Lanesboro City Council
Regular Meeting Minutes
Tuesday, September 8, 2026 – 6:00 p.m.
Lanesboro City Council Chambers

Present Members:
☒ Mindy Albrecht-Benson ☒ Chase Bakke ☒ Joe Cullen ☒ Alicia Pearson ☒ Kathryn Wade
Staff:
☒ Mitchell Walbridge ☒ Darla Taylor ☐ David Haugen ☐ Mark Lawstuen ☐ Jerod Wagner
☒ Joseph O'Koren ☐ Michelle Marotzke

Mayor Pearson called the regular City Council meeting to order at 6:00 p.m.

A. **Agenda Approval:** City Administrator Mitchell Walbridge requested that a lawful gambling permit application from the Root River Game Protective League be added to the Consent Agenda as Item G. A motion was made by Member Albrecht-Benson to approve the agenda with the requested addition; Member Wade seconded the motion. Motion carried with all in favor.

B. Public Comments:

- Jon Nichol, representing the Lanesboro Museum, commented on the City's donation to the Lanesboro Museum being removed from the FY2027 budget. Nichol stated that he understood FY2027 would present challenges and expressed hope that the donation could be considered again in future years.
- Delia Bell commented in opposition to the zoning amendment for 109 Elmwood Street East. Delia encouraged the City Council to keep the housing needs of full-time residents in mind.
- Anna Loney commented as a volunteer for the Lanesboro Museum. Anna recommended that City Council members visit the museum to better understand the support it needs from the community.
- Michelle Leon and Steve Neuharth shared the history of their rental property at 109 Elmwood Street East. Michelle Leon commented that they are seeking to have the property zoned C-1 Downtown Commercial District to utilize the property as intended when they purchased it.
- Mark Osland commented on the zoning amendment request for 109 Elmwood Street East. Mark identified himself as legal counsel for Michelle Leon and Steve Neuharth. Mark stated that the request had a rational basis and was consistent with the City's Comprehensive Plan. Mark also commented that his clients are invested in the community.

C. Approval of Minutes:

a. Minutes of Regular Meeting, August 3, 2026
b. Minutes of Special Meeting, August 25, 2026

A motion was made by Member Albrecht-Benson to approve the minutes as presented; Member Wade seconded the motion. All members voted in favor; motion carried.

D. Consent Agenda:

A. Accounts Payable
B. Resolution 2026-44 Accepting Donations for the Lanesboro Fire Department
C. Resolution 2026-45 Accepting Donations for the Legion Lights Fund
D. Resolution 2026-47 Accepting Donation from Lanesboro Legion Lights
E. League of Minnesota Cities Insurance Trust Liability Coverage Waiver
F. Acceptance of Carl and Verna Schmidt Foundation Grant Award
G. Application for Lawful Gambling – Root River Game Protective League Inc.

A motion was made by Member Albrecht-Benson to approve the Consent Agenda; Member Wade seconded the motion. All members voted in favor; motion carried.

Continued Business

A. **Consider Proposal for Lanesboro Day at the Capitol:** Mayor Pearson reported that days at the Capitol are often associated with larger organizations. Mayor Pearson posed several questions to the City Council regarding its desired level of involvement and the legislative goals of the City of Lanesboro. Administrator Walbridge recommended that the City Council develop a list of goals and seek additional community support in communicating those goals to legislators.
A motion was made by Member Albrecht-Benson to table further discussion; Mayor Pearson seconded the motion. All members voted in favor; motion carried.

B. **Discuss Minnesota PERA Statewide Volunteer Firefighter Pension Enrollment:** Member Bakke disclosed a financial conflict of interest related to the item and recused himself from discussion. Administrator Walbridge stated that the City Council should determine whether the City would offer the pension through PERA as a City benefit. A November 1 deadline is in place due to the timing of the completed cost analysis. Members discussed the benefit level the City should select during enrollment. Some members expressed concern regarding the limited asset-to-liability funding ratio at the $2,300 benefit level.
A motion was made by Member Albrecht-Benson to proceed with the City's enrollment in the PERA SVF Plan at a benefit level of $2,200 per year of eligible service credit; Member Cullen seconded the motion. Administrator Walbridge explained that both the City Council and the Lanesboro Firemen's Relief Association would need to pass a resolution ratifying enrollment prior to November 1.
Members Albrecht-Benson, Wade, Cullen, and Pearson voted in favor of the motion, and Member Bakke abstained. Motion carried.

