

**CITY OF NISSWA
MINUTES – REGULAR COUNCIL MEETING
MONDAY, DECEMBER 16, 2025 – 7:00 P.M.
NISSWA CITY HALL**

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

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

Members absent: Joe Hall.

City staff present: Maggi Wentler, Interim City Administrator; Steven Timblin, Planning & Zoning; Brian Farrell, Spirits Manager; Tom Blomer, Public Works; Todd Szymanski, Police Chief; Dustin Hines, Police Officer.

Audience members: 74 members of the public were present.

A. Call to Order

Mayor Jennifer Carnahan called the regular meeting of the City Council to order at 7:00 PM on Tuesday, December 16, 2025.

1. Pledge of Allegiance

The Pledge of Allegiance was recited.

B. Approve Agenda

Mayor Carnahan proposed moving the Verizon Cell Tower Appeal (item G.3) to before the closed session (item G.21) to ensure all parties involved would have sufficient time for discussion.

Motion to move the Verizon Cell Tower Appeal (item G.3) to item G.20, before the recommendation to move to closed session. Moved by Council Member Froehle; Seconded by Council Member London. Motion carried unanimously.

Motion to approve the agenda as amended. Moved by Council Member Zahn; Seconded by Council Member London. Motion carried unanimously.

C. Consent Calendar

1. Fire Department Report – November 2025
2. Parks and Recreation Report – December 2025
3. Pickle Report – November 2025
4. Police Report – December 2025
5. Public Works Department Report – December 2025
6. Planning & Zoning Report – December 2025
7. Spirits Report – October 2025
8. Spirits Report – November 2025
9. 2026 PCBOA Calendar
10. Personnel Updates – December 2025
11. Presentation of Claims – Check register #156166 – 156282; totaling \$458,319.41

Motion to approve the Consent Calendar as presented. Moved by Council Member Zahn; Seconded by Council Member Froehle. Motion carried unanimously.

D. Open Forum

1. Public Comment

Diane Townsend (26424 Highland Avenue) expressed her support for Mayor Carnahan and criticized the handling of the situation regarding the mayor's alleged conversation. She stated there was no audio evidence of the reported conversation and argued that city employee turnover couldn't be blamed on Mayor Carnahan.

Bonnie Johnson (25942 Trailside Run) expressed concern about the negative publicity surrounding Nisswa and encouraged council members to reflect on whether their actions were helping or hurting the community. She emphasized the importance of promoting Nisswa's image positively, noting the successful City of Lights event.

Melissa Straight (Alder Street) stated that residents are the employers of city staff and argued that a vote of no confidence against the mayor would be a vote against the citizens who elected her.

Deb Best (5319 Poplar Avenue) urged council members to work together despite differences and focus on residents' needs. She noted concerns about residents potentially having to move due to tax increases and emphasized the need to build back trust in city government.

Douglas Host (25678 Highland Avenue) characterized the situation as a minor issue that had been blown out of proportion. He expressed support for Mayor Carnahan and suggested disagreements should be handled privately.

Kate Stumble (4436 Lower Ray Lake Road) suggested a performance review for the mayor might be appropriate before considering more serious actions.

E. Reports

1. City Attorney

The City Attorney had nothing to report.

2. City Engineer

The City Engineer reported continued progress on road projects for 2026 and 2027, noting they were looking forward to the hearing in January.

F. Old Business

1. City Administrator/City Clerk Search Update from Mike Humpal

Mike Humpal from South Central Service Cooperative provided an update on the city administrator/clerk search. He explained that his organization takes a comprehensive approach to reduce the burden on the

council, focusing on bringing forward candidates with the necessary technical skills while the council can determine fit with the organization's culture.

Mr. Humpal reported that after 10 days of advertising, they had received 5 complete applications, with 4 more individuals indicating their intent to apply. The posting would remain open for another 22 days. He outlined the evaluation process, including resume scoring, phone interviews, and assessment of management and leadership skills. The timeline includes reviewing applications January 6-7, conducting interviews and background checks January 7-26, and providing candidate information to the council by January 27.

The interview process would include staff meetings with candidates on February 9, followed by a community meet-and-greet. Council interviews would take place on February 10, with the council going into closed session afterward to discuss candidates.

