

**REGULAR COUNCIL MEETING
CITY COUNCIL CHAMBERS, CITY OF ALBERT LEA
December 9 - 7:00 P.M.**

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

Councilor Jason Howland attended via zoom

ADDITIONAL STAFF PRESENT: Sergeant-at-Arms-Public Safety Director JD Carlson, Building/Zoning Official Wayne Sorensen, Finance Director Kristi Brutlag, and Enrichment & Engagement 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

Bruce Holland spoke of the local utility fees. He said he noticed Waste Management trucks hauling leche into Albert Lea and asked how many gallons are brought into the Landfill in a year and what the effect that has on the city's utility rates. He also asked what kind of fee are they paying the city to use the landfill in that fashion.

Martha Jones Sichko said she is a senior advocate. She commended Deputy Fire Chief Laskowske, and Captain Bart Berven for their support of senior initiatives, notably call-in reassurance program and the upcoming Care Resource Connection program. She highlighted issues with the ambulance service particularly long wait times and urges council to prioritize this issue heading into 2025 before it becomes an even larger crisis. She extended a heartfelt thanks to City Manager Rigg and Mayor Murray for advocating for Smart Transit who now provides ride service to and from the clinic. She asks council to execute a plan to promote it. She also thanked councilmember Christensen for always advocating for seniors.

Bruce ManWarren commented on what the farmers will do with all the round bales.

CONSENT AND APPROVAL OF AGENDA

- A. Approve Minutes of the November 25, 2024 Regular Council Meeting
- B. Approve Minutes of the November 25, 2024 Work Session
- C. Resolution Accepting and Awarding Bids Yearly Chemical Supplies, Gasoline and Diesel Fuel

- D. Resolution Executing DNR Cooperative Agreement for the Fountain Lake Accessible Multi-Purpose Public Dock - Job 2213
- E. Resolution Authorizing Execution of Minnesota Pollution Control Grant Agreement - Job 2507 – Front Street Basin Project (**ITEM E MOVED UNDER NEW BUSINESS**)

Motion made by Councilor Anderson to approve the consent agenda with the exception of moving item E under new business as discussed during the Work Session, seconded by Councilor Christensen. On roll call vote the following councilors voted in favor of said motion: Christensen, Baker, Howland, Olson, Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 24-214 and 24-215
Included with these minutes)

PETITIONS, REQUESTS AND COMMUNICATIONS - None

UNFINISHED BUSINESS - None

NEW BUSINESS

A. Resolution 24-216 Authorizing Execution of Minnesota Pollution Control Grant Agreement - Job 2507 – Front Street Basin Project

Attached for council review and approval is a resolution to execute the Minnesota Pollution Control Agency (MPCA) Grant Agreement, SWIFT Contract Number 256994.

The project includes increasing the stormwater storage areas and creating a trail system on the City owned property south of West Front Street and between 4th Avenue West and Maplehill Drive.

The estimated project cost is as follows:

Est. Total cost:	\$984,138.01		
Est. Grant Funds	\$885,724.21		
	Est. City Funds		\$ 98,413.80

The project must be completed by June 30, 2027. The resolution authorizes the City Engineer and Director of Public Works to sign the agreement. Engineering is recommending entering into the agreement.

In April 2024, with the assistance of HRGreen, the city applied for this MPCA grant. This project has been in the CIP for several years but did not have grant funding until now so it kept moving further out. Engineering will be working on the design in early 2025 with the construction anticipated for the fall of 2025 or early 2026.

Councilor Howland requested staff to provide additional details about this project. Mayor Murray deferred to Public Works Director Jahnke who displayed a map of the area. He described a wetland in the area that fills up with water during 5–6-inch rainfall and ultimately contributing to the flooding along 4th Ave. S. and Plainview Lane. Potential areas to hold water have been identified and creating a walking path in the area will be completed as well.

Howland asked if this will help alleviate flooding on the street, as well the standing water that that accumulates after a heavy rain in the back yards of the residents in that area. He commented a walking trail will be a great improvement in the neighborhood. Jahnke responded it will not eliminate the flooding during the heavy rains, reiterating this will be an improvement, but it will not solve the problem.

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

(See Secretary's Original Resolution 24-216
Included with these minutes)

B. TRUTH IN TAXATION (Public Hearing)

Mayor Murray opened the public hearing regarding resolutions to approve the following:

- 2025 Tax Levy
- 2025 HRA Levy
- 2025 Budgets
 - General Fund
 - Airport
 - Senior Center
 - Water, Sewer and Solid Waste
- 2025 – 2029 Capital Improvement Plan

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

Finance Director Brutlag provided a slideshow detailing each of the items listed.

1. Resolution 24-217 Establishing the Tax Levy for 2025

The City Council in September approved a preliminary levy of \$8,903,000. The levy being recommended for final adoption will be established at \$8,768,300 (\$134,700 less than what was proposed in September), with \$5,974,800 for the General Fund operating levy and \$2,793,500 for the debt service levy. The increase from 2024 is \$1,076,800 or 14% - \$737,940 or 9.6% of the increase is due to the voter approved Recreational Facilities Project.

