

COTTAGE GROVE CITY COUNCIL

12800 RAVINE PARKWAY SOUTH

COTTAGE GROVE, MN 55016

COUNCIL CHAMBER - 7:00 P.M

July 16, 2025

1. CALL TO ORDER

The City Council of the City of Cottage Grove, Washington County, Minnesota, held a regular meeting on July 16, 2025, at Cottage Grove City Hall, 12800 Ravine Parkway. Mayor Bailey called the meeting to order at 7:00 p.m. This meeting is being recorded by TruLens Community Media. You can view City meetings live and replay them on Cable Channel 799, and the meetings are also streamed live and then archived on the City of Cottage Grove's YouTube channel.

2. PLEDGE OF ALLEGIANCE

The audience, staff, and City Council Members stood and recited the Pledge of Allegiance.

3. ROLL CALL

Tammy Anderson, City Clerk, called the roll: Mayor Bailey-Here; Council Member Clausen-Here; Council Member Garza-Here; Council Member Olsen-Here; Council Member Thiede-Here.

Also present: Jennifer Levitt, City Administrator; Ryan Burfeind, Public Works Director; Zac Dockter, Parks and Recreation Director; Pete Koerner, Public Safety Director; Korine Land, City Attorney-LeVander, Gillen & Miller, PA; Brenda Malinowski, Finance Director; Emily Schmitz, Community Development Director; Phil Jents, Communication Manager.

4. OPEN FORUM

Mayor Bailey opened the Open Forum. He asked those who spoke to limit their comments to three minutes. I should also mention that Council will not comment on those items; we take them under advisement and then our staff will actually respond to you. We had three people who signed up to speak. If you would, just go over to the podium, state your name and address for the record, and then you can share with us.

My name is Peggy Nelson, I live at 7490 Hinton Park Avenue South, Cottage Grove. All right, my question actually is for the Police Chief, Pete Koerner, and my question is sir, do you know if ICE Agents are in Washington County or in Cottage Grove at this moment, not training at your HERO building?

Mayor Bailey said Peggy, actually our Director of Public Safety wouldn't necessarily answer that at the moment, that's what I was just mentioning. So, what'll happen is if you want to ask questions, like you're doing, our staff's going to take the information down and we will get back in touch with you vs. having a back and forth with the audience. So, if you have more questions, though, you can ask because this is all being taped anyway, so we'll know it.

Peggy said okay. My other question is about the HERO building, and I know that we have ICE Agents that train in there, as well as other Federal agents that do that. I'm hoping that as a group from All Saints Lutheran Church that we can try and stop that. It's just a suggestion, I'm hoping that there is some legal path to doing this. Thank you very much for listening to me, I appreciate it.

Mayor Bailey said thank you.

Good Evening, my name is Ruth Jones, and I live at 8180 Janero Avenue South, Cottage Grove. The first thing I would like to say is I appreciate public servants very much, thank all of you so much for what you do for our town. We moved to Cottage Grove in January of 2021, right during the pandemic, from LaCrosse, Wisconsin, of all places, and I wasn't sure what it was going to be like, and I love it here. The longer we're here the more I like it, it's a great little town, it feels like a little town, you know? It's a little bit rural, I love it. So, it's a great place, and that's a lot due to you guys, so I appreciate you. But the one thing that concerns me is the lack of local media. So, I was at a protest at the Capitol and people came up to us because they saw on our shirts that we're from Cottage Grove, and they said, did you know ICE is training at your HERO Center? They have a \$270,000 contract, and we all looked at each other and said, no, we didn't know this. So, then we started investigating. Apparently, even though we paid for the HERO Center, I looked and I think it got built right before I moved to town and it passed like a big ballot measure. We don't want a Community Center but we want a HERO Center, I guess, I mean I was really disappointed we didn't get the Community Center. Anyway, it was a passed-on-ballot measure and it's funded by taxpayer dollars; we apparently have no say over its use. I admire law enforcement, I think it looks like a wonderful center from what I saw online, I mean it's state of the art, people are coming from other places. It's something to be proud of; however, I am not happy about ICE being in it. And I just wanted to express that and I'm just going to use my voice because I feel like it's important as a citizen to speak up and register my voice, and also, what can we do about not having a newspaper or local radio station? So, we know these things, so if someone comes up to me and says, did you know, we're like yeah, we know, we're concerned, not like huh? What? Are you kidding me? So, that's a problem. And then I looked, I read your thing you send out every month, like oh, I'm so glad you send that, like I really do, I read it from cover to cover, I learn a lot from it, and there's nothing in there about ICE training in the HERO Center. So, anyway, that's my concerns. Thank you.

Mayor Bailey said all right, thank you.

Mayor Bailey said the third person who signed up wants to speak on an item on our Consent Agenda, so I'll pull it just for discussion at that time.

As no one else wished to address the Council, Mayor Bailey closed Open Forum.

5. ADOPTION OF AGENDA

Motion by Council Member Garza to adopt the agenda; second by Council Member Clausen. Motion carried: 5-0.

6. PRESENTATIONS

A. 2025 Green Garden Award

Staff Recommendation: Receive presentation of the 2025 Green Garden Awards from Parks and Recreation staff and award Jan Liedle the winner of the Residential Garden Award and Steven Rudberg the winner of the Sustainability Garden Award.

Mayor Bailey said our Parks and Recreation Director, Zac Dockter, is going to at least kick this one off.

Director Dockter said Good Evening, Mayor and Council, it certainly is gardening season, you can see that just looking out the window here in Cottage Grove, and I hope you are able to get out and enjoy this season and all of its beauty that it brings. This year is going to be our 14th year of the Green Garden Award where we receive nominations and then we award some of our more outstanding resident gardeners. This is a great time to also introduce you to our horticulturist, Cole Holmes, who I don't believe you've met yet. He oversees the planting, mulching, weeding, watering, and care for over 400 public gardens and thousands of trees in Cottage Grove. Cole will also introduce to you his two-intern team, who will also help present tonight and then walk us through the Green Garden Award and talk about the awarding itself. So, with that, I will turn it over to Cole and his team.

Cole said hello, everyone, I'm Cole, I'm the horticulturist here at the City of Cottage Grove. We're here to present the Green Garden Award for 2025. I'm here with my two interns, Theresa, who is currently going to Hennepin Tech, and Chris, who is currently going to the University of Minnesota. So, with that, I'll let them take over.

Chris said so, before we begin, I just want to thank everybody for being here. I know it's kind of unpleasant weather out, so I'm glad everybody could make it in and kind of get to experience this with us. So, we're really excited to share the Green Garden Award this year. It was a lot of fun working with this project, we got to experience a lot of the community firsthand, see how people work, see what people are doing, and just see like a lot of the effort that goes into gardening for people's private property.

So, with that, let's get into the categories and the criteria for the ranking. We had two different categories, Residential and Sustainability. Residential: We rated it based on appearance, plant variety, uniqueness, creativity, and the upkeep of it. Sustainability: We rated it based on native plantings, prairie areas, water conservation, and pollinator areas.

Theresa said the first garden nomination was made by Barb Hare and Karen Snow. They created this garden this year so it looks pretty good for just creating the whole space this year. They worked really hard to make it an enjoyable place for residents to sit down and relax, and they had a fun variety of both perennials and annuals, as you can see, with petunias, cone flowers, lavender, iris, and Cosmos.

Chris said our second nomination was Megan Zachman, and right off the bat you can see that she just created a very peaceful and serene feeling in her back yard. The landscaping work here was really well done and really well thought out, and it just kind of makes you want to sit down and relax for a few minutes when you go back there. We really liked the water feature in the middle with the bridge, and we also really liked the plant variety, how it seemed almost natural but like everything had a place with it.

Theresa said the third nomination was Melody Schneider. She had a really beautiful fountain, as you can see, in the middle of it. She also had a bench along the side so that you could sit and relax and enjoy the view. You can see that she included Monarda, which is bee balm, the red flowers; those are really good for pollinators, and she also had daylilies and phlox and a couple other things that are awesome. She also had really pretty arbor vitae leading down the pathway, so that was pretty unique.

Chris said our fourth nomination was Jennie Dockendorf. So, Jenny's garden shows just how much can be packed into a small residential yard. She's got three different garden beds, all with their own purpose and their own variety. Her first one, as you can see on the top-left corner, is in her front yard, and this one's just a standard floral garden, really colorful, and a nice selection of flowers, really nice petunias as you can see. Her second one is on the bottom, it's on the side of her yard, and that one was a big pollinator garden, it's full of a lot of native plants that just attract a lot of pollinators, and she's put a lot of work into making sure she supports our local bees and other pollinators around. Finally, her third garden was her vegetable garden, in the top right. She grows a lot of different varieties of vegetables here for not only herself but she also gives back to her neighbors and will just leave them out for people to take when they want.

Theresa said this fifth nomination was Jan Liedle's garden. Because she has a lot of trees in her garden, she's primarily shade, but she didn't let that limit her variety. So, she has a lot of Hostas, which was really creative; if you look closely, she labeled each individual Hosta, all the different varieties, so there's Fire and Ice, Gold Standard, Blue Umbrellas, and a lot more. She also has some Coral bells and Astilbe growing, and you can see the mosaic steps leading through her garden, it's really peaceful and invites viewers into her garden. She also has annual pots, which is a really good addition.

Chris said our sixth nomination was Steven Rudberg. Steven's garden is a great example of a sustainable garden. It's just a full wildflower garden with minimal maintenance and care; he doesn't mow it, he trims it, but he doesn't use any insecticides or pesticides or anything like that. He just planted wildflower seeds and basically let it grow beside the path he has there. This is just a great example for pollinators, it attracts a lot of pollinators, and we were just seeing a lot of bees and other insects while we were out there. Additionally, it also has the birdfeeder, which attracts a lot of other animals as well.

Theresa said our recommendation is to award Jan the winner of the Residential Green Garden Award and Steven the winner of the Sustainability Garden Award. Everyone applauded.

Cole called Jan forward to receive her award. Mayor Bailey said I was going to say I know all the Pine Ridge Garden Club people are all here, it's amazing. Thank you guys, too, for all you do, and said congratulations to Jan, it's beautiful. Jan replied thank you. Mayor Bailey said thank you to our interns, we do appreciate all your efforts, and we do appreciate our neighbors and obviously the Pine Ridge Garden Club. We appreciate everything you do, especially out here, I love what you guys do out in front here, as well as the area down by East Point Douglas. I know there are others out there, but those are the two I recognize the most. It just does a lot to beautify our community, and obviously what you're doing in your neighborhood and such is absolutely amazing, so thank you. All right, let's give her another round of applause. Everyone applauded. Photos were taken of Jan with Mayor Bailey, the Council Members, Cole, Chris, and Theresa.