Mr. Humpal confirmed that the city's proposed salary range was competitive and welcomed any questions from the council.

2. Discussion regarding the conduct of Mayor Carnahan

Mayor Carnahan explained she didn't attend the special council meeting on December 10 because she felt it would be "performative rather than productive." She characterized it as an effort to settle personal or political grievances. She stated that her legal counsel had reviewed the code of conduct and found no violations of any mandatory provisions.

Mayor Carnahan explained that censure or votes of no confidence are non-binding resolutions and argued that attempts to regulate her speech would conflict with First Amendment protections. She urged the council to move forward with city business.

Council Member Froehle asked why the mayor hadn't reached out to the individual who had emailed regarding the alleged conversation about Council Member Zahn. Mayor Carnahan declined to answer, stating she wanted to focus on city business.

Council Member Zahn emphasized that accountability needed to be discussed and clarified that the issue wasn't personal but about the conduct of an elected official. He noted that the individual who sent the email had faced difficult circumstances after reporting the incident.

Following discussion, three motions were passed:

Motion to direct the City Attorney to prepare a resolution for a vote of no confidence to be conducted at the next regular City Council meeting. Moved by Council Member Zahn; Seconded by Council Member Froehle. Motion carried.

Motion to direct the City Attorney to prepare a vote of censure to be considered at the next council meeting. Moved by Council Member Zahn; Seconded by Council Member London. Motion carried.

Motion for council to consider removal of Mayor Carnahan from the personnel committee and the liquor committee. Moved by Council Member Zahn; Seconded by Council Member Froehle. Motion carried.

Several residents offered additional comments:

Ronald Duy Jr. (26735 Middle Cullen Road) I believe council's actions has severe ramifications on what just happened here and I'll leave it at that. Thank you.

Melissa Straight (Alder Street) I appreciate the 3 that have stood up here and stated your statements because at least you are the 3 we know who to remove in November at the next election. So thank you for letting us know clearly as the employers who we do not want that are not supporting who we voted for and put in place. Thank you for making that abundantly clear that your position is up for grabs. Thank you.

Troy Schaffler (26359 Shandy Trail, Merrifield) I don't know what's going on here. I mean, this has been going on well before the Sophie thing. It's kind of been a big problem well before that. I remember, like, half a year ago, the mayor just walked out of a meeting that was being held. No reason. Apparently there was a reason I was given because I was here for some reason. But in any event, the organizational assessment, does that ring a bell to anybody? It was horrendous. There was a consistent complaint by staff itself about the mayor and her conduct and how she was running the city. Why aren't we talking about that? Why are we talking about just the Sophie stuff? This is insane. You need to take care of your own employees. They have a tough time themselves. They need to be their morale needs to be up. And the mayor is at the head of that, kinda directs the whole city itself and how it functions, and no one has even mentioned this. And I find it rather rich that your mayor would mention the first amendment considering she's being sued for it right now. So when everyone wants to sit and think they have everything, you know, I guess I would have to blame the council to a degree by not really fully flushing everything out. Maybe that will come out with this vote and what you guys are gonna be drafting with the attorney himself. But that's really all I have to say is that there's more to this than just the Sophie Foster issue. Thanks.

Diane Townsend (26424 Highland Avenue) I just wanna say that after what I read to you guys, apparently, you're not bothered if I let out the information I have on city employees. Thank you.

Fred Heidman (4794 Central Avenue, Brainerd) Live just outside of the city of Nisswa. I was the mayor for term or 2. I was on this council a couple of terms. I've been watching this whole thing play out. I wasn't even gonna say anything, but after Mr. Scheffler was up here, it brought me to where I need to say something. And that is I don't think many of the citizens know, but, well, 4 months ago, I had gotten a call that, from a citizen saying that at the next council meeting, Jesse Zahn and Troy were going to be making a move to push the mayor out. And I'm a person when I hear something, I usually like to try to call and talk to that person and see what truth there not there is to it. So I did give Mr. Zahn a call and, mention it to him. And at that time, when I explained it, when I told him, it was dead silent on the end of the phone line for a few seconds. And then it was, well, I haven't talked to Scheffler for, like, 2 months. And, you know, I I don't know that there's anything I don't know what it what there is to this. I just ask the question. You know? What is going on in this community? Thank you.

