 State Aid Street Overlay Project, Job 2403 Marshall Street and Sibley Avenue Reconstruction Project, Job 2404 7th Street and Winter Avenue Reconstruction Project, and Job 2405 the 2024 Alley Reconstruction Project. The debt issue also includes financing of the Recreational Facilities Project and Equipment Certificates for the Arena and WWTP Solar projects. The terms and amounts are summarized below. Rebecca Kurtz from Ehlers & Associates will be in attendance to review the bond sale results.

Street Projects - 10 years	\$3,035,000
Street Projects - 15 years	\$1,215,000
Recreational Facilities - 21 years	\$9,880,000
Arena Solar - 15 years	\$ 465,000
WWTP Solar - 15 years	<u>\$ 960,000</u>
Total Debt Issue	<u>\$15,555,000</u>

Bruce Kimmel of Ehlers was present and provided an overview of the bond sale.

Councilor Christensen commended the City Manager and Finance Director and staff for their due diligence resulting in good fiscal management. Councilor Anderson echoed Christensen's comments.

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

(See Secretary's Original Resolution 24-130
Included with these minutes)

F. Resolution 24-131 Accepting Resignation and Declaring a Vacancy

Rigg said at the June 24, 2024 Council Meeting, Councilor Sherri Rasmussen announced her resignation as 4th Ward City Councilor. This resolution is accepting and declaring a vacancy exists on city council effective upon acceptance of this resolution.

Anderson and Baker commented on the Sherri Rasmussen's service noting she was great to work with and will be missed.

City Clerk Maras presented options to fill the vacancy with no formal action on replacement decided at this meeting. City Attorney Holstad added staff has made a very thorough investigation of the process and concurred with the options as presented by Maras.

Mayor Murray suggested anyone that may be interested in filling the vacancy should contact him. An appointment will be made as soon as possible. Meanwhile, anyone in the fourth ward with questions or concerns may contact the Mayor or another council member in the interim.

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

(See Secretary's Original Resolution 24-131
Included with these minutes)

G. Ordinances 24-122 through 24-125 Amending Chapter 50 Article X, Sections 50.1036, 50.1038, 50.1039 and 50.1040 Related to Construction and Permanent Stormwater Management Procedures.

The National Pollution Discharge Elimination System (NPDES) permit program is part of the Clean Water Act, which controls water pollution by regulating point sources that discharge pollutants into waters of the United States. The city has been part of the program since the early 2000's. We recently entered into a new 5-year permit cycle and as part of the new permit there are additional requirements of the city which include the following ordinance amendments:

G.1 Ordinance 24-122 Amending Section 50.1036 Stormwater Management Procedures (1st Reading)

This amendment includes changes to the application process in which property owners have 7 days to SWPPP if there is a change in design, operation, maintenance, or if weather and seasonal conditions have a significant impact on the discharge of pollutants to surface or ground waters.

Councilor Christensen commented these ordinances were all reviewed and approved by the Planning Commission.

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

(See Secretary's Original Ordinance 24-122
Included with these minutes)

G.2 Ordinance 24-123 Amending Section 50.1038 Permanent Stormwater Management Requirements (1st Reading)

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

(See Secretary's Original Ordinance 24-123
Included with these minutes)

G.3 Ordinance 24-124 Amending Section 50.1039 Construction Site Erosion Prevention and Sediment Control Requirements (1st Reading)

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

(See Secretary's Original Ordinance 24-124
Included with these minutes)

G.4 Ordinance 24-125 Amending Section 50.1040 Small Construction Sites (1st Reading)

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

(See Secretary's Original Ordinance 24-125
Included with these minutes)

H. Resolution 24-132 Approving CIP Purchase of Shower Head Replacements at City Arena

Rigg explained the proposal to improve recreational facilities included 6 projects originally in the Capital Improvement Plan (CIP). These projects are being managed by City staff, not Apex Facility Solutions. One CIP project is replacing 5 shower units, in place for 35-plus years, in 3 locker rooms at the City Arena, originally estimated to cost \$30,000. Recreation staff recently received two quotes for the shower heads that are both 41% more than estimated. One is from Jim and Dudes of Albert Lea for \$42,350. The other is from Kelley Plumbing, Heating and Cooling of Albert Lea for \$42,355. The City's purchasing policy requires City Council approval for final amounts that are 20% or higher than the original CIP amount. Staff recommends accepting the quote from Jim and Dudes.

Councilor Anderson mentioned it is important for the public to know that this item was discussed at length during the work session and although this is just one facet of a larger project that ran \$12,000 over budget, there are other facets that are \$18,000 under budget noting overall the projects are still on budget. Although it may appear that items are voted on quickly at the council meetings, it is important that the community understand that items are discussed thoroughly at the work session and he invited the public to attend those meetings.

Motion made by Councilor Anderson to approve as read, seconded by Councilor Rasmussen. On

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

(See Secretary's Original Resolution 24-132
Included with these minutes)

MAYOR AND COUNCIL REPORTS:

First Ward, Councilor Christensen reported:

- Ward Items – Asked that the mosquito spraying schedule be shared with the public more often. Another request was if flashing crosswalk signs could be incorporated in different areas. She reminded the rules of the crosswalks pertaining to both vehicles and pedestrians. She suggested the availability of grants to pay for these.
- Committee Update – Attended a Planning Commission meeting. Mentioned the groundbreaking ceremony this week for the All-Inclusive park. Budget meetings are beginning.

Second Ward, Councilor Baker reported:

- Ward Items – Working on a couple ward items.
- Committee Update – Attended an HRA meeting and spoke of the construction work in progress at that location.

Third Ward, Councilor Howland reported:

- Ward Items – Working on ward items
- Committee Update – Commented on the mosquito issues and suggested additional spraying.

Fourth Ward -Vacant

Fifth Ward, Councilor R. Rasmussen reported:

- Ward Items – Working on one ward item
- Committee Update - None

Sixth Ward, Councilor Anderson reported:

- Ward Items – Working on a ward item
- Committee Update – Attended a lot of the 4th of July festivities and commented on the successful Fireworks at the new location. He attended an HRA meeting.

MAYOR REPORT: Attended the Following:

- Truck show at the Fairgrounds
- Thursdays' on Fountain
- Grand Opening of Young Construction
- Barn of Chapeau 5-year anniversary
- Cory Goodnature golf event
- 4th of July Parade and Fireworks
- Car show downtown

Announced upcoming events within the City and encouraged the community to participate.

CITY MANAGER REPORT:

- Attended the LMC conference and described the sessions he partook in.
- Thanked the staff for organizing the 4th of July activities
- Budget processes are in full swing
- Mentioned the upcoming BBQ cookoff

APPROVAL OF CLAIMS

A. Resolution 24-133 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 Baker, to approve the claims, seconded by Councilor Anderson. On roll call vote, the following councilors voted in favor of said motion: Christensen, Baker, Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 24-133
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, July 22, 2024. On roll call vote, all councilors voted in favor of said motion.

Mayor Murray declared the motion passed and the meeting adjourned.

ADJOURNMENT: 8:02 P.M.

Mayor Rich Murray

Daphney Maras
Secretary of the Council