Director Dockter stated as Steven's not here tonight, we'll personally deliver his award plaque to him at his house. But this crew, yes, they do a lot of hustling, so thanks to them for all of their work, and the summer's not over so we've got work to do. Mayor Bailey and the Council Members thanked the Pine Ridge Garden Club members for all of their work.

B. MN Recreation and Park Association Awards of Excellence

Staff Recommendation: Accept MN Recreation and Park Association Awards of Excellence.

Mayor Bailey said Director Dockter would start us on the MN Recreation and Park Association Awards of Excellence.

Director Dockter said as if the Green Garden Award was not exciting enough, I have more great news to share, we won some awards, some really cool awards. I'm going to turn it over to Nicole Greenwell from the MN Recreation and Park Association, who's going to tell us a little bit more about the program and our awards.

Mayor Bailey said fantastic, welcome.

Nicole said all right, thank you, Zac, and thank you, Mayor and Council. It's an honor to be here to present a MN Recreation and Park Association Awards of Excellence to the City of Cottage Grove, two of them, to be exact.

The MN Recreation and Park Association (MRPA) was formed in 1937 to foster the growth and development of the Parks and Recreation profession throughout the State. The MRPA Awards Committee was created for the purpose of acknowledging individual members and agencies for their excellence in the field of Parks, Recreation, and Leisure Services. The Awards of Excellence is an annual program of MRPA that was created to recognize agencies and their staff for exemplary projects in seven different categories that was either implemented in or received substantial revisions in 2024.

So, on behalf of the MRPA Awards Committee, it is my pleasure to present an Award of Excellence to the City of Cottage Grove for its winning park facility and program; the park facility was the Glacial Valley Park building and the program was pickleball. I have a little more to explain just about each of those facilities and programs. Glacial Valley Park in Cottage Grove stands out as a remarkable achievement in innovation, sustainability, and community engagement. The park building features modern technology, like keyless entry and solar-powered systems, along with ecofriendly design elements, building a strong indoor-outdoor connection. With extensive community input, the park has become cohesive and an impactful recreational space. In addition to the award-winning facility, Cottage Grove also fostered a new pickleball club program that grew from a 30-member volunteer group to more than 230 engaged players in just one year. Also, in 2024, there were a total of 49 league teams; then, in 2025, the program expanded to 119 teams, added youth and adult lessons, and ran a successful spring tournament with 43 teams. The program created new social connections, expanded league play, and boosted use of Glacial Valley Park, making it the City's most-requested facility in 2024. With strong public support and plans for further growth in 2025, it has revitalized adult recreation in the community. The MRPA Awards Committee would also like to recognize Brad Muckenhern and Noah Ranem, who prepared the nominations for the Awards of Excellence. Thank you all for allowing me here today to present and be a part of this fantastic achievement.

Everyone applauded and Mayor Bailey replied thank you. After presentation of the award plaques and handshakes, photos were taken of the Parks and Recreation employees, Nicole Greenwell, Mayor Bailey and the City Council Members.

Mayor Bailey thanked Nicole for presenting the awards to us tonight, we appreciate that.

Mayor Bailey said I'll just say, Zac, and I'll say it to our Council and our staff, too, the fact that we got the awards, talk about collaboration between the Council, Parks and Recreation, the Parks and Recreation Commission, and all of our staff, that park is absolutely gorgeous; and its obviously being recognized that way, so kudos to you guys for putting it all together and for those guys for the programming. Director Dockter replied thank you.

C. Proclamation - Parks and Recreation Month

Staff Recommendation: Proclaim the month of July 2025 as Parks and Recreation Month.

Mayor Bailey said I've asked Council Member Olsen to please read aloud this proclamation, then I'll look for a motion and a second to accept.

Council Member Olsen said thank you, mayor, and read aloud the Parks and Recreation Month proclamation.

Motion by Council Member Olsen to proclaim the month of July 2025 as Parks and Recreation Month, and I will also add that we have the very best Parks Department in the State, no questions asked; second by Council Member Thiede. Motion carried: 5-0.

D. Proclamation - Night to Unite

Staff Recommendation: Proclaim Tuesday, August 5, 2025 Night to Unite in Cottage Grove.

Mayor Bailey said I asked Council Member Thiede to read the proclamation, but Mayor Bailey asked Pete Koerner, Public Safety Director, if he wanted to add anything.

Director Koerner replied I have like 20 slides, mayor, and Mayor Bailey said go ahead, that's fine, and then he'll read the proclamation.

Director Koerner said I just wanted to take a couple moments, Honorable Mayor and Council, just highlighting again our Night to Unite. Obviously, all of you have participated for many, many years. It's a great event, but I just want to highlight some of the things that we're doing. It's very similar, and I can't take credit for any of this other than every year the mayor and I, we go out and hit parties and we know which ones have the great food and everything. I know each council member kind of has their favorite neighborhoods as well, but it really is about joining communities, building trust. It's part of our community engagement efforts, and we've been doing this since it was National Night Out down at Woodridge Park, so it gets bigger and bigger every year. I've asked council to quit encouraging people to sign up because we hit our limits; years ago, we were at 20 and now we hit upwards of 50, and that's perfect for our staff, so you don't have to go and encourage more but we do need the people to still sign up. It isn't just a police event. Really, Cottage Grove has taken it to the next level, it's our Public Safety, it's police, fire, and we also have our elected officials, City staff comes out, and our Public Safety Board does additional things. I know people think it's pretty cool when the mayor comes to the party, but as soon as the fire truck gets there, they push him out of the way. I know as council members you get a lot of questions about what businesses, what's coming in, and it's just really good conversation.

We also have been doing for many years the noon outs with Cottage Grove Public Safety and elected officials. We have three different events, one each at White Pine, The Legends, and Norris Square (Pres Homes), and we're going to do those again this year. Each year they do something a little different, but if you come down to Norris Square, they do some polka dancing; Council Member Thiede, he's got it down when he dances there, and Council Member Thiede replied yeah, the good old two step.

Director Koerner said we are still participating in two of our campaigns: We're doing the Fill the Bag Campaign, and everything that we pick up the next day, including toiletries, paper towels, toilet paper, etc., we bring that

down to the Friends in Need Food Shelf. That's just an example from last year, we usually end up getting a couple pallets full, so it's a really good donation in which people participate. We also do the Fill the Backpack Campaign; the Public Safety Board for any of the neighborhoods that want to participate, they donate a backpack, and we encourage people to fill it. They don't just fill this backpack, they give us boxes of school supplies, and that also goes to the Friends in Need Food Shelf.

We are partners also with the Parks Department, and this is the picture we used last year, I haven't seen the new one yet, but it'll be posted here soon, and the winner gets the Outdoor Family Fun Package with the sidewalk chalk, water balloons, sports balls, s'mores supplies, and more. Molly and her team are very generous and participate with us.

Finally, how do you sign up? If you go to the City's webpage and just type in Night to Unite, it'll bring you right to the link, and we would like people to register by Tuesday, July 29. That guarantees that you'll get a stop by police and fire. Afterwards, our list gets pretty long, and it's hard to get to all of them; so, for those that sign up by that date, we'll make sure to hit those, and our webpage also has a lot of additional ideas.

With that, I'll turn it over to the Mayor and Council for the proclamation. Mayor Bailey said thank you, Pete.

Council Member Thiede read aloud the Night to Unite proclamation.

Motion by Council Member Thiede to proclaim Tuesday, August 5, 2025, Night to Unite in Cottage Grove; second by Council Member Garza. Motion carried: 5-0.

Mayor Bailey said it's always a fun time for all of us out on Night to Unite, that whole day for that matter.

7. CONSENT AGENDA

- A. Approve the June 4, 2025 City Council Special Meeting Minutes.
- B. Approve the Approve the June 4, 2025 City Council Regular Meeting Minutes.
- C. Approve the June 18, 2025 City Council Special Meeting Minutes.
- D. Approve the June 18, 2025 City Council Regular Meeting Minutes.
- E. Approve the April 8, 2025 Economic Development Authority Meeting Minutes.
- F. Approve the issuance of rental licenses to the properties listed in the attached table.
- G. Approve Resolution 2025-98, Accepting donations received in the 2nd Quarter 2025.
- H. Authorize the Wellness Committee on behalf of the City staff to apply for the Spark Good Community local grant through Walmart.
- I. Authorize issuance of a single occasion gambling permit to the Church of St. Rita to conduct a raffle, bingo, and pull tabs at 8694 80th Street South, Cottage Grove, MN, on September 19-21, 2025.
- J. Authorize issuance of a temporary intoxicating liquor license to the Church of St. Rita for their fall festival, located a 8694 80th Street South on September 19-21, 2025.
- K. Authorize issuance of a Massage Business License to Ross Albert Ulmer, operating as Health Investments, LLC at 8471 East Point Douglas Road South, #105B, Cottage Grove, MN, 55016.
- L. Authorize issuance of a Massage Therapist and Massage Business License to Ruimin Jiang, operating as Health Investments, LLC, located at 8471 East Point Douglas Road South, #105B, Cottage Grove, MN, 55016.
- M. Approve the uniform card Memorandum of Understanding as an addendum to the 2025-2026 Sergeants' labor contract.
- N. Approve the Cell Phone Memorandum of Understanding as an addendum to the 2025-2026 49ers labor contract.
- O. Approve the Fire Marshal MOU as an addendum to the 2025-2026 IAFF, Local 2570 labor contract.
- P. Approve the Accelerated Firefighter/Paramedic Recruitment Program agreement for Phillip Wiggins.
- Q. Staff recommends the approval of the Fiserv merchant processing application agreement and purchase of the credit card terminal equipment required for accepting payments.
- R. Authorize staff to purchase a used Toro 3550 from MRI Distributing for the amount of \$24,046.88.
- S. Adopt Resolution 2025-095 awarding the 2025 Hamlet Pond Phase 2: Bank Grading and Sediment

Removal Project to New Look Contracting, Inc. in the amount of \$114,481.25, and the appropriate officials are hereby authorized to sign all necessary documents to effectuate these actions.

