

SHERBURN CITY COUNCIL MEETING

January 20, 2026 at 5 P.M. | CITY HALL, 21 E 1ST STREET

CALL TO ORDER Mayor Pro Tem Brad Ringnell duly called the meeting to order at 5:00pm. Members present include Sarah Kramer, Rick Behne, and Ronnie Beckius. Also present include Andrea Ballard, City Clerk/Treasurer and Sean Devens, Deputy Clerk.

OPEN PUBLIC COMMENTS Bonnie Lapinkisk, Temperance Lake Ridge Culinary Director under Lisa Lange spoke in support of Lisa Lange, stating she was the heart of the building. Urged council to make a heartfelt decision on where this, referring to the management of Temperance Lake Ridge goes from here.

APPROVAL OF AGENDA Motion by Ringnell to approve agenda item, with moving number 3.f to up to above number 2. Motion died due to lack of second. Motion to approve agenda as printed by Kramer. Second by Beckius. 4-0. Carried.

CONSENT AGENDA Motion by Beckius to approve consent agenda as presented. Second by Kramer. 4-0. Carried.

1. Approval of Regular Meeting Minutes – January 5, 2026
2. Approval of Checks - GEN: 1589-1611e & #47721-47785
3. Approval of December 2025 General Receipts
4. Approval of Payroll Period 2026-1 Reports
5. Monthly Financial Statements – November 2025
6. Municipal Liquor Store End of Year Sales Report & End of Year Inventory – 2025
7. Ambulance Run Report – End of Year 2025

REGULAR AGENDA

NEW BUSINESS:

1. Sewer Problems - Tim Eisenmenger – Mr. Eisenmenger addressed the Council regarding ongoing sewer issues at the P&J. He stated concerns that the sewer connection may have been installed too high and that the saddle wye may not meet code requirements, resulting in repeated blockages. Mr. Eisenmenger stated he is not seeking warranty information but is requesting assistance in resolving the issue, stating he has paid over \$30,000 in repair bills. He noted concerns regarding construction oversight and bonding and stated the installation should have been reviewed at the time of construction. Mr. Eisenmenger requested a response within 30 days and stated Public Works informed him when they assessed the issue that it appeared to involve City infrastructure.
2. Temperance Lake Ridge Letters for Council Consideration – Ringnell stated the letters are in the packets as provided and asked if there were any questions. Hearing none, Council moved on to the next agenda item.
3. Temperance Lake Ridge
 - a. Nancy Hansen – Questions about Embark & Temperance Lake Ridge: Ms. Hansen addressed the Council regarding her observations at Temperance Lake Ridge over the past eight years. She stated that while positive aspects exist, she believes new management and middle management are needed. Ms. Hansen expressed concerns that priorities had shifted away from staff training and resident care and to

“worrying more about what looks good and caring about elaborate parties”. She stated training has declined over time with increased staff turnover, particularly in memory care. Ms. Hansen raised concerns regarding management practices, stating staff fear retaliation and that some families and employees feel their concerns are not addressed. She also cited operational concerns related to resident transportation, licensure, paperwork submission, facility use, and activity practices, specifically the purchases including 5 grinch costumes and 12,000 easter eggs. Ms. Hansen concluded by stating she believes TLR should move forward with new management and questioned how employee concerns would be addressed if Embark were to assume management.