Katie Ellsworth (26210 Ed Edna Lane) I'm new here. I came here a month ago, and I came to observe a city meeting. I came to observe a city meeting as a new member of this community. As you can tell, I'm very nervous to be up here because I didn't plan it. I just wanted to comment that from an outside perspective, not having any information about this before this meeting, this council and this community are very dysfunctional. It feels like a high school. I grew up in a town that was smaller than this, and I am very, very familiar with how close knit it is and how that can also lead to drama. But it can also lead to being very close with each other, And I just implore you, like, this is a mess, and no one would want to come into this. And I want to love this community that I just joined. So maybe try to set aside your

differences, figure it out, both the council and the community, because there was a lot of hatred up here too. So that's all I wanted to say. Thank you.

Megan Friedrich (26694 East Cullen Road) I, like this young lady that was just up here, was not planning on speaking. So I am also a little nervous, but I am sad, I'm heartbroken. I'm embarrassed for the city. I hate seeing what's all over the news. It makes me sad to see our town divided over politics. City council should not be politics. It shouldn't be politicking. And what frustrates me the most is this is happening on social media. And mayor Carnahan, you're starting it. That's what's frustrating. And I do think we expect more from everyone that everyone. We need to be mindful of what we say online. We need to be mindful of our perceptions. But when we are I'm an executive marketing professional. We have to be mindful of our roles what we say. And I do think you have accountability and are not owning up to it, and that's really frustrating. So that's all I have to say. Thank you.

Greg Peterson (4571 Upper Roy Lake Road) And I've been a citizen of Nisswa for 73 years. And I would just like to say that there was some talk of we know who to vote for next time the votes come around. Well, would just like to remind everybody to be sure you Google the people you vote for and know the history of who you're voting for before you vote them, and that would alleviate a lot of the problems that we're having. Thank you.

3. Local Option Sales Tax

Council Member Zahn reported that after meeting with state representatives Josh and Carrie Heintzeman, it became clear that without unanimous council support, advancing a local option sales tax would be difficult at the state legislature level.

He explained that the sales tax had been proposed as a way to generate revenue from visitors to the area, potentially helping to offset future road bond costs. He noted that a 0.2-mile difference between proposed sites had been cited as significant by Verizon, and that the county already has a successful sales tax for road improvements generating \$4-6 million annually.

Motion to rescind the previous approval of advancing the local option sales tax. Moved by Council Member Zahn; Seconded by Council Member Froehle. Motion carried unanimously.

4. EDA Discussion/Determination

Tyler Glenn, Executive Director of the area economic development corporation, presented information about reestablishing an Economic Development Authority (EDA) in Nisswa. He explained that an EDA would provide the city with additional powers, including the ability to own property, issue bonds, and potentially levy taxes (though not required).

Mr. Glenn suggested that an EDA could help develop the city-owned land with mixed uses, including residential and commercial purposes. He noted that establishing an EDA requires a minimum of three members, which could be council members or citizens.

The City Attorney recommended having a special meeting to further discuss the specific goals and scope of the EDA to help shape the enabling resolution.

Motion to instruct the City Attorney to draft a resolution for an Economic Development Authority. Moved by Council Member Zahn; Seconded by Council Member London. Motion carried unanimously.

The council agreed to schedule a special meeting or workshop in January to further discuss details about the EDA's structure and focus.

G. New Business

1. Brainerd Jaycees use of City Property

A representative from the Brainerd Jaycees requested approval to use the old Stuart Mills lot south of the Holiday Gas Station for parking and shuttling to their events, noting they would plow and clean the area.

Motion to approve Brainerd JCs use of city property as presented. Moved by Council Member Froehle; Seconded by Council Member London Motion carried unanimously.

2. Brainerd Jaycees Temporary Liquor License

The Jaycees also requested approval for a temporary liquor license for their kickoff party at Grand View Lodge.

Motion to approve the temporary liquor license for the Brainerd JCs. Moved by Council Member Zahn; Seconded by Councilmember London. Motion carried unanimously.

