

Approved 12/01/2025

**Lanesboro City Council  
Special Meeting Minutes  
Tuesday, November 25, 2025 – 6:00 p.m.  
Lanesboro Community Center Meeting Room**

**Present Members:**

☒ Mindy Albrecht-Benson   ☒ Chase Bakke   ☒ Joe Cullen   ☒ Alicia Pearson   ☒ Kathryn Wade

**Staff:**

☒ Mitchell Walbridge   ☒ Darla Taylor   ☐ David Haugen   ☐ Mark Lawstuen   ☒ Jerod Wagner  
☐ Tara Johnson   ☒ Joseph O’Koren   ☒ Michelle Marotzke

**Guests:** Sjeila Goetzke and Colin Bakke

Mayor Pearson called the special meeting to order at 6:00 p.m.

- A. **Agenda Approval:** Member Albrecht-Benson entered a motion to approve the agenda as presented; Member Wade seconded the motion. Motion carried with all in favor.
- B. At 6:01 p.m., the meeting was closed due to Attorney-Client Privilege to discuss, active, threatened, or pending litigation pursuant to Minn. Stat. 13D.05 Subd. 3(b). The City Council discussed litigation and mediation strategies with legal counsel regarding a contract dispute, which is based on correspondence received from Wapasha Construction Company Inc.’s legal counsel. Mayor Pearson opened the meeting at 6:43 p.m.
- C. **Consider Revolving Loan Fund Application Approval – Clara’s Eatery:** Members considered an application for a \$30,000 loan submitted by Clara’s Eatery. The Lanesboro EDA Board recommended approval of the loan with a term of seven years at a rate of 2.0% interest per annum. Member Wade entered a motion to approve the application with the recommended terms; Member Bakke seconded the motion. During discussion, Economic Development Director Michelle Marotzke reviewed the cash balances of the revolving loan funds. After discussion, all members voted in favor of the motion. Motion carried.
- D. **Decertification of Lanesboro TIF District 2-2:** City Administrator Mitchell Walbridge shared that the TIF District 2-2, which was created for development of the Church Hill Condominiums located in the former Lanesboro Public School building, is ready to be decertified. The last payment is scheduled for the end of 2025. By procedure, a resolution to decertify the Tax Increment Financing District is required.

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Lanesboro, Fillmore County, Minnesota, was duly held at the City Hall in said City on the 25th day of November, 2025, beginning at 6 o’clock P.M. for the purpose, in part ,of decertifying Tax Increment Finance District 2-2 within Municipal Development District No. 2, of said City.

The following Council members were present: Alicia Pearson, Melinda Albrecht-Benson, Chase Bakke, Kathryn Wade, Joseph Cullen;

and the following were absent: none.

Council member Wade introduced the following resolution and moved its adoption:

**CITY OF LANESBORO  
RESOLUTION NO. 2025-51**

**A RESOLUTION APPROVING THE DECERTIFICATION OF  
TAX INCREMENT FINANCING DISTRICT NO. 2-2  
OF THE CITY OF LANESBORO**

WHEREAS, on December 15, 2003, the City of Lanesboro (the “City”) created its Tax Increment Financing District No. 2-2 (the “District”) within its Municipal Development District No. 2 (the “Project”); and

WHEREAS, as of the date hereof all bonds and obligations to which tax increment from the District have been pledged have been paid in full or defeased and all other costs of the Project have been paid; and

WHEREAS, the City desires by this resolution to cause the decertification of the District effective 12/31/2025 after which all property taxes generated within the District will be distributed in the same manner as all other property taxes.

NOW THEREFORE, BE IT RESOLVED by the City Council of Lanesboro, Minnesota that the City’s staff shall take such action as is necessary to cause the County Auditor of Fillmore County to decertify the District as a tax increment district and to no longer remit tax increment from the District to the City.

DATED: November 25, 2025

Member Bakke seconded the motion. The motion carried with all members voting in favor.

- E. **Consider Personnel Policy Amendment: Minnesota Paid Leave:** Administrator Walbridge presented a draft personnel policy addendum for consideration. Administrator Walbridge explained the purpose of the policy and how it fits in with the State of Minnesota’s new paid leave law that goes into effect on January 1, 2026. Member Albrecht-Benson entered a motion to adopt the policy and the corresponding request form; Member Bakke seconded the motion. The motion carried with all members voting in favor.
- F. **Consider Cost-of-Living Adjustment for 2026:** Administrator Walbridge requested the City Council consider a COLA for 2026. City Council members asked questions about the COLA being a duplicative raise for employees on top of their annual step increases. Administrator Walbridge explained the purpose of the wage adjustment versus the annual step increase. Members would like to see the City’s pay schedule reviewed sometime in 2026. Member Albrecht-Benson entered a motion to adopt a 3% cost-of-living adjustment, effective January 1, 2026; Member Cullen seconded the motion. The motion carried with all members voting in favor.
- G. **FY2026 Final Budget:** Members reviewed the department budgets that will be used to calculate the final budgets and tax levy at the December 1, 2026 city council meeting. During discussion, members had the consensus of increasing the Fire Department’s budget back to original figures for Small Tools and Operating Supplies – each to \$5,000. Further discussion will be had regarding the City’s township billing method. Administrator Walbridge also requested the City Council weigh in on the Library budget due to concern with the amount dedicated to staffing. City Council members did state that it was worth recommending to the Library Board that they regulate staffing and finding a balance between administrative time and time dedicated to duties while the library is open. No official action was taken on the budget.

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Mayor Pearson adjourned the special meeting at 8:33 p.m.

Respectfully submitted,

Mitchell Walbridge  
City Administrator/Clerk