- b. Angela Lange – Answer any questions/clarify how things were handled at Temperance: Not present.
- c. Phillip Englund – Answering any questions of how change in leadership was handled: Not present.
- d. Kevin Lange – Mr. Lange addressed the Council in support of Lisa Lange, former Executive Director of TLR. He stated that Ms. Lange previously raised concerns related to billing and payroll and referenced the Council’s November 3rd action terminating the management company, after which Ms. Lange was asked to assume leadership duties. Mr. Lange, a TLR employee, stated that staff are concerned about potential retaliation from Cornerstone and noted Ms. Lange’s 19 years of service to TLR, her role in resident programming, and involvement in two facility renovations. He stated Ms. Lange desires what is best for TLR and would respect the City’s decision regarding future management. Mr. Lange also stated that Cornerstone had not contacted him in his role as Maintenance Director. He referenced statements made by Cornerstone on social media in support of Ms. Lange and raised concerns regarding their response to Ms. Lange’s actions. In response to Council questions, Mr. Lange stated that Cornerstone had not spoken with him directly and that discussions regarding smoke detector requirements were unclear. He noted the building’s detectors are hardwired with battery backup.
- e. Lisa Lange – Temperance Lake Ridge defense of allegations made by some staff: Ms. Lange addressed the Council in response to allegations made by some staff and by Cornerstone Management. She stated that Cornerstone will inform Council she created operational roadblocks, however she reported concerns related to billing errors that resulted in underpayment. She discussed a labor reduction plan for 2023–2024, noting staffing decisions were based on resident acuity rather than resident count. Ms. Lange stated that staff training exceeded Minnesota Department of Health requirements and produced positive survey results. She noted that certain training systems had not been maintained following her departure. Ms. Lange stated efforts were made to hire staff, including offering bonuses/gift cards, and that wage decisions were limited to what Cornerstone permitted. Ms. Lange addressed questions regarding social media access, employee access to HR resources, exercise equipment placement, and facility amenities (dirty soda bar and expresso coffee station), stating that supplies were available prior to her removal. She also stated that decisions related to operational systems were made to maintain continuity and staff satisfaction. Ms. Lange stated she was asked to assume management due to concerns related to Cornerstone and potential legal issues. She indicated her intent

is to support whatever management structure is in the best interest of TLR, whether through Embark or another provider. She noted prior recognition from Cornerstone and their request for her participation in training other executive directors. Ms. Lange also discussed volunteer ombudsman visits, stating no concerns were raised regarding neglect, though other operational items were noted, such as food and need for additional handicapped parking. In response to Councilmember Behne's questions, Ms. Lange stated Embark began in February 2025. She explained changes in startup costs were related to timing and urgency to ensure staff were able to be paid. In response to Deputy Clerk Devens' question, Ms. Lange stated she has the necessary resources and licenses to manage operations.

- f. Cornerstone – Management of Temperance Lake Ridge: Ms. Marcy McNeal, Chief Operating Officer of Cornerstone Management, addressed the Council regarding Cornerstone's management of TLR. Ms. McNeal stated Cornerstone staff have been on site over the past 30 days and acknowledged the seriousness of the concerns raised. Ms. McNeal addressed the termination of Lisa Lange, stating it was related to the undisclosed formation of another company while holding a senior position, which Cornerstone determined to be a conflict of interest. Cornerstone conducted a comprehensive review of governance, staffing, and internal controls. Ms. McNeal stated deficiencies were identified, documentation did not always reflect actual practices, and controls were not consistently operated or verified. She stated several issues surfaced once the conflict was removed. Ms. McNeal stated multiple employees shared concerns, including concerns about potential retaliation, and that Cornerstone reinforced oversight, policies, standardized documentation, and retraining. She also stated Cornerstone became aware of a serious internal allegation of sexual misconduct that had not been properly addressed and took steps to ensure appropriate handling. Ms. McNeal requested the City allow Cornerstone to continue management through the end of the year to demonstrate compliance, resident safety, and employee support through an observable review period. In response to Council questions, Ms. McNeal stated staffing levels currently meet required minimums, with two staff members on pre-approved leaves of absence. She stated leadership responsibilities are currently shared between an interim Executive Director and a Director of Nursing to increase accountability. Mr. Ryan Ravellette addressed the Council regarding Cornerstone's involvement with TLR. He stated Cornerstone did not intend to change the community where operations were functioning well, but acknowledged concerns related to favoritism, workplace culture, and lack of oversight. He stated that while Ms. Lange demonstrated strengths, certain practices were too lax without appropriate oversight. Mr. Ravellette acknowledged Cornerstone has operational issues, noting that all management companies experience challenges. Mr. Ravellette raised concerns regarding a large volume of unread emails, employee complaints that had been brought forward, and the former lack of use of employee support postings and resources. He referenced financial concerns, stating TLR incurred higher expenses compared to other facilities, and noted survey scores during a one-month period were among the lowest in Cornerstone's portfolio. Mr. Ravellette discussed staffing, office operations, compensation practices, and attempts to participate in committee meetings. He stated Cornerstone's request, if continued as manager,

would include addressing policy violations, improving workplace culture, and reducing overspending while maintaining strong facility performance. In response to Council questions, Mr. Ravellette addressed oversight, communication challenges, service contracts, staffing ratios, occupancy levels, billing systems, waiting lists, and the use of cameras within the facility. He stated billing systems were current and provided updates on recent move-ins and vacancies. Councilmember Kramer asked about transparency if Cornerstone continued management. Mr. Ravellette stated Cornerstone representatives would attend Council meetings.