- T. Adopt Resolution 2025-096 approving the final payment to Bituminous Roadways, Inc. for the 2024 Mill and Overlay Project in the amount of \$16,097.25.
- U. Approve Change Order #2 for the reduction in casing pipe size from 42" to 36". This will decrease the contract total by (\$37,800.00) to a total revised contract amount of \$4,894,098.00.
- V. Approve the Stipulation of Settlement for Parcel 10 by and between Holiday Stationstores, LLC and the City, authorizing the execution of a Settlement Agreement and payment of the remaining balance of \$132,000.
- W. Approve the Agreements for Services with Ellis Irrigation and Lawn Pride Irrigation & Groundworks.
- X. 1) Adopt Resolution 2025-099 approving a Conditional Use Permit to allow a total of 2,340 square feet of accessory structure square footage exceeding the maximum square footage by 340 square feet allowed within the R-2, Residential Estate Zoning District, and a Variance to allow for an accessory structure to be located in the front yard at 6255 Hadley Avenue South. 2) Adopt Resolution 2025-100 denying the Variance request to allow for the exterior of an accessory structure in a residential district to be constructed of metal at 6255 Hadley Avenue South.
- Y. Authorize issuance of a single-occasion gambling permit to Daniel John Niederkorn on behalf of the South St. Paul Lions Club to conduct a raffle at River Oaks Golf Course and Event Center (11099 Highway 61, Cottage Grove, MN, 55016) on August 4, 2025.

Mayor Bailey wished to pull Item X, Accessory Structure-Conditional Use Permit and Variances (6555 Hadley Avenue), on the Consent Agenda for further discussion only because the applicant is in the audience here and would like to speak to it, and I asked our staff to be able to talk through this.

Council Member Olsen wished to pull Item G, 2nd Quarter 2025 Donations, for further discussion and/or approval, but I'm going to need some help because I don't have a device with the donations listed. So, if I could borrow yours, that would be wonderful. Mayor Bailey replied yep, I can do that and Council Member Olsen thanked him.

Council Member Olsen said Item G is an item from staff recommending that we accept our 2nd Quarter 2025 Donations, and it's always good for us to be able to acknowledge these publicly and thank the individuals who made these donations. So, as follows, for the 2nd Quarter, we'd like to thank:

- Tennis Sanitation, for a \$5,000 Fourth of July Fireworks Freedom Weekend sponsorship
- NorthPoint, for a \$5,000 Fourth of July Fireworks Freedom Weekend sponsorship
- 3M, for a \$5,000 Fourth of July Fireworks Freedom Weekend sponsorship
- Hy-Vee, for a \$5,000 Fourth of July Fireworks Freedom Weekend sponsorship
- VanMeter, for a \$1,000 Fourth of July Fireworks Freedom Weekend sponsorship
- We received a \$1,000 donation as well for those Fourth of July fireworks directly to the Lions Club from what was formerly known as Northwoods Barbecue, but now it's called Whiskey Creek, so we want to thank Matt Miller and his family for that.
- Jayne Chatterton made a Memorial Bench donation of \$2,500, and the Cottage Grove Athletic Association also made a \$2,500 donation for a Memorial Bench.

So, thank you to everybody who gave generously to the City for all of these various events and donations. I'll tell you, as somebody who has participated in some Memorial Bench donations myself, they turn out really, really nice, so I'm glad to see we had a couple of those. And with that, mayor, I'll turn it back to you and I'll give you your device back. Thank you.

Mayor Bailey said the next item I pulled off Consent was an Accessory Structure, which was a Conditional Use Permit and Variance, and I'll have Community Development Director Emily Schmitz start us off, and then the applicant would like to speak to the Council before we vote on this item.

Director Schmitz said Mayor and Council, Good Evening. This next item is kind of threefold, so I'll work through each of the requests just a little bit separately for a Conditional Use Permit for an accessory structure. Our Code

allows for a total square footage on residential lots. This particular proposal is proposing to go above and beyond that total square footage, so a Conditional Use Permit is required. There are two Variance requests: One Variance to put that accessory structure in front of the principal structure, which our standard in our Code requires it to be behind the principal structure; the second Variance request is for the exterior material, which is proposed as metal, when our Code has some additional specifics that I'll get into just a little bit later in the presentation. But this particular parcel is located on Hadley Avenue, just adjacent to the Eastbrooke development if you're familiar; it is a little bit of a larger parcel at four acres. The house on the site was built in 1994, and then an accessory building, which you can see outlined on the screen, was constructed in 1997 under those Code standards. That accessory building was constructed to match the principal structure, which is stucco material.

The property is Zoned R-2, which are those sometimes larger lots nestled into those developing areas with those smaller lots, so we recognize that in our Zoning Code, and it is guided as low density. As we look at areas in our community, this is one of those where we do see that great development potential, right? It's a growing area, and we know that some of these areas are ripe for that redevelopment potential with those smaller lots.

So, as I mentioned, three requests:

1) The first is the Conditional Use Permit, 2,000 square feet is the total accessory square footage that is permitted on a residential lot in the R-2 Zoning District. This particular request would put that total square footage at I believe it's 2,340 total square feet on the site with this additional accessory building, which is 340 square feet over that 2,000 total. A Conditional Use Permit is an option within our Zoning Code for parcels in the Residential Zoning Districts to support that additional square footage as long as they are meeting some additional setbacks, which this particular request is doing.

2) The first Variance request, as I had indicated, is to build that accessory structure in front of the principal structure, or the home. Obviously, as you can see in 1997, they did something very similar and here's why: The elevations kind of on the north side of the lot are a little bit tricky to get a drive aisle behind there. Then, on the south side of the principal structure, you can see in that yellow circle that's where their septic system is located, which again you cannot drive over; so access to that back yard to an accessory structure would certainly be what we would consider a practical difficulty, something that exists that isn't necessarily the fault of the property owner but does limit or create a hardship for them to meet the minimum standards.

3) The third part to this request is a second Variance. The applicant is requesting to use metal on the exterior of this accessory structure. Our current Code requires structures, principal and accessory, in Residential Districts to be comprised of wood, brick, lap siding, vinyl, materials of that sort. It does not specifically indicate metal. This Code was amended in 2012 to be specific to the materials that we would allow for on structures in Residential Districts; they do have to complement the principal structure as well. The intent is, of course, to create that uniformity and that consistency within our residential neighborhoods within the community.

The applicant provided a handful of images that I did want to make sure that I shared with you:

This particular image is the type of building that the applicant is proposing, it does not necessarily exist in Cottage Grove but wanted to share.

These next couple of slides are a couple of buildings that exist within the community, and so I just wanted to share just a little bit of the history. So, this particular building it did exist and we issued a building permit to take the building down and rebuild; it's what we consider to be a legal nonconformity, it didn't align with our standards, but they were not expanding it so they could construct it back exactly as it was.

This particular building, I believe the building permit was issued in 1997, again that was prior to the 2012 Zoning Code that created that clarity for the material.

This particular building permit was issued in 1999, again prior to that 2012 clarification in our Zoning Code for the specific materials permitted.

These three images, you may be familiar with these, as these are our temporary Water Treatment buildings that are just that, temporary. We worked through a Variance process to ensure I'm going to say perhaps in this emergency situation that we were able to get these buildings up and that they would be removed once those permanent structures or temporary treatment plants were constructed.

So, with that, I will leave the two recommendations before you. Mayor, as you indicated, the applicant is in the audience and of course, staff is available for questions.

Mayor Bailey said and Emily, just for my clarity, I know it's in our packet, but for the public, it did go through the Planning Commission, and the Planning Commission approved the Conditional Use Permit, but they denied the Variance as it relates to the materials. Is that correct?

Director Schmitz replied Mayor, Council, the Planning Commission recommended, 7-to-0, to approve the Conditional Use Permit, the Variance to allow for the structure to be constructed in front of the principal structure, but recommended denial of the Variance for the material.

Mayor Bailey said all right, thank you. Are there any questions for Director Schmitz at this point? None were asked.

Mayor Bailey asked the applicant if he would like to come and speak; again, state your name and address for the record, and share with us your thoughts.

Good Evening, Mayor and City Council Members, my name is Al Dressely, I live at 6255 Hadley Avenue, that's being discussed. In other words, known as the West Draw, so I'm sure a few members up there I recognized from the past. I've lived at this location with my family since 1994, and I've seen a lot of changes, and some of the changes that I've seen were different zonings, different setbacks for housing all around me. I live on a lot, as it was mentioned, its a little over four acres. What I'm proposing, I've met all the setbacks, side setbacks, everything that the City has requested, but I'm looking at material that is metal. Some of the things that have changed in 2012, as it was mentioned, the definition of the metal or using the materials changed to metal. I've lived there since 1994, so I'd be hoping that I'd be grandfathered in of some sort.

One of the other buildings that was shown up here that was done in 1997, that's my neighbor. I've got letters from my neighbors stating that, you know, it's fine. I'm not doing anything to harm any of the environment, which the Planning Commission also said everything looked great except their one check box, and that's metal. I think that what's concerning is the metal is the up and coming thing that's being used. I mean we see these "Barndominiums," I think they're called, they have steel roofs. It's not the old sheds that you'd see on the old farm fields or anything like that.

Another thing I wanted to bring attention to, this personal storage unit I'm building, you can't see it; it can't be seen from the road, just as my neighbors can't see it. So, when I asked my neighbor, he said well, you can't see mine, I'm not going to be seeing yours, and they're going to butt up right next to each other. I've asked my neighbor to the left of me, I've asked my neighbor to the right of me, and across the street, and everybody's okayed it, and you should have those letters that are in there.

Some of the buildings that I also took pictures of, the City-owned buildings, one of them is on 87th Street, that's right in the middle of a neighborhood, its on a corner, there's houses all around it. Now, I know it's, you said it was something that was temporary, but I mean to have that building there, and then what I'm requesting is something that no one's going to ever see, I just would hope that the Council would look at something like that.

I guess the biggest thing is that when I moved in, in 1994, you move to some acreage lots so you can do some of these things. I didn't get a letter about the 2012 Variance change or the definitions change, not saying that I would have built one at that time, I'm not saying that, but I didn't get that letter. Now, when I did my application, which also I wanted to thank Sam and Max, the planners, they were excellent in helping me with all the paperwork, I really thought that this was going to be something that was going to be not a problem because of all the metal buildings around my neighborhood. I know that there's going to be development in the years around that area, but it's not going to be by my house because I've got neighbors that got four acres on the side of me, across from me, behind me; so, it's something that, again, I can't stress enough that its not going to be seen and its not going to hinder anybody's visual or anything in the neighborhood or the look of the neighborhood. It's still rural, you still have the rolling hills, everything's there, so I'm asking again for the Variance of the metal.

