

**CITY OF NISSWA
MINUTES – REGULAR COUNCIL MEETING
TUESDAY, NOVEMBER 18, 2025
7:00 P.M. – NISSWA CITY HALL**

Members present: Jennifer Carnahan, Mark Froehle, Joe Hall, Bruce London, Jesse Zahn.

Other Members Present: Tom Pearson, City Attorney; Dave Reese, City Engineer.

Members absent: none.

City staff present: Maggi Wentler, Interim City Administrator; Amber Moon Peterson, Parks & Rec; Steven Timblin, Planning & Zoning.

Attendance by Zoom: Andy Schaefer.

Audience members: 17 members of the public were present.

A. Call to Order

Mayor Jennifer Carnahan called the regular City Council meeting to order at 7:04 PM.

1. Pledge of Allegiance

Mayor Carnahan led the Pledge of Allegiance.

B. Approve Agenda

Mayor Carnahan proposed amending the agenda to add two items under old business:

1. The city administrator clerk/finance specialist job description update as item 2a
2. The city administrator/clerk search firm contract update as item 3a

Motion by Council Member Zahn, seconded by Council Member Hall to approve the agenda as amended. Motion carried unanimously.

C. Consent Calendar

1. Fire Department Report – October 2025
2. Parks and Recreation Report – November 2025
3. Pickle Report – October 2025
4. Police Report – November 2025
5. Public Works Department Report – November 2025
6. Planning & Zoning Report – October 2025
7. Personnel Updates – November 2025
8. Presentation of Claims – Check register #155973-156165; totaling \$47,989.16
9. Donation Resolution – Parks – Hartogh
10. Special Event Permit Application – Brainerd Jaycees – May 1 & 2, 2026
11. LG220 Application – MN Teen Challenge – July 17, 2026

Motion by Council Member Zahn, seconded by Council Member London to approve the consent calendar as presented. Motion carried unanimously.

D. Open Forum

No members of the public came forward to address the Council.

E. Reports

1. City Attorney

City Attorney Tom Pearson reported that there was nothing new to report.

2. City Engineer

The City Engineer Dave Reese stated there were no specific agenda items to report.

F. Old Business

1. Verizon Cell Tower Draft Lease Agreement – Fire Station Location

Steven from Planning and Zoning explained that the Verizon cell tower draft lease agreement was on the agenda for review. He mentioned that the city attorney had also reviewed the matter. Steven noted that some blanks in the agreement had recently been filled in by Verizon.

City Attorney Tom Pearson informed the Council that Verizon had just submitted what they believed was the final draft of the lease agreement that day. He also reported that an appeal had been filed the previous day regarding the Planning Commission and Board of Adjustments' decision on variances that were approved in November, as well as the Planning Commission's approval of the Conditional Use Permit (CUP). The appeal would need to be heard at the December Council meeting.

Mayor Carnahan acknowledged that several council members had received emails regarding the Verizon cell tower, with one individual in favor and others opposed.

Council Member Zahn requested that staff compile historical information about when the tower was previously discussed in past meetings and any supplemental information that was presented by Verizon during those meetings.

Council Member Hall emphasized that this issue has been thoroughly discussed by city staff and others for approximately eight years, noting that many of the questions raised in recent emails had already been addressed in previous meetings.

Mayor Carnahan suggested that staff create a high-level timeline to provide transparency and context for people who might be learning about this project for the first time.

Steven clarified that communication towers are only permitted as conditional uses in public and recreation districts, with other zoned properties prohibiting such uses. He explained that the city's recently acquired property could not accommodate the tower without rezoning from highway business and urban residential to public and recreation classification.

Council Member Froehle questioned why the proposed tower height was necessary. Council Member Hall noted that Verizon had previously shared coverage data regarding height requirements, though Steven mentioned this information was designated as proprietary.

The Council agreed to continue the discussion to the December meeting when formal notice could be provided to all parties about the appeal hearing.

2. Discussion regarding Public Works Committee, Liquor Committee, Personnel Committee/Liaisons

The Council discussed a draft document outlining the role of the Personnel Committee.

Council Member Froehle questioned whether the committee appointments should be made by the mayor as stated in the document, suggesting the Council as a whole might make these appointments. Council Member Zahn expressed concern that the document was too broad and gave too much authority to one or two individuals. Given the city's current lack of a full-time administrator/clerk and deputy clerk, he did not consider this a high priority.

Council Member Hall explained that as a member of the Personnel Committee, the lack of guidance had made their role challenging over the past year, and that defining the committee's parameters was important.