C. **Consider Amendment to City of Lanesboro Compensation Schedule:** A motion was made to approve the amendment to the City of Lanesboro Compensation Schedule, which would add Grade 8 to the pay scale and place the City Administrator/City Clerk position at Grade 8; Member Bakke seconded the motion.
Member Bakke expressed concerns regarding the data provided in the City Administrator/City Clerk compensation comparisons, stating that the variables were not consistent with the City of Lanesboro's metrics. Member Bakke stated that he would like to see additional data compiled and questioned whether compensation for other positions should also be evaluated. Member Bakke further stated that the City Administrator bringing forward the request for the position's pay adjustment represented a conflict of interest.
Administrator Walbridge stated that if the City Council believed there was a conflict of interest, then two City Council members should re-evaluate the request using defined criteria for comparable positions.
A motion was made by Member Albrecht-Benson to amend the original motion by tabling discussion and appointing Mayor Pearson and Member Cullen to evaluate compensation data. All members voted in favor; motion carried. All members then voted in favor of the amended motion; motion carried.

New Business

A. **Consider Approval of Driftless Goat Company LLC Rental Agreement:** A motion was made by Member Wade to approve the contract; Mayor Pearson seconded the motion. Members noted that funds had been awarded through the Carl and Verna Schmidt Foundation grant to cover the cost of the contract. All members voted in favor; motion carried.

B. **Consider Request to Modify Traffic Control at Kirkwood Street East and Ridgeview Lane:** Members of the City Council discussed concerns regarding the intersection. Discussion included whether to make the intersection a three-way stop or only require traffic on Ridgeview Lane to stop. A motion was made by Member Wade to change traffic control on Ridgeview Lane from yield signs to stop signs; Member Albrecht-Benson seconded the motion. All members voted in favor; motion carried.

C. **Consider Request for 10-Minute Parking Spot Designation on Coffee Street East:** Members reviewed the request for a 10-minute parking space at 111 Coffee Street East for Fifth Sun Gardens. Overall, the City Council expressed that a 10-minute parking space might be better located elsewhere on the block so that it could accommodate more than one business.
A motion was made by Member Wade to table discussion and refer the request to the Planning and Zoning Commission for a recommendation regarding overall parking designations in the Downtown Commercial District; Member Bakke seconded the motion. All members voted in favor; motion carried.

D. **Consider Beacon Street West Street/Parking Closure Application:** A motion was made by Member Albrecht-Benson to approve the application; Mayor Pearson seconded the motion. Administrator Walbridge clarified that the request was the same as the 2025 request submitted by Sylvan Brewing for street and parking closures related to its Oktoberfest and Filthy Fifty Bike Race events. All members voted in favor; motion carried.

E. **Consider Zoning Amendment Application for 109 Elmwood Street East:** An application to amend the zoning map so that 109 Elmwood Street East would be zoned C-1 Downtown Commercial District was reviewed. The City Council was unable to establish findings that substantially supported approval based on public health, safety, and welfare. The City Council also referenced the City's 2025 Comprehensive Land Use Plan, which identified the need to promote housing opportunities for full-time residents. The City Council considered the implications of expanding areas currently zoned residential to commercial.
A motion was made by Mayor Pearson to approve the zoning amendment; Member Bakke seconded the motion. It was noted that there would be economic benefits to weigh in the decision, as well as the fact that the property is adjacent to commercially zoned property. A roll call vote was recorded, with Members Cullen and Pearson voting in favor and Members Albrecht-Benson, Wade, and Bakke voting no. Motion failed.
Mayor Pearson put the meeting in recess at 7:30 p.m.
Mayor Pearson resumed the meeting at 7:32 p.m.
A motion was made by Member Wade to deny the rezoning request; Member Albrecht-Benson seconded the motion. All members voted in favor; motion carried.