The other question that I real quick that I had: If it's metal that is so concerning that someone doesn't want it put up, and as you saw the pictures up there, I've got the wainscoting, I've got windows, I've got the overhangs, the gutters, everything that's going to look, what would be the difference if I just built that and put wood on it? I mean, put paneling on it? I mean, that would look awful, and now I'm trying to abide by looking at, again,

wainscoting a nice-looking barn, but I'm just curious what that would be. I know you can't answer that right now, but just the thought that I could go out and put plywood all around it because that's basically what the definition said, its got to be by wood. So, I know these buildings look a lot nicer. So, I want to thank you for your time tonight. Any questions?

Mayor Bailey asked Council if there were any questions.

Council Member Garza said thank you for your presentation. I have a couple questions because I do agree, I see a lot of, there are a lot more pole barns and a lot more metal barns that you do see in a lot of different neighborhoods, and the durability of them are a lot different than what they were maybe 20 years ago. So, my question to you, when would you be having it professionally installed? And then what is the longevity of that unit that you're putting up?

Mr. Dressely replied good question and it's in the packet. The longevity is 100 years on the metal. Also, with the metal, you know the question was, I'm sorry; Council Member Garza replied would it be professionally installed? Mr. Dressely replied yes, professionally installed, its by Jensen Builders in Wisconsin. I've got three or four different bids, they're the largest builder in the State of Wisconsin, they'd be doing that. I'm having concrete flooring, insulated, heated, everything you would see in a regular house or another garage, to say, so everything would be just the same. It's 100 years, as I mentioned. Another thing that they always say is if you had wood out there, I mean, I'm in a rural area with all the woods, I mean, you're apt to get, if there was ever a fire, that's going to go up a lot quicker than anything with the metal, and that's going to last for 100 years.

Council Member Garza replied thank you for that. Another question, what is the exterior appearance over time? Like is it expected to start rusting, what is that?

Mr. Dressely replied no, and why that is, it's because they powder coat this metal so it's got a heavier coating on it; it's a 10-year warranty on the metal as it sits, if something was to crack or anything like that. But no, I haven't seen any, and you saw some of the ones, well, my neighbor's is 1997, and there's no rust, there's nothing on it. And then we've got some that were in the pictures that were 2001, so there's nothing there.

I did want to bring up, though, I did go get bids on wooden barns, its three times as much. So, I know, you know, there's the saying that you can't look at a hardship or anything like that, but for common sense, three times as much on two or three different builders I went to, and those were the wood ones. Again, they're not as strong as the metal ones.

Mayor Bailey asked if there were any other questions for the applicant. Just for your awareness, too, on a couple things, and maybe one question a little bit for our staff. First of all, on the buildings that you're talking about, I think you said 87th or whatever? Mr. Dressely replied yeah, I believe it was. Mayor Bailey said yeah, just so you know, those three buildings that you said, we did those as a declared emergency for the water treatment, we had to put the water treatment in, and they will be taken down. Mr. Dressely replied, okay. Mayor Bailey said they were temporary because even some of them aren't done; the one isn't even on property we own, its on somebody else's property, they loaned it to us while we did that. So, I just wanted you to be aware of that.

And then from a staff's perspective, I know we haven't seen it at the Council yet, but I saw the Planning Commission; are the lots behind him part of the next developer?

Mr. Dressely replied no, the current plan as of right now, is not behind me. It is to the 65th, I'm on Hadley, so it's on 65th, going east, and that's where it goes in. You will not be able to see it from my area, and that's the proposed one right now.

Mayor Bailey said yeah, that's why I was just checking from our staff standpoint because I know there's a planned possible development over there, is that still the case and how far does it come over? Can you share?

Director Schmitz replied Mayor, Council, so the developer that is in process of evaluating, as you can see on the screen, to the east is the assemblage we've been calling it off of 65th Street that they're working on. However, our understanding is they are in conversations with other folks that may be on Hadley Avenue as well; again, it's a very preliminary conceptual, but there is the potential for that redevelopment in the area.

Mayor Bailey replied but my question, though, is the one that I think was tabled at the Planning Commission, is that the 7200, 7248? That's what I thought, okay. So, I didn't know if you knew that.

Mr. Dressely replied I was at the meetings. And, also, as she mentioned the Hadley Avenue, those are three brand-new houses. I don't see anybody, and when my neighbor's saying, we don't, I mean I think he would say you know, I might sell my land, both sides and across from me, and those are three brand-new houses right there, already done, so, just FYI.

Mayor Bailey said all right, thank you, to which Mr. Dressely responded thank you.

Council Member Olsen said I have a question for staff, and I'm going to aim this one at Attorney Kori Land, and she can punt if she wants to. So, the Planning Commission conversation, which I was able to observe since I'm the liaison to the Planning Commission, really focused on the fact that there are specific legal requirements to grant a Variance; and I wondered if you might take a moment and just remind us again of what those requirements are and how they may be applied and maybe is there any flexibility, is there wiggle room or not, in a situation such as this?

Attorney Land replied Your Honor, Members of the Council, you've attended some of my trainings before, and you know I have this mantra that I like to use with Variances. The first thing I like to say is a Variance is permission to give your teenager the right to stay out past curfew, right? You're giving them permission to break the rules. We have rules and we have rules for a reason. We set these Zoning standards in place, we even redid the Zoning Ordinance not that long ago, and we upheld this particular provision in the Code. So, it's not that it's just been on the books since 2012, it was relooked at within the last five years, exhaustively, by the Planning Commission and the Council. So, having said that, what is the test for a Variance? You can't grant a Variance unless it meets the test, and the test is first rule would be putting the property to a reasonable use. I think we can all say yes, a garage or a storage building for a residential property, certainly a reasonable use. By the conditions unique to the property, no; I can't fathom a reason why it is unique to this property that he can't comply with the Code, he just doesn't want to. Will it alter the essential character of the locality? The intent of the Code is to make consistent buildings throughout your residential neighborhoods; so, yes, it is true there are some grandfathered in buildings, I don't know how proximity wise, he says his neighbor has one, that is true. Otherwise, everybody's complying with the Code, they have had to since 2012. So, it will alter the essential character of the locality. So, is there a flexibility? The Council can do whatever you want, but I like to warn Planning Commissions and Councils that once you grant a Variance for something that doesn't meet the test, you have changed your standard.

Council Member Olsen we've essentially set a precedent; Attorney Land replied you may as well change your rule. Council Member Olsen replied right, okay. And the reason I asked for the explanation is you know in circumstances such as this, at least from my chair, the common sense piece of this for you know 99.5% of it is why not? It makes sense. But with respect to the legal ramifications of granting a Variance without meeting those various requirements, we then become I believe the terminology is arbitrary and capricious, where we're giving a benefit to one that we haven't given to all. And, as you said earlier, then we might as well change our rules; so, at least from my point of view, based on what I know to be true about the legal elements of granting Variances, etc., I haven't done this for a little while, I think the Planning Commission was correct in their recommendation. That's not to say that maybe we don't need to have another conversation on another point about this particular element of our City Code because of some of the things that the applicant stated very eloquently; you know, these metal buildings have changed, there's evolution in standards in construction, and that's probably a conversation worth having, but that conversation won't happen tonight. So, at this point, I think the wise choice and frankly, the only choice, based on our responsibility as Council Members to follow the law to the letter without being arbitrary and capricious, is to adopt both resolutions, and I'm not sure if there are other questions.

Council Member Thiede said I guess I probably have to agree with Council Member Olsen on this one. My logic would tend to say, well, because I was kind of looking at it, and I was kind of looking at where the trees are, and I kind of looked at the angle down the driveway and things like that; and even if houses are put to the east, you know, you probably may not see it. But, again, we do have to be careful about the precedents we set and while it may be something that we should take a look at, it's probably, like you say, it's not going to happen tonight. And, so, as much as you're going to be disappointed, you know I probably have to kind of go along with the Planning Commission also, considering the different situations and the conditions and the legal aspects.

Mayor Bailey said we didn't pull this for a separate vote but it was to allow the applicant to speak and have staff make sure that we had all the details that we needed.

Motion by Council Member Olsen to approve the Consent Agenda; second by Council Member Clausen.
Motion carried: 5-0.

Council Member Olsen said Kori, thanks again for the reminder, we need that every once in a while, so it's much appreciated; and as I said earlier, I think it would make some sense to have some dialogue about this element of the Code, so if the applicant wanted to wait and see what the outcome of that dialogue looks like, maybe that's an option. But we definitely had to make the decision we had to make based on the law as it stands today. So, thank you again.

8. APPROVE DISBURSEMENTS

- A. Staff Recommendation: Approve disbursements for the period of 6-13-2025 through 7-10-2025 in the amount of \$8,839,571.42.

Motion by Council Member Olsen to approve disbursements; second by Council Member Garza.
Motion carried: 5-0.

9. PUBLIC HEARINGS - None.

10. BID AWARDS - None.

11. REGULAR AGENDA - None.

12. COUNCIL COMMENTS AND REQUESTS

Council Member Clausen said thank you, mayor. We're in the process of a very large Pavement Management project and a very large Public Works project, I'm told this is the biggest one the City has ever done, and they all seem to be going well so far. Council Member Thiede and I live right in the heart of one of the major projects, and no one's been banging on my door, complaining. I understand there have been some minor inconveniences with the weather and some locating, but otherwise the projects are moving together well this year. Thank you.

Council Member Olsen said thank you, mayor. A couple things here: First of all, just an overarching thank you to our amazing City staff, who once again contributed a tremendous amount of time, energy, and effort with this year's Cottage Grove Strawberry Festival. We all prayed that we didn't have rain, and we got what we prayed for, but it was about 1000 degrees outside. I'll tell you what, working the Lions' tent and working the grill was not a pleasant experience in that weather, but at the end of the day, the public came out and had a great time. The Strawberry Fest Committee did a marvelous job of putting together some tremendous bands and different events. I thought the Drone Show that took place was just amazing, and there was so much positive feedback about that. But, you know, none of this happens without City staff, none of it happens. We had people there from the Convention and Visitors Bureau, we had people there from General Government staff, obviously a ton of Public Safety personnel, Public Works, and Parks personnel, and you know, they're the ones that keep that whole thing going. So, I just want to say again thank you. I know that in many cases they're working the weekend and it's not necessarily what they're used to, but they all did really well. I would say the same about those who helped us out with our fireworks show this year for the Fourth of July Freedom Weekend. I talked about the sponsors earlier, but again, Kingston Park was packed. Mary, you were there, you saw it, it was a very successful event for our Cottage Grove Lions, I can tell you that to be sure. We didn't run out of food this year, which was good, because we bought a lot more, but we served

a lot of people, and Public Safety and Parks and all the rest of the City staff that were present really helped us make that event go off without a hitch, so thank you.

