

Approved 09/02/2025

**Lanesboro City Council
Special Meeting Minutes
Tuesday, August 28, 2025 – 6:00 p.m.
Lanesboro Community Center Meeting Room & Zoom**

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: Kris Paxton

Special Meeting

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 meeting agenda; Member Wade seconded the motion. Motion carried with all in favor.
- B. Zoning and Fire Code Violations – 505 Parkway Avenue South:** Members reviewed a list of city zoning code and ordinance code violations at 505 Parkway Avenue South which is owned by Sparrow Valley Properties, LLC. Code violations included Operating Short-Term Rentals without a License (Ordinance 120.13(A)(B)), Non-Permitted Land Use in the R-3 Residential Business District (Ordinance 151.23(B)), Non-Payment of Municipal Lodging Tax (Ordinance 115.01), and Minnesota State Fire Code 903.4 and 903.4.1 related to Sprinkler System Supervision and Alarm Monitoring. The city council discussed each complaint. The city council discussed each complaint. Attorney O’Koren explained the potential civil and criminal remedies available for enforcement. Member Albrecht-Benson entered a motion to direct Attorney O’Koren to send a final notice letter via Certified mail, allowing the property owner 14 days to either appeal the violations or provide documentation of corrective action as outlined by ordinance; Member Bakke seconded the motion. During discussion, Administrator Walbridge explained how the ordinance violations may also affect existing contractual agreements, including the Property Tax Abatement and Development Agreements between Sparrow Valley Properties and the City of Lanesboro. The motion carried with all members voting in favor.
- C. Wastewater Treatment Facility – Final Pay Request:** Administrator Walbridge summarized correspondence between the City of Lanesboro, Bolton & Menk, Inc., and Hellmuth & Johnson Law Firm, representing Wapasha Construction, regarding the disputed final pay request for the wastewater treatment facility project. He noted that Hellmuth & Johnson has requested additional documentation and is seeking mediation. Administrator Walbridge requested council guidance on whether the City should retain outside counsel. Attorney O’Koren also recommended engaging an attorney specializing in construction law and business contracts. Administrator Walbridge reported he had reached out to two law firms and would provide proposals at the next regular meeting. Member Albrecht-Benson entered a motion to table discussion; Mayor Pearson seconded the motion. Motion carried with all in favor.

Mayor Pearson put the meeting into recess at 6:36 p.m.

Mayor Pearson resumed the meeting at 6:38 p.m.

Approved 09/02/2025

- D. 2026 Preliminary Budget Review:** Administrator Walbridge presented an overview of the budgetary process and the preliminary 2026 budget. The council and staff reviewed proposed revenues and expenditures for each department. No action was taken.
- E. Local Option Sales Tax:** Administrator Walbridge reported that the one-half percent local option sales tax expired in December 2024. He presented the procedural steps and potential timeline to pursue approval of a new sales tax.
Council members expressed interest in beginning the process, with further discussion to occur at future meetings. No action was taken.

Mayor Pearson adjourned the meeting at 8:09 p.m.

Respectfully submitted,

Mitchell Walbridge
City Administrator/Clerk