

MINUTES
TONKA BAY
CITY COUNCIL REGULAR MEETING
DECEMBER 9, 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, Broas, Eckland, and Ottum.

Staff present: City Administrator Holl, City Engineer Bradford, and City Attorney Nason.

Others present: K.C. Stabeck

3. APPROVAL OF AGENDA

Council Member Anderson made a motion to approve the agenda with the removal of 9.F. and correction to 9.E. Council Member Eckland seconded the motion. Ayes: Anderson, Broas, Eckland, Ottum, and Jennings. The motion carried.

4. CONSENT AGENDA

1. November 2025 Claims
2. 2024 Bonded Indebtedness Report

Council Member Anderson made a motion to approve the consent agenda as presented. Council Member Eckland seconded the motion. Ayes: Anderson, Broas, Eckland, Ottum, and Jennings. The motion carried.

5. SPECIAL BUSINESS

- A. Truth in Taxation Budget Presentation: City Administrator Holl presented the Truth in Taxation budget to the Council, noting that the preliminary levy was approved in September and that enterprise funds were reviewed in the weeks following to complete the overall budget. He explained that the purpose of the Truth in Taxation hearing is to provide a public-facing summary of the City's budget and how funds are allocated. Administrator Holl clarified that despite its name, Truth in Taxation is not about property valuations, but about budgeting and transparency, specifically outlining how the City plans to spend the dollars being requested from taxpayers to support City services.

Holl explained that Truth in Taxation is a state-mandated process focused on budgeting transparency, not property valuation, and outlined the required steps from preliminary levy approval to final adoption. He noted that the City's portion makes up about 19% of the average property tax bill, with Tonka Bay having the third-lowest tax rate in Hennepin County. Recent double-digit levy increases were attributed primarily to street projects and related debt service. Holl highlighted major budget drivers, public safety, debt service, and general operations, along with planned public works investments and enterprise fund activities, concluding with the process for adopting the final levy and budget.

K.C. Stabeck, 15 Old Orchard Lane, commented that he has questions pertaining to the process on how properties are assessed and would like to understand the fluctuation in percentages from year to year.

6. MATTERS FROM THE FLOOR

None

7. PUBLIC HEARING

None

8. OLD BUSINESS

- A. Adopt Final 2026 City Levy and Budget: A motion to approve Resolution 2025-29 Adopting 2026 General Fund Budget of \$2,429,927 was made by Council Member Anderson. Council Member Broas seconded the motion.

Roll call:	Anderson	Aye
	Broas	Aye
	Eckland	Aye
	Ottum	Aye
	Jennings	Aye

The motion carried.

A motion to approve Resolution 2025-30 Adopting Final 2026 Tax Levy of \$2,136,927 (15.65%) was made by Council Member Anderson. Council Member Eckland seconded the motion.

Roll call:	Anderson	Aye
	Broas	Aye
	Eckland	Aye
	Ottum	Aye
	Jennings	Aye

The motion carried.

9. NEW BUSINESS

- A. Approve Renewal of Mediacom Franchise Agreement Ordinance – Legal Counsel Nason explained that the City has an existing franchise ordinance with Mediacom, separate from the recently renewed franchise granted to Midco. Under the terms of Mediacom’s current franchise, if the company is in compliance, it is entitled to a five-year extension upon request. Mediacom has requested that extension, and the proposed ordinance simply extends the existing franchise term by five years. No other

substantive changes are made, aside from clarifying references to the extension period within the ordinance.

A motion to approve Ordinance 2025-04 Granting Mediacom Minnesota LLC a franchise extension through December 31, 2030 and modifying certain franchise terms was made by Council Member Anderson. Council Member Broas seconded the motion. Ayes: Anderson, Broas, Eckland, Ottum, and Jennings. The motion carried.

- B. Approve Temporary Lease of Old Orchard Parking Lot: City Administrator Holl explained that Xcel Energy is undertaking a winter project to replace a main electrical line from Navarre to Highway 7. Xcel has requested approval for a temporary lease of the Old Orchard parking lot, which would be used as a convenient staging area for the project.

A motion to approve a temporary lease of Old Orchard Parking Lot between the City of Tonka Bay and MJ Electric LLC, effective December 1, 2025, was made by Council Member Anderson. Council Member Eckland seconded the motion. Ayes: Anderson, Broas, Eckland, Ottum, and Jennings. The motion carried.

