

MINUTES
TONKA BAY CITY COUNCIL
REGULAR MEETING
JUNE 24, 2025

1. CALL TO ORDER

The regular semi-monthly meeting of the Tonka Bay City Council was called to order at 7:02 p.m.

2. ROLL CALL

Members present: Mayor Jennings, Council Members Anderson, Eckland, and Ottum. Also present were City Administrator Holl, City Engineer Bradford, and City Attorney Nason.

3. APPROVAL OF AGENDA

Council Member Anderson made a motion to approve the agenda with the addition of 9. C. Council Member Eckland seconded the motion. Ayes: Anderson, Eckland, Ottum, Wischmeier, and Jennings. The motion carried.

4. CONSENT AGENDA

- A. Minutes from June 10, 2025 City Council Meeting
- B. Minutes from June 10, 2025 City Council Work Session Meeting
- C. June 2025 Claims
- D. Ducks Unlimited Gambling (Bingo/Raffle) Permit
- E. May 2025 Expenditure Guidelines
- F. 2026 LMCD Budget
- G. 2024 SUIP Construction Meeting Notes June 4, 2025
- H. 2024 SUIP Construction Meeting Notes June 11, 2025
- I. Met Council Population & Household Estimates for Tonka Bay
- J. SLMPD May Calls for Service Report

Council Member Wischmeier arrived at 7:05 p.m.

Council Member Anderson motioned to approve the consent agenda with changes to 4.A. Council Member Eckland seconded the motion. Ayes: Anderson, Eckland, Ottum, Wischmeier, and Jennings. The motion carried.

5. SPECIAL BUSINESS

None

6. MATTERS FROM THE FLOOR

John Senescall, 275 West Point Road, commented on the large metal brackets still present near the wetlands and asked whether there was a plan to remove them. Mayor Jennings responded that the brackets were originally installed to hold signs

addressing dumping and clear-cutting in the area. He acknowledged that the signs were much larger than anticipated and were never intended to be permanent. Since the signs have been taken down and the message has been received, the brackets were left in place in case further issues arise, such as continued dumping or tree removal, which may require reinstalling the signage.

Mr. Senescall also expressed concern about several faded signs within Tonka Bay that are no longer readable. Jennings stated that he knows the issue and directed Staff to add the matter to the next Work Session agenda.

Mr. Senescall inquired about the tennis courts and whether plans were to resurface them. Jennings shared that the Parks and Docks Commission met the previous evening to discuss project priorities. Currently, the top two priorities are the playset in Manitou Park, followed by the tennis courts in Wekota Park.

Mr. Senescall concluded his comments by commending the City for doing an outstanding job maintaining the parks, adding that he had been on council for 15 years and understood the challenges of public service. He thanked the Council for the time and effort they dedicated to the community.

7. PUBLIC HEARINGS
None

8. OLD BUSINESS
None

9. NEW BUSINESS

A. Approve Quote for Replacement Slide for Manitou Park: Tonka Bay Parks & Docks Commission recommended approval of a quote from Game Time C/O MWP Recreation for \$1,475.55 to replace the slide at Manitou Park.

A motion to approve a quote for the replacement slide at Manitou Park for \$1,475.55 was made by Council Member Anderson. Council Member Wischmeier seconded the motion. Ayes: Anderson, Eckland, Ottum, Wischmeier, and Jennings. The motion carried.

B. Approve Change Order #5 and Pay Voucher #10 for the 2024 SUIP: City Engineer Bradford provided an overview of a proposed change order related to construction observation and administration services. He explained that the original scope of engineering services was based on the contractor's estimated construction timeline. However, the contractor's work has taken approximately 50% longer than anticipated due to a variety of factors, including poor soil

conditions and project complexities, which have resulted in extended inspection needs and additional administrative work. Bradford noted that, although there were delays and some contention throughout the project, the overall budget presented in March still holds. The project remains under the \$1.6 million projected completion cost, and the requested additional engineering fees were included in that estimate. To account for lost time caused in part by a permitting error by the engineering team, the firm is writing down \$20,000 of its fee. The requested change order seeks an additional \$133,000 to be added to the maximum engineering services fee. This is not a new budget item, but an increase to the existing contract, which was originally set at approximately \$1,050,000.