I also wanted to mention that August 1st this year is the first annual Hometown Heroes Golf Tournament, which is being put on by your Mississippi River Valley Beyond the Yellow Ribbon network team here in town in partnership with the Cottage Grove VFW and the Cottage Grove Lions Club. This used to be the Public Safety Board tournament, they decided they wanted to focus their energies on some other fundraising efforts, and so we were happy to pick that up as a Mississippi River Valley Beyond the Yellow Ribbon team. We still have a spot available for eight teams, otherwise we're going to be packed out; we're going to have 144 players, and the event starts at River Oaks at 8:00 a.m. on August 1st, and then the after party, as it were, is at the VFW where we'll have some raffles and do some different things. All of these funds go to support military families, veterans in the community, and our Public Safety personnel. So, please join us if you can; if you need more information on that, you can certainly reach out to me or anyone on our Mississippi River Valley Beyond the Yellow Ribbon network team or anybody in our Cottage Grove Lions Club, and we'd be happy to direct you. It looks like it's going to be a phenomenal event.

The other thing I wanted to mention is the Mississippi River Valley Beyond the Yellow Ribbon network team is also doing a first annual Walk/Run/Ruck event, which is again intended to raise funds for military veterans and families. That will take place at Kingston Park the morning of the Food Truck Festival, so that's Saturday, September 13, and the start time is going to be 9:00 a.m. I have not participated in one of these before, this will be my first one. It sounds to me like it's a pretty popular thing with military folks because not only can they run either a 5K or a 10K or walk, which I'll be doing, the 5K or the 10K, but they can also ruck it, and by that, they carry their rucksacks on their back just as they would in basic training or a military event. We have several members of our Cottage Grove Lions who are going to participate, so we'll be sponsoring them specifically. For more information, you can check out our Mississippi River Valley Beyond the Yellow Ribbon network Facebook page or you can reach out to me, and I'd be happy to give you information on the event. Registration is open now so you'll have the opportunity to walk, run, ruck alongside all the folks that are going to be there trying to raise money for military families and veterans. It'll be a ton of fun. And with that, mayor, I'm going to turn it back to you. Thank you.

Council Member Thiede said all right, so as Council Member Olsen kind of alluded to the Strawberry Fest, and while we had a good festival, we definitely had a lot of people there; more people were there in the evenings than necessarily in the middle of the day and the afternoon. Some of our Marketplace people weren't all that happy because it was a little bit light on people through their shops out there and so forth, their booths, but all in all it was good. We did get a very good response back from the Drone Show, and so we had our review meeting the other night and we're probably going to do the Drone Show again next year and see what kind of new things we can have with that. We definitely talked about having some different new things and some new ideas and things like that. Obviously, to do more things like that, we need people to help us and volunteer and become part of the committee and such, so I would definitely encourage people to get involved. You know, a lot of the people that we have on the committee are people who have been there for years and years, and so, we really enjoy getting newer people on the committee, getting some newer ideas and things like that. So, definitely if you're inclined to that a little bit, it is a fun time to get things planned and set up like that, and we always have a good event.

I'll also mention another fun event is Movies with Mo, and I guess there's one this Friday night, so people are going to have to watch this recap of the Council Meeting fast so they get the information for Friday night; but it's at 7:00 p.m. on Friday, July 18, at Highlands Park, and it's *Paddington in Peru*, let's see, that's a bear, isn't it? All right, so I think that's all I've got.

Council Member Garza said thank you, mayor. Well, there's a few other events that I'd like to mention. I happened to run into the Locally Grown Theatre up at the Loveland Park this past week, and they were practicing getting ready for their events. They have several weekends that they're showing the *Around the World in 80 Days*: So, coming up on July 19 through July 20, they'll be showing that play here at City Hall at the amphitheater, that starts at 7:00 p.m., and it looked like a lot of fun, their costumes looked like a lot of fun. So, I would encourage you all to come out and watch it. I've seen them last year, a different play, and it was an amazing play, and it's a free local play and they accept donations.

Our Food Truck Festival, it is around the corner, it's already so close to September, and it's on September 13, it's an all-day event from 11:00 a.m. to 6:00 p.m. We have more than 100 food trucks this year, is it? No, 40, more than 40, sorry. I'm putting it out there into the world and we will have 100 food trucks next year. Mayor Bailey said Tammy goes, oh, god, no. Council Member Garza said that would be awesome, but there's a lot of amazing food trucks that are always there. Our people love to come out, and that Food Truck Festival is so similar to Strawberry Fest because a lot of our community happens to come out and enjoy a lot of food and fun activities that are out there. So, if you have time, come on out on September 13th. Thank you, mayor.

Mayor Bailey said so two things, real quick: One is I wanted to mention we have our new Strawberry Fest Ambassadors that were crowned right after the festival, which was awesome, and they've already been hard at work, by the way. They helped out at the Freedom Weekend celebration, I don't know how many parades they've been in already, but I thought I would mention it. I thought it was pretty amazing we have our first king that was crowned in Cottage Grove, so we now have a male person on the float, so I thought that was kind of cool. It's been one thing I know that the group was really trying to get more I'll call it literal diversity, male-female and all that in, and I think they've done a great job of making that happen. So, just thank you to them, and I'm sure you'll be seeing them around in future events around Cottage Grove and surrounding communities.

Lastly, just as a friendly reminder because it seems like it's been so long ago, after the last City Council meeting, we did a performance review checkin with our City Administrator, Jennifer Levitt. As per the law, I'm just updating the community that the overall review went very well, and again, it's more of a touch base to see how things are going from the goals and objectives that we worked together for her original performance if you will, way back; I know it was back in October, November, or December, somewhere in there. But we're very happy, I think Council was good with everything that we talked through and thanked her for continued service to our community.

With that, the next item on our agenda here is a Workshop, which is Open to the Public, and I believe we'll be moving to a conference room and that is regarding Emergency Medical Services Update. There is no Workshop, Closed to the Public, so we will not be adjourning in here. So, if you want to come join us in the Training Room, you can listen about public safety. Take care.

13. WORKSHOPS - OPEN TO PUBLIC - TRAINING ROOM

A. Emergency Medical Services Update

Staff Recommendation: Receive a presentation on EMS and provide feedback and direction.

Mayor Bailey said so we'll go ahead and call this Workshop, Open to the Public, to order and get going here. Obviously, it's regarding an Emergency Medical Services Update. He asked Brenda if she and Jon were kind of taking this together, or who's going to take this?

Director Koerner replied I'm going to kick it off, and then I'm going to turn it over to the subject matter experts. I do apologize, as once we put the PowerPoint on here, this doesn't recognize the newer font so it's a little funky, you can't use Aptos on here and that's what is the default on our computers. A special thanks to Peter for coming tonight, he came back from Scout Camp early for this, so we didn't know he was going to be here, so feel free to ask Peter, throw him a question at some point since he made the drive back from camp.

Director Koerner said so obviously it's an EMS Update. So, we just thought this workshop would be a good opportunity to hit some other things as well. The initial purpose, when we first started talking about this, to kind of get the EMS Taxing Districts, but it just kind of kept growing, and obviously we've been meeting with our other communities. So, between Jon and Brenda, they'll kind of hit some of those, and Jennifer has been involved in all those as well. So, you're going to have people from both sides of the room jump in on this, but there's a lot of good information. We tried to do it high level, we did whittle this down from 86 slides down to about 40, so you're welcome, I know you guys are probably going to be getting hungry. So, with that, Jon, that's the cue that they're going to be hungry. There's a lot of good information, honestly.

Fire Chief Jon Pritchard said so just an overview and it kind of gives us a unique opportunity to kind of do an informal linear check on how we're doing in the Fire and EMS Department. As you can see, our call volume has actually increased exponentially over the last few years, and since 2022 we've risen significantly, and we continue to expect that with community growth.

For the first six months of 2025, so this is through June 30, we're already at 2,612 for incidents, which is over 10% growth from last year. We had predicted a 5.6% growth for the expected historical trends; however, we're exceeding that. As you can see, we continue with good response times in Cottage Grove and Fire times in Cottage Grove, but we have to also caution that those will include when a mutual aid ambulance comes in because those are incredibly difficult to get; of what we've seen, it's anywhere from 15-to-20 minutes when we rely on a mutual aid ambulance to respond to us, but when a Cottage Grove unit responds, we have phenomenal response times.

So, I'm going to hand this over to Nick Arrigoni, our Deputy Chief, and he oversees our Operations, so he's the right person to talk about our staffing and give you some updates on staff.

Deputy Chief Arrigoni said so, just a briefing staffing update and kind of how we're staffed. So, as we know, Chief Pritchard is the Fire Chief and Deputy Director of Public Safety, then there's the two Deputy Chiefs, myself and Peter. I oversee the Operations, Peter is Training and Professional Standards. We currently have 15 fulltime firefighters with 16 authorized; 6 candidates are in the background phase right now for the open position, and then 3 of those 15 are in an Accelerated Paramedic Program that is going very, very well so far. Currently, we sit at 8 parttime firefighters, 16 is our goal; 3 candidates are in the background phase, and one of them is just about finished up, so that will be great to get her started. And I'll talk a little bit about the Fire Cadet Program on the next slide, but we had 91 applicants for that Fire Cadet Program, which was fantastic. The Fire Marshal position is open right now and that will likely take one of the fulltime firefighters, but since we have 6 candidates doing the background process, we should be just fine.

Crew Staffing: So far for this year we have 3 crews; well, let me back up. A crew right now consists of 2 firefighters, that's what makes that up, 1 must be a paramedic, and that's for the ALS response piece of what we do. Right now, as it sits, we've had 3 crews 11% of the time, 2 crews 78% of the time, and 1 crew 11% of the time. What does a perfect crew for us, as it stands right now, look like? We run an A, B, and C shift, and that's for our fulltime and parttime, and on each shift there's a captain, you have 4 fulltime firefighter-paramedics, and then 1 slot for that 24-hour slot is for a parttime firefighter-EMT or paramedic, which makes 6 people if we're fully staffed.