3. Verizon (moved to item G. 20)

4. Big Axe Brewing Small Packaging Liquor License

Motion to approve the Big Axe Brewing small packaging liquor license as presented. Moved by Council Member Zahn; Seconded by Council Member Froehle. Motion carried unanimously.

5. Planning & Zoning – Commission Appointment

Steven from Planning and Zoning presented a recommendation to appoint Aaron Basement to the Planning Commission and Board of Adjustment following interviews with several candidates.

Motion to approve the Planning Commission's recommendation to appoint Aaron Basement as its new member. Moved by Council Member Zahn; Seconded by Council Member London. Motion carried unanimously.

6. Lani Benefits Request

Lonnie Thomsen, a 40-year employee of the city, requested to reduce her hours from 40 to 32 per week while maintaining her benefits. She explained that after working for the city for four decades, she was tired but couldn't afford to lose her benefits.

Maggi reported that the city's labor attorney had advised against providing full-time benefits to part-time employees as it could establish an unintended precedent. Discussion focused on finding a solution that recognized Lonnie's service while addressing policy concerns.

The council agreed to table the issue until the January meeting, with the Liquor Committee working with staff to develop a recommendation.

7. Liquor – Credit Card Fees

Brian from Spirits of Nisswa presented information on credit card fees. He recommended against passing credit card fees on to customers, noting that major retailers don't use this practice, and it could make Nisswa less competitive. He emphasized that Spirits aims to maintain fair pricing while providing good customer service.

The council agreed with Brian's recommendation not to implement a credit card fee for customers.

8. Police - Joint Prosecution Agreement

The Chief of Police presented the joint prosecution agreement for traffic offenses and misdemeanor criminal offenses, split three ways between Brainerd, Baxter, and Nisswa. It was noted that the council had received an email from a community member with concerns about this agreement.

Motion to proceed with the police joint prosecution agreement. Moved by Council Member Zahn; Seconded by Council Member Froehle. Motion carried unanimously.

9. Sewer –Resolution Adopting Increase in Sewer Rates for 2026

Tom, Director of Public Works, presented a 2.5% increase in sewer rates for 2026, which would raise the quarterly rate from \$214.78 to \$220.15 per ERC. Connection fees were held flat for the higher tier at \$16,000 but would increase for the lower tier from \$11,850 to \$12,250.

Motion to approve the resolution adopting increase in sewer rates for 2026 as presented. Moved by Council Member Froehle; Seconded by Council Member London. Motion carried unanimously.

10. Sewer – Lift Station 7

Tom explained that the pumps at Lift Station 7 needed repair, and recommended refurbishing pumps salvaged from Lift Station 3 at a cost of \$16,755, rather than purchasing new pumps at \$21,000 each.

Motion to approve the sewer lift station number 7 repairs as proposed. Moved by Council Member Zahn; Seconded by Council Member London. Motion carried unanimously.

11. Public Works – BUILD Grant 371

Tom provided information about the BUILD grant, which could fund improvements to several intersections along Highway 371. He noted that while no council action was needed at this time, the city would likely be asked to provide a letter of support for the county's grant application in the future.

12. Park – Safe Streets and Roads for All (SS4A) Program

The council was asked to reaffirm Nisswa's support for the Safe Streets and Roads for All program led by the City of Crosslake. This multi-community effort could potentially result in future funding, with no cost to the city for participation.

Motion to approve the resolution for co-applicant on the SS4A grant funded Brainerd Lakes Area Volunteer Users Plan as presented. Moved by Council Member Froehle; Seconded by Council Member Zahn. Motion carried unanimously.

13. Park – Engineering for Nisswa City Park Update/Revise Scope

Bruce from the Parks Commission requested council approval to move forward with engineering for the playground and pickleball court designs at Nisswa City Park. He explained that detailed plans were needed for the DNR grant application due March 31 and would also help with fundraising efforts. Dave clarified that they could use the existing engineering agreement with some modifications, likely without additional costs.

Motion to move forward with engineering for the playground pickleball courts following the footprint of the park master plan as presented. Moved by Council Member Froehle; Seconded by Council Member London. Motion carried unanimously.

14. Park – Transfer funds to the Parks from Reserves

Maggi explained that the Parks Commission was applying for a DNR outdoor recreation grant for up to \$350,000 and sought funds to begin improvements to the park regardless of whether the grant was received. The primary focus would be on replacing the playground, with pickleball courts as a secondary priority.