Council inquired whether this request was in addition to what had already been paid, and Bradford confirmed it was. Council also asked if the additional amount still fits within the overall project budget, to which Bradford responded yes, it remains within the bonding and does not require the use of contingency funds unless further issues arise, such as the need to rebuild Lilah Lane, which could cost approximately \$150,000.

Bradford clarified that the contract is billed hourly with a cap, which they are nearing. He also explained that penalties against the contractor are unlikely due to the legitimate changed conditions on site, particularly unforeseen poor soil quality. On a positive note, the contractor has not requested any price increases despite the extended timeline.

When asked about the duration of the punch list and closeout process, Bradford estimated it would extend over the next two years, including warranty follow-up. He reiterated that even with the added engineering cost and other expenses, the project is still projected to finish approximately \$350,000 under budget.

A motion approving the amendment to the supplemental agreement to provide professional services for the 2024 Street and Utility Improvement Project (SUIP), not to exceed \$133,000 to WSB, was made by Council Member Anderson. Council Member Wischmeier seconded the motion. Ayes: Anderson, Eckland, Ottum, Wischmeier, and Jennings. The motion carried.

Change Order #5 Request: Bradford presented Change Order #5 to the Council, which includes the planting of 55 replacement trees for \$730 each. He noted that this work was not included in the original contract but had been discussed with the Council in previous months as part of efforts to replace trees removed from residents' yards during the project.

Council members acknowledged that the replacement tree work is progressing well and emphasized the importance of fulfilling the City's responsibility to restore landscaping.

A motion approving WSB change order #5 for 55 two-inch deciduous trees totaling \$40,164.30 was made by Council Member Anderson. Council Member Wischmeier seconded the motion. Ayes: Anderson, Eckland, Ottum, Wischmeier, and Jennings. The motion carried.

Pay Voucher #10 Request: Bradford requested Council approval of Pay Voucher #10 for \$417,960.99, representing payment for work completed to date by Geislinger & Sons.

A motion approving pay voucher #10 for \$417,960.99 to WSB was made by Council Member Anderson. Council Member Eckland seconded the motion. Ayes: Anderson, Eckland, Ottum, Wischmeier, and Jennings. The motion carried.

- C. Midco Franchise Update: City Attorney Nason provided an update on the MIDCO franchise agreement process. Nason noted there was no new information regarding the Lumen Franchise request received recently, as efforts to schedule a meeting with their attorneys are still ongoing. Regarding MIDCO, the City is now prepared to initiate the formal franchise procedure as outlined under state statute. This process includes public notice, an application period, a public hearing, and a waiting period before final action.

The first step requires publishing a notice that the City is accepting applications for a cable communications franchise. Although MIDCO is expected to be the only applicant, the process must remain open. The City must also establish an application fee. Nason recommended setting the fee at \$3,000, which is typical for similar franchises and would cover administrative and publication costs. Any additional expenses incurred by the City would be reimbursed by the selected franchisee. Following further discussion on the fee amount, Council ultimately agreed that a \$3,000 fee would be sufficient to cover the associated costs.

Council Member Anderson made a motion to set the application fee at \$3,000 for the current franchise agreement request. Council Member Wischmeier seconded the motion. Ayes: Anderson, Eckland, Ottum, Wischmeier, and Jennings. The motion carried.

10. MATTERS FROM THE FLOOR
None

11. REPORTS

- A. City Administrator Holl reported that the Memorandum of Agreement (MOA) with HUD and SHPO has been approved, executed, and signed, which is significant progress. The Mayor has one additional form to sign, and while the tribes will not sign the MOA, they will provide letters of concurrence, which will not delay the process. With the MOA now in place, HUD has confirmed it will release all project funding. Staff will begin entering the required data into the HUD system next week to initiate reimbursements and access full funding. Holl also noted that the new exterior lights near the parking lot and sign are now operational and encouraged Council to view them at night.

He added that he will be attending the League of Minnesota Cities Annual Conference June 24 through June 27, 2025 but will remain available by email and text.

Lastly, the Parks and Docks Committee discussed playground design details at their recent meeting, with additional information and cost estimates still pending. Final plans will be brought to the Council for approval once available.