And then probably the big one here, which has been very much my heavy lift since I've gotten back from military leave, has been the Cadet Program. So, it's a three-year program and it's really based for individuals that are eager to get into the Fire service. In a way what I think personally is cool of how we did this is there are benefits to this, it's 32 hours a week, and it's what I consider decent pay. So, Fire Cadet programs notoriously work for a year, 18-, 19-, 20-year-old folks that just wanted to get into the Fire service, and that's great. We changed it a little bit, we wanted to expand that to say if somebody's looking for a potential career change, or I guess older folks that maybe wouldn't have been looked at in other cadet programs, so we were really able to do that, and it's been successful. We're going to give them Fire 1, Fire 2, HazMat, and EMT. The first step of this was doing a phone interview. So, when we looked at this, we had 91 applicants, and we moved forward 86, so I sent out an email last week and so far, I've heard back from 75 that are on the schedule. So, my week has been full of phone time, I think we did 40 on Monday and fast forward to today, we're up to like 65; while it's been a lot, I'm like amazed with the quality of candidates that we've had. So, out of probably that 60 or 65, we're moving on at least 30 so far, and we've had everything from young folks that just really want to get into the Fire service from the spread that I talked about, people that are looking for a career change. So, I think the way we do this, I fully anticipate other Fire Departments to kind of tweak their Fire Cadet Programs and probably follow suit with how we're doing it. I'm really, really excited for this, and it's going to be really, really hard to pick one person of who we're bringing on because we've got some high-quality candidates.

Council Member Thiede asked and how many people do we actually in the end see in the program?

Deputy Chief Arrigoni replied right now, one. And, so, the reason we, and if I may, too, I'll explain why we did so many phone interviews. It's an "entry-level position," and that's also probably why we got so many applications.

So, when I was looking and I was working with Chief Pritchard on how do we maybe like whittle this down so we don't have to do so many interviews, that proved to be a little bit difficult because the qualifications, you didn't need your EMT or Fire 1 and 2; so, how do you disqualify somebody and not interview them, when technically they met the minimum qualifications? I think it's been proven to be successful so far.

Mayor Bailey asked with that many phone interviews, how many, how long did you spend with each applicant? Deputy Chief Pritchard replied 10 minutes, and I was able to keep it. Mayor Bailey said I'm surprised you didn't lose your voice. Deputy Chief Pritchard said it was good, pointed questions, and so it wasn't a lot, I think it was 4-or-5 questions. I opened the floor to them to ask if they had any questions of me, which a lot did, and they were great questions, and I was able to keep it within 10 minutes and I had literally in 10-minute increments for the majority of the week.

Council Member Olsen asked with respect to the individuals who applied, how many of those individuals were looking for eventually achieving a fulltime employment status vs. those who maybe would want to start in a parttime status? Was there any sort of delineation there?

Deputy Chief Arrigoni replied yeah, absolutely. So, one of our questions actually referenced making sure that they wanted to be a fulltime firefighter-paramedic in the future. I would say probably 80-to-85% made mention that they wanted to be a fulltime firefighter-paramedic in the future; if they didn't, at this point they're likely probably not moving on in the process.

Council Member Olsen said the reason I asked the question is we currently have, I think you said 8 part-timers, and you'd like to have 16. Is this a pool from which you might pull those additional 8 or not? You know, understanding that your objective is hey, I'd like to be fulltime, but I was trying to draw comparisons to what I do for a living; sometimes I don't have a fulltime position available for people, so I bring them in the door parttime and they learn the business and gain some training and experience and knowledge, and then eventually that could lead to, you know, future fulltime opportunities. I'm not saying that that's what you should do, I'm just making a suggestion, that's just food for thought that if you have some of them who answered no to that fulltime question, maybe parttime is an option, I don't know.

Director Koerner replied Council Member Olsen, I have two comments to that: The first is similar to what we've been doing in the police world, they do an interview, and you're like, you are not quite ready. However, we're going to be looking at C.S.O.s if you want to get your foot in the door, and we've had a lot of C.S.O.s here who joined our Reserves, and so I think that is a big part of this that we can draw on; because some of them have like zero Fire or any EMT, but they might have, some of them actually have some Fire 1, Fire 2, and so it would be another venue. And another thing I want to give them credit for is we've heard loud and clear from the mayor and council, like be creative with these hirings, whether it's fulltime, parttime, different things; doing this for our Open House was kind of a cool way to get the message out, and even that night we might not have had as many people watch, but people went back and watched it later. So, I thought that was a cool idea, and I want to give our Communications team a shout out, with Phil and Alexa, who did a lot of work on that, it was something new we tried; so, Tammy, if you'd let Alexa know that we really appreciate her and Phil's work on that. Tammy replied gladly. Point taken on this is a good opportunity.

Council Member Olsen said the first step to hiring somebody is to have an interview with them, and if this is an applicant pool, I mean it sounds like its really healthy, you know, maybe there's opportunity there, I don't know.

Deputy Chief Arrigoni added and we do have, I should say there's far more people that have one of the qualifications, either EMT, or Fire 1 and 2, than what I anticipated. Council Member Olsen said good, that's great. Deputy Chief Arrigoni so that's to your point.

Council Member Clausen asked once that Fire Cadet person is found, is this going to be a fulltime employee or parttime employee, or?

Chief Pritchard replied and that's what makes this very unique, and to Council Member Olsen's kind of question here, too, is it's a 32-hour week position, so it provides a living wage, which is a huge part of this program; it gives access to people that typically wouldn't have access to this. Secondly, it's a benefit position; so, the problem was there's like a lot of these folks while, to Nick's point, they're not interested in parttime employment because

they're seeking those two things. So, while we would never turn down somebody interested in a parttime employment with us, that's part of this program, what leads them to this program are those two exact things.

Council Member Clausen said well, my question is about, it seems like a long time, three years to go through this program for those certifications. Can you kind of walk me through why it's three years? Because can't that be accomplished in a much less shorter amount of time?

Chief Pritchard replied yes, and thank you for the question, Council Member Clausen. Really the goal, that's kind of like a C.S.O., is we put that cap on it just because we don't want somebody in this position as a long term, fulltime cadet. What we do want is to give that time for us is that we have a quality candidate that fits our culture, is that we can get through this, they can work in that capacity, make a living wage and those benefits, and then within that time will find that fulltime position within that. So, that's the three years, but you're absolutely right, like they're going to do those, get a lot of good experience, help us out a lot, and if we don't have a fulltime position for them, that's I think one of the things we're going to face with that. However, it is to prevent that back end tail but also give us that time, like hey, we really want you to be here, we anticipate this, if you can stick it out a little bit, while still getting those benefits and living wage, you're going to get a good reward for that.

Council Member Clausen said so, it's a three-year program, but if you find the right person with the right qualifications, it could be much, if there's an opening, it could be less.

Director Koerner replied the key is if there's an opening, Dave.

Chief Pritchard said yeah, that's the key, and a big credit to our Council for supporting our Firefighter-EMT Accelerated Recruitment Program is they get through EMT, they get through Fire 1 and 2, we have that program well established now, and we hire this fulltime EMT and then they go to medic school, and then we've got them for five more years. So, it's all built within that stepwise process, like to be strategic to get the right folks.

Council Member Clausen said I see, that makes sense, thank you.

Chief Pritchard said so I'll kind of discuss the Standards of Cover and Community Risk Assessment, which was funded for this year. As you may remember from April 2, we chose Fitch & Associates, which has tons of experience in the metro area, especially with like departments that provide Fire-EMS services. So, we had the Fire Command staff at a kick-off meeting with them, and really the first step of all that is getting data. It's very robust, it was sending surveys everywhere from financial pieces, how much do we spend on maintenance of vehicles, station placement, call volumes, and all those sort of items. So, we submitted those and that was about a four-week process to get all those submitted. Right now, actually one of the team members with Fitch & Associates actually has her doctorate in statistics and statistical analysis, who's actually running a lot of those numbers and everything. So, before we start doing engagement with the public, engagement with our elected officials, and for the key stakeholders, we really need to get that data. Because it's just like writing a research paper, if you don't have data, you don't have your research done, how do you ask questions, how do you get to those conclusions? So, really, that's what's happening right now, and as they finish that up, which should be towards the end of August, we'll start doing those different steps, engaging key stakeholders, including the public. I think as we develop that, the good thing about Fitch & Associates is they have a lot of experience engaging the public, they have a few different modalities, too. The first step, which I know we're all eager to get this done, trust me, I want to get this done tomorrow just because I'm very excited about it, about just going through that process, deliver it, getting all the right data, getting all the right facts, and then getting those key stakeholders. So, right now, it can feel like it's stagnant, but last week we got our first email saying hey, here's our rundown of just your run numbers; do these match kind of what you've seen, does it make sense? So, we're moving through that, and as that data and a lot of that stuff gets brought in, we'll start to see this really ramp up, with the ultimate goal for Council presentation in December or early 2026.

Mayor Bailey asked is the public input meeting that's on the bottom there, is that after its done, or are you going to try to do a meeting?

Chief Pritchard replied that's a good question, and I think the ideal state would be as we kind of get to that phase is that it would be one of the like tiers of stakeholders; so, as we do the elected official stakeholders, like staff stakeholders, that the public would be one of those as well, and as we have those things, like what level of service do you want, what does that look like? Those sort of things. So, that would be part of that in that timeline

for that, which would be ideal state, of course, but we're always open to input on that. Are there questions about that? Because I know that's always a big one, we say it a lot; however, it's moving rapidly, a lot of work being done behind the scenes, which sometimes is hard to see at the surface.

Chief Pritchard said the next part of our meeting tonight is to talk about EMS and some of the pieces with that. So, I'm going to go over some of just the basics with our Public Service Area (PSA) and how that works and how we provide EMS services; and then me and Brenda will play pickleball now, not tennis, but pickleball on our Parks and Rec Department on parts of this presentation.

So, the EMS PSA was really established in the 1980s so there are a few things: 1) To ensure we don't have money-chasing ambulance services; so, when I call 911, I don't get three people showing up at my house who are promising the best care for the cheapest price. 2) Every person in Minnesota gets EMS access and ideally, equitable EMS access. 3) People can't just buy and sell whoever is like the best deal in town that day or not, that there's just no oversight of that, which makes Minnesota unique; it's also one of the things that helps Minnesota assure that we don't get money-chasing ambulance services or we don't have those overlaps or gaps in our EMS service.

Cottage Grove EMS was born out of the Southern Washington County Ambulance Service and our PSA includes Cottage Grove, St. Paul Park, Newport, and Grey Cloud Island. With that said, it is incredibly complex to modify, and I'll jump into kind of the pieces with that.