Mayor Carnahan expressed frustration over what she perceived as ongoing dysfunction in the city's operations and the tendency to make decisions based on personalities rather than organizational needs. She noted they had consulted with the League of Minnesota Cities and other similar-sized cities to develop the draft document.

Motion by Council Member Zahn, seconded by Council Member Froehle to table this item until further notice. Motion carried unanimously.

2a. City Administrator Clerk/Finance Specialist Job Description Update

Mayor Carnahan explained that this item was added after the last special council meeting. She had submitted some changes to the job descriptions but wasn't certain if all council members had received them. The changes were minimal, adding the words "in conjunction with city administrator clerk and/or finance specialist treasurer" in certain sections.

Motion by Council member Zahn, seconded by Council Member London to leave the job descriptions as is. Motion carried unanimously.

3. Ordinances/Policies/Personnel Policy Discussion

The Council acknowledged that this item remains on the agenda as a reminder that the personnel policy manual should be reviewed when a new city administrator clerk is hired.

Council member Zahn raised concerns about the accessory structure ordinance, specifically regarding the 2,500 square foot limitation regardless of property size. He and Council member Hall agreed that this restriction should be removed, as there are already other regulations in place regarding setbacks, impervious coverage, and other requirements.

Steven from Planning & Zoning provided context about the land use chart in Section 20-93 that designates permitting pathways.

Motion by Council Member Zahn, seconded by Council Member Hall to revise ordinance 29-3 to bring information forward to the public hearing at planning commission pertaining to sections 20-83 and 20-93 in current code. Motion carried unanimously.

3a. City Administrator/Clerk Search Firm

Mayor Carnahan reminded council members to complete and return the questionnaire from the search firm before Thanksgiving to initiate the search process.

4. Performance Evaluations

The Council discussed the employee performance evaluation process. Staff self-reviews had been conducted in the past, and the Council was planning to conduct staff reviews before the end of the year.

Motion by Council Member Froehle, seconded by Council Member Zahn to use the existing employee self-review form. Motion carried unanimously.

The Council agreed that the entire council would conduct the employee reviews in closed sessions (unless employees requested open sessions) before the end of the year, with approximately half-hour slots for each of the eight employees.

5. Spirits of Nisswa Lease Discussion

The Council discussed the third amended lease agreement for Spirits of Nisswa. The proposed changes included increasing the rent from \$17.90 per square foot to \$21 per square foot, and modifying how future lease increases would be determined when the current lease expires.

A key issue discussed was access for deliveries. City Attorney Tom Pearson explained that the city's current lease would be affected by the building expansion if it blocked the current delivery door at the southeast side of the building. He suggested that any building modification should ensure the store could continue to receive deliveries in a similar fashion to how it has operated for the past 23 years.

Andy Schaeffer, participating via Zoom, expressed frustration at what he perceived as a disconnect in understanding between the parties.

Motion by Mayor Carnahan, seconded by Council Member Hall to continue the lease discussion to the December meeting when Andy can attend in person. Motion carried with one opposing vote.

6. Spirits of Nisswa Expansion Discussion

The Council discussed the potential expansion of Spirits of Nisswa. Council Member Hall asked about storage needs following the removal of an external storage unit. Council member Froehle recalled that Brian, the manager, had indicated at a previous meeting that if the storage container was removed, they would adjust purchasing to accommodate the reduced storage capacity.

Motion by Council Member Froehle, seconded by Council Member Zahn to leave Spirits as is without an expansion. Motion carried unanimously.

G. New Business

1. Wonder Trek Children's Museum Presentation – Peter Olson

Council Member Hall noted that Peter Olson was unable to attend due to a death in the family.

2. Pay Application No. 6 for the Gull Lake Trail

Amber reported that the Gull Lake Trail had reached substantial completion earlier in the month. Dave added that while some work would need to be completed in the spring, all essential items had been finished so the trail could be opened for use.

The pay application amount was \$97,583.23, with retainage being held for the remaining work.

Motion by Council Member Zahn, seconded by Council Member Froehle to approve pay application number 6 for the Gull Lake Trail for the total amount of \$97,583.23. Motion carried unanimously.

3. Gull Lake Trail – Bathroom Purchase

Amber explained that the proposal to add a bathroom at Nisswa Lake Park had been included in the amended scope for the Gull Lake Trail project. The bathroom would cost approximately \$230,000, which was within the \$240,000 budgeted amount. She clarified that the bathroom would not be open year-round but would follow the same seasonal schedule as other city facilities, closing November 1 and reopening May 1.

Motion by Council Member Zahn, seconded by Council Member Hall to approve the Gull Lake Trail bathroom purchase for \$230,000. Motion carried unanimously.