OLD BUSINESS

1. Sewer Lining Project: Ballard informed Council on the recommendations provided by Shannon Sweeney, via email, regarding moving forward with the project. Sweeney stated this is likely the City's best change at obtaining grant funding. Motion to approve moving forward with project by Behne. Second by Beckius. 4-0. Carried.
2. Nuvei Discount – Ballard presented Council with information regarding annual cost of sending out Utility Bills and recommended a \$10 one time discount for signing up for e-billing. Motion by Ringnell to give a sign on discount of \$10. Died for a lack of a second.
3. Discussion on Sale of Municipal Liquor Store – Kramer asked if the council felt as though it is still in the best interest to keep maintaining ownership of the liquor store. Discussion included questions about what would then happen. Motion by Kramer to table until financials are received for 2026. Second by Beckius. 4-0. Carried.
4. Search of Management Companies for Temperance Lake Ridge – Kramer updated Council on her and Behne touring TLR with two other Management Companies, as an EDA member. Stated that she was unsure if TLR Committee had done this as no information was provided. Motion by Kramer to rescind the contract with Embark as a Management Company. Second by Behne due to recent information that has come to light. Discussion: Ringnell asked what the biggest problem is with Embark and questioned who would be the Management Company now that a termination letter had been sent to Cornerstone. Kramer stated that to her knowledge, Cornerstone had not been invited to a conversation regarding all the opportunities and potential. Ringnell stated that Lisa has been with TLR for 19 years and brought it out of the red. Kramer stated that she would like to have the Council look at all the different companies and make an informed decision. Beckius stated he agreed. Ringnell stated that moving with Embark was an emergency thing. Also stated they have \$400,000 in revenue annually. Behne asked about operation of financials there, Ballard informed Council of procedures. Ringnell stated if he didn't think Embark could do this job, he wouldn't bring them forward. Also stated the current contract is only a year, so if things don't work out Lisa would step aside. Behne stated when it was first brought to Council it seemed like it wasn't up for discussion and stated Council should further look into things. Ringnell questioned the \$15,000. Kramer stated best interest of the City, staff, and residents to do a further investigation within the management team out there. 3-1 vote (Kramer, yea, Behne, yea; Beckius, yea; Ringnell, no). Carried.
5. Status of the Union – Kramer asked where we were at regarding this. Ringnell has not received an email since the last email was sent. Ringnell stated Behne should have

received an email as well, Behne stated he would look. Kramer stated the Union would cover city employees, including MLS employees, which would give us another reason to sell as 4 out of 6 years have not been profitable.

6. Open Mayor Seat – Ballard informed Council of email correspondence from League of MN Cities Research Team regarding statutes and guidance regarding filling the mayor seat. Ringnell thought he would resign, then could be appointed as mayor, and appoint Tom Carruthers as council member. Kramer stated the mayor position should be posted Motion by Kramer to ask for anyone interested in filling the mayor seat to submit information to the City by March 11th. Second by Behne. 4-0. Carried.

POLICE CHIEF REPORT – Trevor Yochim, Police Chief was not present, however had included the monthly report for council review in their packets. Beckius asked Ringnell if the Fire Department charges for a lift assist, Ringnell stated the SFD does charge, based on the fee schedule approved by City Council.

CLERK’S UPDATE

- No price difference on different bulbs by Federated. \$8.00 flat rate fee.
- Obtaining a risk assessment for Cybersecurity from LMC as Midwest IT prices will be going up in 2027
- Reports submitted: Report of Outstanding Indebtedness and +PERA Exclusion Report
- Have begun working on obtaining information for the 2025 audit and coordinating with Cornerstone to obtain information for TLR.

REPORT FROM THE MAYOR AND COUNCILMEMBERS

- Rick – nothing
- Ronnie – nothing
- Sarah – would like to table the Nuvei discount or keep it on old business. Ballard stated a few options would be brought before Council at the next meeting, for review.

ADJOURN Motion by Kramer to adjourn at 7:25 p.m. Second by Behne. 4-0. Carried.

Andrea Ballard, City Clerk/Treasurer