So, for any other service that would want to come into our PSA, we would have to give them permission. For example, when we're not able to respond, that's why we have Mutual Aid Agreements. However, for example, I know we've been talking about like St. Paul Park and Newport, kind of what are the consequences if they aren't able to help support our EMS Fund, there could be options to sublease to another service; but there are a lot of statutory requirements that come with that. First and foremost, it requires the approval of the Office of EMS, so the Director of EMS, who's appointed by the governor, needs to approve that. Some of the statutory requirements of that require: 1) That they're going to receive an equitable service so that they're not going to get like a 45-minute response time from somebody three counties away, that they're going to get some equitable response time. 2) Somebody will provide that EMS service to them, so it's not just they're getting dumped and no one is going to provide care for them. We do know, just based on where other services are located, is really their best scenario would probably be Demco, which is like 15-to-20 minutes away if Demco would want to do that.

So, but again, it's incredibly complex, and we have brought that up in our meetings with St. Paul Park and Newport as a potential way to support that, but we do know there are a lot of things that come with that, if that were to be the reality.

This is why it's great to have Chief Koerner around because he knows a lot of the history about these sorts of things. So, our EMS service has provided these services since at least the 1960s, and we have photographic records of those, so we do have proof that it's been around; it was known as South WashCo Ambulance, and then it transitioned to Cottage Grove Public Safety in the 1980s in which the Police Department provided that EMS care. Then, ultimately, the Fire Department provided like literally the EMT and drove the ambulance with police paramedics; then we know how much policing has changed within our world, so that wasn't a reality that we could sustain anymore. Really, like outside of Minnesota, a good majority of the nation Fire Departments provide EMS care. It just continues to be rare in Minnesota, so we completely took that over in 2017, and we provide an ALS service with a combination Fire Department.

One of the pieces that we do want to point out, though, is that these are tough conversations with Newport and St. Paul Park, and really level-setting meetings. However, with that, we created great partnerships with those cities, especially when it comes to Fire response; those are important because if one day St. Paul Park and Newport, their Fire District, salvaging those partnerships are very important. I think we've been very successful at that, and the leadership in those departments also know these are tough conversations, but we're also going to make sure people are served. That might be mutual aid, any fire we have with any neighboring jurisdiction, we're all attending those. We've provided live Fire training for them, Fire Officer Incident Command, which they pay us for; Deputy Chief Fischer has done multiple classes with those departments, and Newport actually matches our operations balance, sometimes it's hard to tell is it Newport or Cottage Grove, right, just on how much they've

matched our operations, and then EMS training. So, a lot of them do provide EMS first response to help support our response.

Director Koerner said one quick, fun fact: This is the 50th year, as Greg Reibel and Dan Mitchell completed medic school back in 1975. Dan's in town, so he told me the story at Moon's funeral again, about every couple weeks I hear the story.

Chief Pritchard said which, and really I think to our credit, that was when paramedic was, I mean not many people knew about it unless you had watched *Emergency* on TV. It's good that we have old guys like you around then, who remember that. Director Koerner replied well, Dave wants us to bring the old station wagon ambulance back, he said he can't believe we got rid of that, but it had some more miles on it. Council Member Thiede said yep, with the holes in the floor, yeah. Chief Pritchard said I'm sure we could find it somewhere.

Chief Pritchard said but we do provide exceptional EMS care, and I'll tell you, we have a couple folks that transitioned from private EMS, like North, Allina, those sort of things. They tell us it's like night and day between the quality; for example, peak times in Maple Grove, a city of 75,000 people, they might get two ambulances in that area, and they're always moving to cover other cities. We have two ambulances all the time right now, so it's just the level of care we provide for our community.

Chief Pritchard said and then this is just always a good thing, too, to be mindful: So, what is Advanced Life Support, what is Basic Life Support?

So, Advanced Life Support is a paramedic, 1,500-to-2,000 hours of training, they can do anything from giving medications to helping somebody needing a breathing tube, even ultrasound to see how somebody's heart is doing. We had a really bad accident today and saw that well in practice, and it makes a huge difference when you have four-or-five paramedics on the scene vs. just Basic Life Support. Nick can attest to that, as any of us who are paramedics can.

Basic Life Support is emergency EMTs, it would be two of them, they have about 150 hours of training, it's about a three-or-four month curriculum. They've saved lives so, I mean, it's not to diminish EMTs, but you're really looking at a tenfold level of training and it truly does make lifesaving interventions.

I hate using horror stories, but a large suburb of about 90,000 people, what's happening in that suburb now is that the private ambulance services are responding with a BLS ambulance. Because they haven't been able to maintain that level of service with paramedics, the firefighters that are fulltime there are also paramedics, they're jumping on, providing paramedic care with that BLS ambulance coming into their community. Now, if those paramedics weren't available because they're at a fire or on another call, a community of 90,000 people in a suburban area is not getting ALS care.

EMS Billing: With EMS billing, I think it attests to paramedics who are about 50 or a little over 50 years old now; I mean, even the paramedic certification, Council Member Clausen just hit his 40th year, so he's just behind those pioneers, you're still in the pioneer phase. However, in most places, it's not considered an "essential service," and I think we'd all argue it is, but unlike Police, Fire, and other things that we provide, we bill for services; it's one of the few essential services that we bill for, but really the goal of that is to self-fund EMS services so we can minimize taxpayer costs. This covers everything from labor, equipment, medical supplies, ambulances, and we traditionally use an Enterprise Fund; so, what that does is we know with Enterprise Funds is that for anything that we bill and get revenue back for, it only goes back into EMS Operations.

There is a cost to provide high-quality EMS care, and that cost has increased rapidly with technology and other things. So, just to put that out there, and most of these are our Standards of Care; if we're not providing these things, we're providing substandard care. For example, let's say you have a heart attack and we need to get your heart back: A survival kit is over \$50K, a SPECT is over \$50K, an ultrasound is over \$3K. Really, when we talk about it, we're kind of in the bottom quarter or bottom third of our wages kind of within a lot of Fire Medics, but it's still \$150K, and that's the Cottage Grove cost, \$157K with wage and benefits for a fulltime firefighter-paramedic.

So, really, the biggest shortfall is Medicare-Medicaid reimbursements, and I know we've all kind of talked about and we've heard about this, even though it costs about \$2,600 per run to be able to fully fund our EMS Service, Medicare and Medicaid task that at just over \$500. The other issue with that, it doesn't look like there's anything on the horizon or Congress has no interest in doing that; I did get an email today and it's looking like CMS (Center for Medicare Services) will probably do a 3% increase, but we know that 3% is definitely keeping with the cost to

do this sort of thing. And, really, the two biggest things are: 1) Our aging population, more people are going on Medicare, as our Boomers get older, that's what's really driving a lot of this stuff, and a lot of other cities have seen that as well, especially communities that are aging. 2) We know that just some of the discussion at a national level with Medicaid, too, like what does that future look like as well, but really the shortfalls do fall onto Cottage Grove specifically and other systems like us to help not only fund our EMS system, but it does provide funding for our Fire Department as well.

Mayor Bailey said Jon, just a question on kind of the Medicare-Medicaid, obviously right now you just mentioned the rate they're looking at is only 3%, which is like a drop in the bucket in the grand scheme of things. But put aside Medicare-Medicaid and how little we get from that, what does concern me and I haven't heard anything more on this, I don't know if you talk to your partners out there or Pete, is the number of people that are going to get taken off Medicare or Medicaid. We're still required to pick them up and bring them to the hospital or whatever, right? And, so, in most of those cases, it's going to mean we're going to get nothing, and they can't even get Medicare or Medicaid and they're not able to afford medical insurance and in most cases they won't, I don't know what that number is; but the other thing that's concerning me, depending as this all transpires here over the next year or so, is I know we've been talking to our partnering communities about a bridge on Medicare and Medicaid. I'm just sharing with you as I'm thinking more about this, is we may have to just talk about legit whatever, right? If I have to pay more than Medicare or Medicaid, we're not asking for a lot from them right now. Your point about the PSA, I mean we're probably going to have a more serious conversation about the future, of either them having to pay for what's not getting covered by insurance for the citizens in those communities or we're going to have to look at going out. Because I can't fathom, personally speaking, the citizens of Cottage Grove picking up all of the cost of those particular communities if they're not going to participate or at least help from a coverage standpoint, but I was thinking about that as you're talking about Medicare and Medicaid; if people get knocked off of that, if we're still going to be taking people to the hospital, it would be my guess that there is going to be, that's probably not necessarily the elderly in most cases.

Chief Pritchard replied no, and we don't believe, what Medicare sounds like is for now it's safe, and our Medicaid overall percentage, even in our whole PSA is actually relatively low, considering.

Mayor Bailey replied it is, but I'm just thinking and I know you guys, Pete has even shared there's the same people doing it all the time, they're just being transported, and what shocked me, knowing who some of them are, they won't be getting Medicaid anymore; so, we're still going to be on the hook for it all, so I guess \$530 or \$525 less for every run we do, but it's just food for thought as we're thinking.

Jennifer, as we talk more with our surrounding communities, I was talking to Commissioner Bigham earlier today, and she made a good suggestion about maybe me pulling together the mayors to have a conversation, more of a private conversation if you will, with what the future looks like. Because they've all seen, this is pretty much the program, which you shared with them if I recall.

Administrator Levitt replied well, Brenda's going to show you the numbers, and we'll wait until you see this.

Director Malinowski said back in 2014, Medicare reimbursement was \$427, and so now here we are today, 10 years later, it's crazy how slow it goes up.

Chief Pritchard said and those are what she considered add-on payments, that was actually above and beyond what they had even planned to pay, so.

Council Member Olsen said earlier, you mentioned the Fire District idea, which I know we've been talking through for quite some time, and on the surface, to me that makes sense, based on the fact that we already have that PSA for our EMS business model. It's probably a larger conversation, but I guess what I'd like to know more about, whether it's today or a different day is fine: If we were to move forward with that sort of a model, will the idea be then to absorb the various members of each of the departments as essentially add-ons that help us retain our Standards of Cover and all that kind of stuff? I assume the answer to that is yes.

Chief Pritchard replied I can't give a good answer on that. We'll talk about potential option with EMS Taxing Districts, it's toward the end of our conversation, but the Fire District, I can't really give a good answer on that just

because it's so far in the future; and they obviously have no interest in dropping their Fire Departments right now, so I can't give an answer on that.

Council Member Olsen said well, and depending on how the EMS dialogue goes, that could change, but yeah, thank you.