4. Local Option Sales Tax Resolution

Amber presented information on the proposed local option sales tax, including survey results from a November 5th business information session. The resolution included a proposed tax rate of 0.5%, with the aim to raise \$10 million over approximately 15 years.

Amber reported that she had spoken with state representatives who were open to discussing funding opportunities but emphasized that a united effort was needed.

Ronald Dewey Jr., a resident, spoke in opposition to the tax, stating he was part of a community committee that had formed to help generate alternative funding for the park. He expressed concerns about the impact on residents on fixed incomes and noted that the tax could only be used for construction, not maintenance.

Fred Heidman, a resident, suggested that the city should consider all options carefully, including fundraising, before moving forward with a tax. He emphasized the need to have a complete plan with all information available before putting it to voters.

Emma Krueger from A&W in Nisswa expressed disappointment with the council's consideration of the tax, stating that the business community had clearly indicated opposition to it at a previous meeting.

Motion by Council Member Zahn, seconded by Council Member Froehle to move forward with the local option sales tax resolution as presented. Motion passed 3-2, with Mayor Carnahan and Council member Hall voting no.

5. Park Transfer Discussion

Amber reported that the Parks Commission had been discussing phasing and funding requirements for park improvements. She mentioned that a committee of interested individuals had recently formed and was working to better understand the park plan.

Ronald Dewey Jr. suggested that if the Council dedicated \$500,000-\$600,000 for the playground, his committee would move forward with fundraising for the tennis and pickleball courts, estimated to cost \$450,000-\$500,000.

Bruce Imholte, a member of the Parks Commission, urged the Council to authorize development of specifications for the park improvements, particularly for the playground, which he identified as the most immediate need.

Motion by Council member Hall, seconded by Council Member Froehle to have Amber connect with Widseth to review the plans and have Dave provide a high-level initial engagement proposal for the council to review, and for Amber to work with the committee on priorities. Motion carried unanimously.

6. Spirits THC Sales

Brian presented information on THC sales at municipal liquor stores, showing data from 31 Minnesota Municipal Beverage Association (MMBA) stores. The average store had sold \$64,000 in THC products in the first half of 2025.

Brian acknowledged that while he personally was not in favor of selling THC products, he recognized it was ultimately the Council's decision. He confirmed there would be room in the store to accommodate THC products.

Motion by Council Member Zahn, seconded by Mayor Carnahan to approve spirits selling THC. Motion passed 4-1, with Council member Hall voting no.

7. Waste Water - Lift Station #1 Design & Engineering Proposal

Morgan Salo, a principal engineer with Bolton and Menk, presented a proposal for engineering services for the rebuild of lift station 1 at a cost of \$45,900. This was a budgeted amount that had received unanimous support from the Public Works Committee. The project would commence in summer 2026.

Motion by Council Member Zahn, seconded by Council Member London to approve lift station number 1 design and engineering proposal as presented by Bolton and Menk. Motion carried unanimously.

8. Waste Water – Sewer Delinquent Accounts Resolution

Wentler Staff presented the annual resolution for sewer delinquent charges. Any accounts not paid by November 21, 2025, would be certified to property taxes for the following year.

Motion by Council Member Froehle, seconded by Council Member London to approve the sewer delinquent accounts resolution as presented. Motion carried unanimously.

9. Consultant to Evaluate the Liquor Operations

Council member Hall explained his request to bring in an outside consultant to evaluate the city's liquor operations, including both Spirits of Nisswa and the Pickle, to provide guidance on future planning. The Council agreed to discuss this at the next Liquor Committee meeting before bringing recommendations back to the full Council.

10. 2026 Newsletter Schedule/Budget Approval

This item was not discussed as the Council had already decided during budget discussions to move to digital online newsletters for 2026 instead of mailed newsletters.

11. Set Organizational Meeting January 20th 5:00pm

Motion by Council Member Zahn, seconded by Council Member Hall to set the organizational meeting for January 20th at 5:00 PM. Motion carried unanimously.

12. Recommendation to move to Closed Session pursuant to MN Statute 13D.03 for Union Negotiations

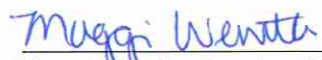
Motion by Council Member Zahn, seconded by Council Member Hall to close the meeting pursuant to MN Statute 13D.03 subdivision 1 clause b for labor negotiation strategy. Motion carried unanimously.

The Council entered closed session at 9:06 PM.

Respectfully Submitted,



Jennifer Carnahan, Mayor



Maggi Wentler, Interim City Administrator