- C. Approve Teamsters Local 320 Contract: City Administrator Holl reported that the City worked with Teamsters Local 320 over the past month to negotiate a new contract covering Public Works staff, noting the process went well and involved only minor changes to an already solid agreement. Key updates include adding a \$35 monthly cell phone reimbursement, converting Christmas Eve from a half day to a full holiday, and simplifying provisions related to severance, sick leave, and vacation accrual schedules. The contract also maintains a three-year term with a 3.5% annual cost-of-living adjustment, consistent with the City's previous agreement.

A motion to approve Teamsters Local 320 labor agreement between the City of Tonka Bay and Minnesota Teamsters, Public Law Enforcement Employees Union Local Number 320, for the term of January 1 2026, through December 31 2028 was made by Council Member Anderson. Council Member Eckland seconded the motion. Ayes: Anderson, Broas, Eckland, Ottum, and Jennings. The motion carried.

- D. Approve Final Pay Request #16 2023 Watermain Project for \$23,218.42: City Engineer Bradford presented the final pay voucher for the Manitou Road improvements in the amount of \$23,218.42, noting the project was completed \$13,891 under budget. Council was advised not to issue payment until required contractor certification and additional close-out paperwork are received. Bradford stated this payment represents the final amount for the project, with remaining documentation to be submitted as part

of the grant closeout process.

A motion to approve pay request #16 2023 Watermain Project in the amount of \$23,218.42, with the check to not be issued until all close out paperwork is received from the contractor, Geislinger & Sons, was made by Council Member Anderson. Council Member Broas seconded the motion. Ayes: Anderson, Broas, Eckland, Ottum, and Jennings. The motion carried.

- E. Approve Pay Request #16 2024 SUIP for \$530,826.10 and Change Order #9 for \$134,562.56: Bradford presented a change order for the Lilah Lane reconstruction project, which was originally estimated at \$150,000 and came in at \$134,562.56. The change order reduces retainage while still holding approximately \$69,000 to ensure completion of final restoration work on Lilah Lane and Pleasant Avenue. Bradford noted the remaining restoration work is estimated at \$5,000–\$10,000. Overall, the project is approximately \$11,000 under budget, including work on the mounds and Lilah Lane, reimbursements from WSP, parking lot reimbursement, and with the potential for additional reimbursement from the Metropolitan Council for sewer pipe work.

A motion to approve and Change Order # 9 for the 2024 SUIP for the reconstruction of Lilah Lane in the amount of \$134,562.56 was made by Council Member Anderson. Council Member Eckland seconded the motion. Ayes: Anderson, Broas, Eckland, Ottum, and Jennings. The motion carried.

A motion to approve pay request #16 2024 SUIP in the amount of \$530,826.10 to Geislinger & Sons was made by Council Member Anderson. Council Member Eckland seconded the motion. Ayes: Anderson, Broas, Eckland, Ottum, and Jennings. The motion carried.

10. MATTERS FROM THE FLOOR

None

11. REPORTS

- A. City Administrator Holl thanked Public Works staff for their efforts, noting they are currently operating one position short, including during active snowplowing. He reported that the open Public Works position has received seven strong applications and will close on Friday, after which interviews will be scheduled. Holl also explained that the tennis/pickleball courts have been locked after being used as a dog area in which dog waste was not picked up, which posed a risk of damaging and staining the new court surface over the winter. This action was discussed with the Parks and Docks Commission. Mayor Jennings provided an update on the sale of a fire department

heavy rescue vehicle, which was budgeted to sell for \$100,000 but ultimately sold at auction for \$172,500. Tonka Bay will receive a reimbursement of \$9,773 from the sale.


- B. Mayor Jennings reported that further discussion is needed at an upcoming work session regarding property assessments and a proposed effort for cities to jointly hire a lobbyist. He clarified that the initiative would address not only assessment services, but also property tax relief and potential changes to the State Local Government Aid (LGA) funding formula, which has not been updated in decades. The Mayor noted that while changes may face opposition from cities currently receiving SLA funds, collaborating with other cities could strengthen a legislative effort to modernize the formula and potentially make Tonka Bay eligible for funding in the future.

12. ADJOURNMENT

There being no further business, Council Member Anderson made a motion to adjourn the meeting at 8:07 p.m. Council Member Broas seconded the motion. Ayes: Anderson, Broas, Eckland, Ottum, and Jennings. The motion carried.


Jennings, Mayor

Attest:


Gildemeister, City Clerk