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

following councilors voted in favor of said motion: Councilor Christensen, Baker, Howland, Olson, Rasmussen, Anderson, and Mayor Murray.

(See Secretary's Original Resolution 24-217
Included with these minutes)

2. Resolution 24-218 Approving the Albert Lea Housing and Redevelopment Authority Final Property Tax Levy for Fiscal Year 2025

The City Council in September approved a preliminary HRA property tax levy of \$266,600. The maximum special levy as provided by Minnesota Statute 469.033 is \$266,116 (.0185% of Estimated Market Value of \$1,438,462,400). The HRA is recommending the final levy be set at \$266,000 for the Shady Oaks Façade project. This is an increase of \$16,000 from the 2024 levy.

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

(See Secretary's Original Resolution 24-218
Included with these minutes)

3. Resolution 24-219 Adopting the 2025 General Fund Budget

The proposed 2025 General Fund revenue and expenditure budget being recommended for approval is \$20,695,615 which is an increase of \$813,315 or 4.09% increase over 2024.

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

(See Secretary's Original Resolution 24-219
Included with these minutes)

4. Resolution 24-220 Adopting the 2025 – 2029 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 to set priorities for infrastructure improvements and capital purchases. The attached resolution would adopt the 2025 - 2029 Capital Improvement Plan.

She emphasized projects in the CIP can change based on need and availability of resources. Approval of CIP by council authorizes staff with City Manager approval to proceed with projects \$100,000 or less if the amount in the CIP does not exceed 20% of the original CIP amount and/or there is no change in the funding source. Projects over \$100,000 require approval by council resolution.

Rigg noted the WWTP improvements are the bulk of the CIP and funding for some of the projects are dependent on State bonding and other grant sources.

Councilor Christensen remarked on the lengthy discussion that took place during the work session. Although she is confident this resolution will pass, she explained why she will vote no. She stated all council is not in agreement with every item in this plan and ensures certain items will be brought back for additional discussion further emphasizing the importance of not spending money on items the city does not intend to fund.

Councilor Anderson said he shares some of the concerns Christensen noted but will be voting in favor of this resolution as he is counting on the fact that council will be discussing all items over \$100,000 prior to approval.

Mayor Murray commented, he too, will be voting no on this item in an effort to keep a close eye on expenditures.

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

(See Secretary's Original Resolution 24-220
Included with these minutes)

5. Resolution 24-221 Amending Fee Schedule for 2025

The 2024 fee schedule was reviewed by staff and the changes recommended effective January 1, 2025 are noted in red. The 2025 fee schedule includes a 7% increase in the sewer rates and a 5% increase in the water rates.

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

(See Secretary's Original Resolution 24-221
Included with these minutes)

6. Resolution 24-222 Adopting the 2025 Water, Sewer, Solid Waste, Senior Center 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.

City Manager Rigg interjected deferring to Jahnke to speak of the waste water aka leche that the city receives as Mr. Holland brought up during the public forum. Jahnke responded stating that the city accepts waste water from Waste Management of Lake Mills and the city charges six cents per gallon. He said this is significantly higher than the residential rate per person. Further noting the six cents pays for risk of contamination and Waste Management is allowed to haul up to 60,000 gallons per day, but they rarely do. Jahnke said this source provides approximately \$350,000 annual revenue.

Councilor Anderson asked when the last time the rate Jahnke spoke of earlier regarding the six cents per gallon to haul waste was increased and is this a competitive fee. Jahnke said the fee is reviewed each year and reiterated that rate is significantly higher than the residential rate.

Councilor Christensen commented that she has served on the budget committee and commended city staff for doing a good job on maintaining the general fund tax levy. Councilor Anderson echoed Christensen's comments and said albeit the referendum and new personnel contracts taking effect, there were no large increases and commends staff for working hard to keep costs down.

Councilor Baker said he has served on the budget committee for three consecutive years and appreciates city staff involvement and the excellent communication between council and staff.

Rigg thanked staff and council for their hard work on the budget. He noted council has received calls related to higher taxes and have had to reminded residents it is due to the referendum.

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

(See Secretary's Original Resolution 24-222
Included with these minutes)

C. Resolution 24-223 Accepting Donations as Presented to the City of Albert Lea

From September to December 2024, the Friends of the Albert Lea Public Library donated a total of \$4,287.20 to the Albert Lea Public Library. The funds were used for the programs listed on the included sheet. Without the generous donations from the Friends of the Albert Lea Public Library, many of the library's programs would not be possible. The total donations from the Friends of the Library in 2024 was \$11,900.28.

The Friends of the Albert Lea Public Library raise non-profit funds for programs and equipment not covered by the general library budget. The Friends of the Albert Lea Public Library raise the funds through the Fountain Lake Bookstore, two book sales throughout the year, membership fees, and general donations.

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

(See Secretary's Original Resolution 24-223
Included with these minutes)

D. Resolution 24-224 Approving Plans and Specifications and Ordering Advertisement of Bids for Remodeling of Albert Lea City Arena and Aquatic Center.