- B. City Engineer Bradford reported that he applied for and received approval for County Aid to Municipalities funding for approximately \$17,500. These funds, which cover both 2024 and 2025, will be reimbursed to the City for street maintenance activities. He noted that no application was submitted in 2024, but this disbursement accounts for both years and should be received soon.

Construction crews will begin mobilizing equipment at Lilah Lane and Pleasant Avenue tomorrow to start site preparation at the burial site. This includes stripping black dirt, spreading wood chips, and constructing the rock entrance in compliance with the Storm Water Permit. Due to expected rain, progress may be delayed. Soil hauling is scheduled to begin on either Friday, June 27 or Monday, June 30, with site prep expected to take two days.

Bradford also shared that they are working with the Office of the State Archaeologist (OSA) to obtain a permit for soil screening. The first phase has been approved by the State Archaeologist, and they are now awaiting sign-off from the Minnesota Indian Affairs Council (MIAC). Soil screening is anticipated to begin the week following the July 4 holiday.

Finally, the Engineer noted that he will be on vacation beginning July 8 for 11 days but will remain available as needed.

- C. Mayor Jennings provided an update on the preliminary 2025 Excelsior Fire District budget, stating that the initial proposal reflects a 14.5% increase, which he considers high for a single year. Notably, this figure does not include two significant capital expenses: replacement of the HVAC chiller and the purchase of Self-Contained Breathing Apparatus (SCBAs), the latter of which is estimated to cost approximately \$425,000 and is required due to their upcoming expiration in February.

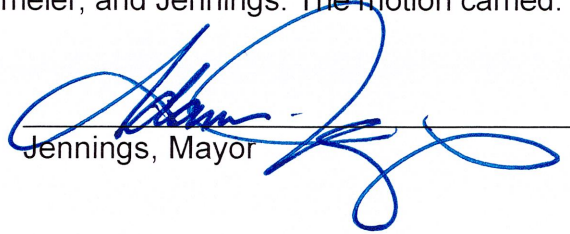
Jennings expressed strong opposition to the proposed personnel changes in the budget, which include the addition of captains and battalion chiefs. He questioned the necessity of these changes, noting that there has been no fundamental shift in service demand within Tonka Bay. He pointed out that the fire department has already seen substantial year-over-year increases, including year 2024 when debt payments were absorbed internally to offset what would have otherwise been a 17% increase.

Jennings emphasized that while the City understands the need for SCBAs and is open to exploring financing options to spread the cost over time, these items, along with the HVAC system, are outside the proposed 14.5% increase and would further strain Tonka Bay's budget. He explained that with a general fund budget of approximately \$1.7 million, every additional \$17,000 in spending equates to a 1% levy increase. He expressed a desire for the Council to unanimously back Council Member Eckland as he represents the City at the Fire Board budget work session the following evening.

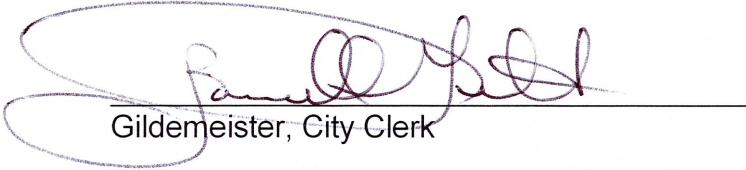
Jennings reported on the South Lake Minnetonka Police Department (SLMPD) budget, following his attendance at a budget meeting earlier in the evening. The current proposal reflects a 15.1% increase, primarily driven by labor costs and vehicle lease agreements. He noted that efforts are underway to reduce the proposed increase, with extensive discussions focused on potential adjustments. Jennings emphasized the importance of the issue and reminded Council that under the Joint Powers Agreement (JPA) structure, each member city holds veto power, and approval is not based on a majority vote. He stated that, given the combined impact of both the fire and police budget proposals, he would be willing to exercise Tonka Bay's veto authority if the numbers cannot be brought down. To illustrate the broader impact, Jennings explained that the combined police and fire increases alone could result in a 7% to 8% increase in Tonka Bay's general tax levy.

12. ADJOURNMENT

There being no further business, Councilmember Anderson made a motion to adjourn the meeting at 8:12 p.m. Councilmember Eckland seconded the motion. Ayes: Anderson, Eckland, Ottum, Wischmeier, and Jennings. The motion carried.


Jennings, Mayor

Attest:


Gildemeister, City Clerk