F. **Consider 2027 Lease Agreement for Brush Dump:** A motion was made by Member Albrecht-Benson to approve the lease agreement for the current brush dump site; Member Wade seconded the motion. All members voted in favor; motion carried.

G. **Consider Request for Lodging Tax Revenues:** Administrator Walbridge explained that if the City Council allocates its five percent retainage of lodging tax revenue, the amount should be factored into the property tax levy. Members were not in favor of forgoing the revenue used to cover administrative costs associated with administering the lodging tax.
A motion was made by Member Albrecht-Benson to deny the request; Member Cullen seconded the motion. During discussion, members noted that the request could be reevaluated later in 2027 on an as-needed basis. All members voted in favor; motion carried.

H. **Consider Options for Economic Development Professional Services:** The City Council reviewed a counterproposal from the Lanesboro Area Chamber of Commerce Board of Directors. The Board requested $17,500 for professional services provided to the City, while the City had initially proposed a contract amount of $10,800 for 2027.
A motion was made by Member Wade to offer $14,000 for services provided through the Chamber in 2027; Member Bakke seconded the motion. Member Cullen stated that he would like to see additional proposals and pricing before committing to a single option. Members Wade, Albrecht-Benson, Bakke, and Pearson voted in favor of the motion; Member Cullen voted against. Motion carried.
A motion was made by Member Wade to use the City's drafted contract language for the counterproposal; Member Albrecht-Benson seconded the motion. Motion carried.
A motion was made by Mayor Pearson to proceed with a Request for Proposals (RFP) if the counteroffer

is not accepted by the Chamber Board; Member Bakke seconded the motion. All members voted in favor; motion carried.

I. **Consider Bid for City Hall Building Assessment:** Due to ongoing climate control and humidity issues at Lanesboro City Hall, a quote was obtained from the Institute for Environmental Assessment to complete an enhanced walkthrough and HVAC assessment. The total cost was quoted at $6,075. The amount would be paid from General Fund reserves if the Park Department had exhausted its building improvement budget.
A motion was made by Member Bakke to approve the quote; Member Albrecht-Benson seconded the motion. All members voted in favor; motion carried.

J. **Consider Approval of FY2027 Preliminary Budget:** Administrator Walbridge stated that he made the changes to the preliminary budget requested during the August 25 City Council budget work session: removing the Lanesboro Museum donation, removing $14,000 from the Emergency Services Vehicle Replacement budget, removing approximately $10,000 from the EDA budget for professional services, and applying sales tax reserves toward debt service.
Member Bakke expressed concern regarding the reduction of $14,000 from the Emergency Services Vehicle Replacement budget. Member Bakke did not believe the City Council should reduce funding for identified needs or rely on donations from the Fire Relief Association to fill revenue gaps within the department. Member Bakke noted that levy support for the Fire Department had been reduced. He and Chief Wagner believed that the City was unnecessarily shifting operating costs to the townships served by the department. Administrator Walbridge disagreed with the city-township cost-share analysis.
A motion was made by Member Albrecht-Benson to keep the Emergency Services Fund levy amount the same as the 2026 levy amount; Member Cullen seconded the motion. All members voted in favor; motion carried.

K. **Consider Resolution 2026-46 Adopting the 2027 Proposed Property Tax Levy:** After modifications to the Emergency Services Fund and Fire Department budget, the resolution reflected a proposed 2027 tax levy of $1,062,013. A motion was made by Mayor Pearson to adopt Resolution 2026-46; Member Albrecht-Benson seconded the motion. All members voted in favor; motion carried.

Mayor Pearson adjourned the meeting at 8:20 p.m.

Respectfully submitted,

Mitchell Walbridge
City Administrator/Clerk