Motion to approve the transfer of \$500,000 from the liquor fund to the Parks Reserve. Moved by Councilmember Zahn; Seconded by Mayor Carnahan Motion carried unanimously.

15. Resolution Approving Final 2025 Tax Levy Collectible in 2026

Maggi presented the final 2025 tax levy of \$3,721,786, representing a decrease of 0.28% from the previous year.

Motion to approve the resolution approving the final 2025 tax levy collectible in 2026. Moved by Council Member Froehle; Seconded by Councilmember Zahn Motion carried unanimously.

16. Resolution Adopting the City of Nisswa Budget for the Calendar Year 2026

Motion to approve the resolution adopting the City of Nisswa budget for the calendar year 2026 as presented. Moved by Council Member Zahn; Seconded by Council Member London. Motion carried unanimously.

17. Wideseth 2026 Fee Schedule

Dave explained that the fee schedule included a 2.5% increase to account for inflation, which Councilmember Zahn noted was reasonable compared to industry standards.

Motion to approve Wideseth's 2026 fee schedule as presented. Moved by Council Member Froehle; Seconded by Council Member Zahn. Motion carried unanimously.

18. 2026 Fee Schedule

Maggi presented the city's administrative fee schedule, noting changes to the community center rates and ice resurfacing costs.

Motion to approve the 2026 fee schedule as presented. Moved by Council Member Froehle; Seconded by Council Member London. Motion carried unanimously.

19. MN Paid Family Leave Policy

Maggi presented the Minnesota Paid Leave policy, explaining that while the city is required to contribute at least 50% of the cost, the council needed to determine whether the city would pay the entire amount or have employees contribute.

Motion to approve the Minnesota paid leave policy as presented. Moved by Council Member Froehle; Seconded by Council Member London. Motion carried unanimously.

20. 2025 Budget Fund Transfers

Maggi explained the annual transfers to investments and capital reserves for various departments, including public works, cemetery, sewer, fire, and planning and zoning.

Motion to approve the 2025 budget fund transfers as presented. Moved by Council Member Zahn; Seconded by Council Member London. Motion carried unanimously.

Verizon Cell Tower Appeal

The council heard an appeal filed by 33 residents regarding the Planning Commission's approval of six variances for a Verizon cell tower near the fire station.

Steven from Planning & Zoning provided background on the project, noting it had been discussed since 2016-2017, with the fire hall location being considered after earlier plans for a different site were deemed problematic.

Paula West (25839 Trailside Run), representing the petitioners, explained that many residents were unaware of the project until receiving notice just before the Planning Commission hearing. She expressed concern about the six variances approved, including height (190 feet instead of 150 feet), impervious surface coverage (42% instead of 15%), and various setback reductions. She argued the tower would negatively impact Nisswa's small-town character and questioned whether all alternatives had been fully explored.

Roger Landers (26587 Edna Lake Road), a former Planning Commission member, questioned why the city was dealing only with Verizon and whether other solutions like antenna boosters had been considered. He also raised concerns about FAA approval given the nearby medevac helicopter landing area.

Pete Steiger (25873 Trailside Run) suggested using the 371 property instead and noted concerns about potential medical equipment interference at the assisted living facility.

Tammy Hartman from Verizon stated that the company operates its equipment well below FCC safety limits and noted that local jurisdictions don't have authority over RF safety concerns, which fall under FCC jurisdiction.

After discussion and public comment, the council decided to continue the matter to February to allow for further review of the extensive documentation.

Motion to table this item and propose a continuation to the February regular city council meeting. Moved by Council Member Zahn; Seconded by Council Member London. Motion carried unanimously.

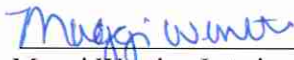
21. Recommendation to move to Closed Session

Motion to move to closed session pursuant to Minnesota Statute 13D.03 for union negotiations. Moved by Council Member Froehle; Seconded by Council Member London. Motion carried unanimously.

The council moved into closed session at 9:45 P.M.

Respectfully Submitted,


Jennifer Carnahan, Mayor


Maggi Wentler, Interim City Administrator