The proposed City Arena project consists of building a 1,099-square-foot, one-story building addition for the lobby, renovating the Recreation Department office, and renovating a referee locker room. The proposed Aquatic Center project consists of adding a 180-square-foot, one-story free-standing ticket booth along with changes to the main building and other facility elements to improve public access. This resolution is to approve the plans and specifications, and to authorize bidding for the projects. The bid opening would be scheduled for 2:00 p.m. on January 16, 2025. The Albert Lea Parks and Recreation Board reviewed the plans on Nov. 18, 2024, and had no changes. Staff recommends approval.

These changes will benefit all users and make the building safer for the staff and public. Funding for these projects was approved by voters in a referendum held on April 9, 2024. Apex estimates the Arena remodeling to cost \$1,360,000 (\$100,000 above budget) and the Aquatic Center remodeling to cost \$387,000 (\$100,000 under budget) for a total cost of \$1,747,000, which meets the budget overall. Apex Facility Solutions LLC has prepared the plans and specifications, which are available for review and included in the packet.

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

(See Secretary's Original Resolution 24-224
Included with these minutes)

E. Resolution 24-225 Approving Registered Land Survey No. 17

The Planning Commission held a public hearing on December 3, 2024 to review Registered Land Survey No. 17 for compliance with Chapter 38, Section 38-009 Minor Subdivisions which allows for division and consolidation of lots. The purpose of the survey is to subdivide property locally known as the Eagles Rest and prepare for future sale and development. Planning Commission recommends approval.

- The property is currently owned by the Shell Rock River Watershed District (SRRWD).
- Upon a successful sale, SRRWD will retain Tract C and D which are wetlands
- Tract A and B which is buildable land will likely be sold to a housing developer.
- Future platting of lots, blocks, roadways and proper park dedication will be required upon the successful sale and development of Tract A and B.

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

councilors voted in favor of said motion: Councilor Christensen, Baker, Howland, Olson, Rasmussen, Anderson, and Mayor Murray.

(See Secretary's Original Resolution 24-225
Included with these minutes)

MAYOR AND COUNCIL REPORTS:

First Ward, Councilor Christensen reported:

- Ward Items – Working on ward items.
- Committee Update – Attended the Planning committee meeting last week where they approved the registered land survey #17 as noted on tonight's agenda. Noted the last 2024 CVB Business After-hours is at Wedgewood Cove next Tuesday and encouraged anyone to attend.

Second Ward, Councilor Baker reported:

- Ward Items – None
- Committee Update – Attended the HRA meeting and are in still reviewing the HRA housing role in the community. Also attended the ALEDA meeting and reports things are positively moving forward. Extended appreciation and well wishes to Councilor Rasmussen for his service on the council.

Third Ward, Councilor Howland reported:

- Ward Items – Worked with City Staff on his ward issues
- Committee Update – – attended the Park & Rec board meeting last month and reviewed the renderings for the Rec facility projects at the City Arena and Aquatic Center. Also attended the CVB meeting.

Fourth Ward, Councilor Olson reported

- Ward Items – None
- Committee Update – Extended well wishes to Councilor Rasmussen.

Fifth Ward, Councilor Rasmussen reported:

- Ward Items – Has been working on one ward item.
- Committee Update – Attended the Airport board meeting and Library board meeting and provided updates. Said it has been a privilege to serve on the council.

Sixth Ward, Councilor Anderson reported:

- Ward Items – Wishes everyone a Merry Christmas
- Committee Update – Attended the HRA board meeting. He looks forward to continued work with HRA in rejuvenating the housing market. Extended well wishes to Councilor Rasmussen.

MAYOR REPORT:

Attended the following:

- ALEDA board meeting and said he is excited about all the activity in process.
- Thanksgiving eve dinner at Grace Lutheran Church with 20-30 young community members
- Several high school activities and congratulated Councilor Olson on his daughter's wrestling championship

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

CITY MANAGER REPORT:

- Reiterated thanking staff and council for all the efforts on the budget
- Working on Economic Development loans to present to council
- Working with the City Attorney on an important item
- Reminded council Mayor will be making Board appointments soon and suggested council members let him know if they desire any changes as to which Boards they prefer to serve on.
- Working on a couple of grants
- Wished Councilor Rasmussen well and said he appreciates his years serving on council

APPROVAL OF CLAIMS

A. Resolution 24- 226 Approving Claims

(1). Presentation of Claims Over \$25,000

The attached resolution directs the Mayor and City Treasurer to issue the payment of claims as presented in the Detail of Claims report. In addition, Maras displayed a list of claims over \$25,000 for the public's viewing, transparency and education.

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

(See Secretary's Original Resolution 24-226
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, January 13, 2025. On roll call vote, all councilors voted in favor of said motion.

Mayor Murray declared the motion passed and the meeting adjourned.

ADJOURNMENT: 8:11 P.M.

Mayor Rich Murray

Daphney Maras
Secretary of the Council