Brenda said just to remind you that we did transition to a new billing software back in October 2022, LifeQuest, and that company changed their software to EMS M/C in June 2024. I just wanted to let you know that we do monthly meetings with them to review run volume and cash per trip that's coming in to look for trends, to see if there are things that we need to be doing on our end in order to get as much cash in the door as we can. So, at that meeting once a month we have Jon and myself, we have our EMS secretary, and our accountant. So, we do all those types of things and we're doing that on a monthly basis because we know that we need to get as much cash in the door as we can for EMS. Just to let you know that the billing and payment posting has changed over the last 10 years; back in the day, we would get checks in the mail for those ambulance runs, we would take that and if it had an EOB, we would send it over to the billing company. They had a check, they had an EOB, they would post it to the account. Now those payments come in by ACH, they come into our bank account, and so our account is physically going up once a day to determine that the receptor company, EMS M/C, that they understand that that payment came in today, so that either our accountant or they can go find that EOB so they can post it. So, it's just more hands-on things that have to happen for those payments to post just because of technology.

Since 2020, we've seen simply a trend not to pay medical bills, including EMS bills; as we look at the next slide, I think that's what's going on. As the mayor alluded to, we've got that big, beautiful Bill, we're not sure what those implications are; we were on a call yesterday with our software, we're not sure that they know that there's going to be more audits out there on Medicare-Medicaid. We feel like we're okay because we do have such a strong billing partner out there, but just to know we're not quite sure what's going to happen.

Chief Pritchard said and one of the other big drivers, and this was actually in White Bear Lake's 2025 budget book; for example, White Bear Lake's EMS revenues actually went down 6% since 2022, and one of the things they cite as well when talking about Medicare-Medicaid, they have a much higher Medicare-Medicaid percentage than us. There are also high deductible health care plans, we're seeing a lot of issues with those as well, because can you afford \$5K out of pocket? So, they're seeing a lot of non-payments on those as well, and that's one of the driving forces that they recognized. That was kind of an eye opener for me because those plans are becoming much more popular, obviously. Luckily, here in Cottage Grove, we mitigate that high deductible plan with some very creative things, but that is another driver of that. So, that was kind of a stark thing to see, actually that a city that's not growing, but they're not losing people, that they just went down 6% in their EMS revenue.

Brenda said care type is important, but Medicare-Medicaid, that should save us that 71%; so, with 71% of our care type, we've got Private Pay at 10%, Commercial Insurance 18%, and then Other is 1%.

On the right side, we looked at 2014 compared to 2023 to see Medicare-Medicaid by city, what's happening. In total, back in 2014, we were at 66%, and that's grown to 70%, and what we can see is Cottage Grove is that first one, we were lower than Newport and St. Paul Park, and that continues to be true. So, they do have a higher population for those lower reimbursements, and so that is why we went out to those other communities to give that ask.

Reimbursements per Care Type

When we look at everything here, our average bill is about \$2,456; we are getting cash per trip, cash in the drawer, about \$771.

Medicare, Medicare Advantage, Medicaid, or Medicare MCO:	\$ 500 or \$550
Other Mandatory (Worker's comp type claims):	\$1,700
Private-Pay Insurance:	\$1,300
Third-Party Liability:	\$1,600
Private Pay (Doesn't fit in any of the above categories):	\$ 120*

*That sometimes comes in through collections but not all of it, about 42% of everything we send to collection.

Council Member Clausen said I have a quick question on the Private Pay or the Other Mandatory things. So, if you have a car accident, for example, and you know auto insurance is going to be paying the bill, and we send them a bill of \$3K, but they don't pay the full amount?

Brenda replied on Other Mandatory, Worker's Comp has an automatic deduction, and so they pay up to what they have to pay per State Statute. The Third-Party Liability, while it looks like they're not paying the entire bill, one auto insurance might pay it and one might deny it for some reason, and it sits in that bucket, and so that average is that amount. We would still, if auto insurance would pay it all, we would still bill the patient for the remainder, and send them to collection. Medicare and Medicaid, we have to write that off. We can bill them for the deductible, but after the coinsurance, the rest gets written off.

Council Member Garza said the thing with your medical insurance, like if you go to the doctor and it's \$300 for the office visit, and they say the approved billed amount is only \$250, usually we don't have to pay that other portion because they have; Mayor Bailey said an agreement, but that's not how ours works, though.

Brenda replied we do not have any contractual agreements with any insurance companies, but if that insurance company says per your plan, we're only going to pay \$500 of this plan, then we have to go to that patient and try to get the rest and so, that is where.

Council Member Clausen said that's where the rest comes in, as their plan only pays so much. Brenda replied, correct. Council Member Clausen said got it.

Brenda said so it's about 31% on that average bill that we're collecting, 31 cents on the dollar.

Brenda said and this is why we're here, you've probably seen this before. So, back in 2015, 2016, 2017, and 2018, we were doing okay. Revenue per transport, that cash in the drawer per trip was higher than our expense per transport. Our expense per transport numbers up there include our depreciation number.

Back in 2019 is where we started to see that shift; we had some staffing changes, we brought in our Deputy Fire Chief, we put that in the EMS Fund, so our service got more expensive. The equipment that Jon talked about, that is just getting more expensive and so it's harder and harder to get that. As you can see, in 2015, we collected \$904 per trip and now we're at \$762. As our population aged, people aren't paying their bills, it's been harder to collect. So, we've got that shift, but yet our expenses are going up, so it's harder and harder to run that service.

Council Member Garza said it seems like the pandemic did a number for us; Brenda agreed.

Council Member Olsen said and the expenses include our overall labor expense, correct?

Brenda replied yes, what we bill to the EMS Fund, right? Right now, 75% of our firefighter-paramedics are going in the EMS Fund, 25% in the Fire; but the last three firefighters that we've hired, we changed it, where they're going 75% in the General Fund, 25% in EMS, so it's about 60/40. Jon will say that with my firefighter-paramedics, 85% of their time is spent doing EMS activities so that's why we put this in there.

Jon said and I need to give kudos to Brenda for this, as Brenda's starting to switch that around has actually kept this where we're at with it, even though it is more of a General Fund thing, but it is what other cities have had to do. One of the first things Brenda did when she came in here was recognize that, and so some of these shortfalls we're having in this EMS Fund have been mitigated by the work Brenda has done and help with that, like the Public Safety Aid and those sort of things, I think. I give Brenda a lot of credit for being able to accomplish that while maintaining that levy level and everything by doing that. So, we're actually a little further ahead than what we could be, and like Brenda said, the salary of that Deputy Chief is 100% in the EMS Fund, so she's done a great job to do that.

Mayor Bailey said Jon, you were commenting about White Bear Lake, and they do more than just White Bear Lake, right?

Chief Pritchard replied yep, they actually contract with other districts so the other communities that they cover, they pay them for Fire protection; so, they get contracted money from them.

Mayor Bailey said okay, is that just built in like a Taxing District?

Chief Pritchard replied it's not a Taxing District; so, there are two different ways you can kind of slice it, it's like a contracted amount for a Fire District because they could do that, they just do contracted amounts, which are some

other places. Actually, it's pretty common for Fire Departments in the metro, especially our suburban edge departments, to have smaller townships that they do that with, so.

Mayor Bailey replied well, it was just kind of what we're talking about, and I'm not even going to say a Fire District, I just heard, is this something we want to take a look at with regards to? I mean, the Fire District mentioned by Council Member Olsen is not a bad idea, but the timing is probably a ways down the road, but is there a way for us to like do a contract with?

Chief Pritchard replied I can talk about that with the EMS Taxing District because there are pros and cons to a Taxing District.

Mayor Bailey said that's what I'm interested in.

Chief Pritchard said so I can touch on that, just please remind me when we get to that because there are risks and benefits with both of those, so yeah, just remind me to talk about that when we get there. I think I can offer some things on that side.

Council Member Clausen said Jon, if I could, briefly, you said White Bear Lake covers or contracts other areas; what, can you just say is it Hugo, or?

Chief Pritchard replied oh, it used to be, but that created a lot of problems for them, but it's White Bear Township, Dellwood, Birchwood Village, and Gem Lake and then Pierre; so, they get significant amounts of.

Council Member Clausen said but here's the difference, though, that's not their PSA, is that right?

Chief Pritchard replied that's also their PSA, so they've been contracting with them for just decades. When the PSA came into effect, they just absorbed those as their PSA as well.

Council Member Clausen said okay, where I was going with that is that it's not their PSA, where they could say we're not going to cover you; Chief Pritchard replied correct, but they have to. Council Member Clausen said just like we have to cover St. Paul Park and Newport. Chief Pritchard replied correct. Council Member Clausen said that's my inquiry, thank you.

Council Member Olsen said Brenda, when you look at those numbers, how much impact, if any, does the one-time money that came through for both COVID relief and the awarded State money have an impact on?

Brenda asked on this? Council Member Olsen replied no, the last one.

Brenda replied we ran the one-time Public Safety Aid actually in through the General Fund, and so that helped those expenses for transports in 2023 and 2024.

Council Member Olsen said and the reason I asked the question is one of the comments that Jon made was we've had to transition more of our expense into the General Fund, which we've been doing for years and years and years. When I first started, it was absolutely opposite of what it is right now, but that's an easier thing to do when you have general funding that you're receiving, whether its from the Federal government or the State government or whatever the case may be. As those funds go away, you're still left with that bill and you have to pay it out, and I think that's the number we're looking at.

Brenda replied in 2023 and 2024, we've had some vacancies, too, and so you're seeing those lower expense numbers. Once we're fully staffed, I hope the call volume can increase, and then that deficit go down. We're going to watch it closely.

And this you saw when Rebecca came, just showing you that deficit, and then here our Fund Balance deficit in 2024, that is now negative; the Fund Balance is actually positive, this is just the one, the Net Position, though, because we have our capital as part of our Fund Balance, and so then our Net Position is negative. Cash in the Fund at the end of 2024 was \$392K; as I looked at 2024, we use about \$20K in cash per month for the EMS Fund. So, take our revenues coming in, our cash receipts, cash per trip, but then our expenses, our salaries, our operating costs, our Internal Service Fund that we need to utilize, so we're going down about \$20K per month in cash without buying ambulances.

Brenda said this is what we shared with the other cities, we talked about it. Then here is how expensive our ambulances are getting to replace. Back in 2014, we were at about \$165K and now we're at \$300K.

Jon added and we've mitigated this, too, because we went to like a smaller chassis, more-efficient chassis really from the advice of our own City mechanics. Of that \$292K we shaved about \$25K off that cost by doing that

change, and it should be less in maintenance as well, but still, even with that change, we're still at that amount, which is mindboggling to me.

Brenda asked if Jon wanted to speak to this; Jon replied yeah, because this is what we shared with the other communities.

So, if we look at total write-offs, and write-offs are very difficult for somebody who's worked in health care finance. Council Member Garza, you talked about the private insurance thing, and this is very complicated because there's Medicare-Medicaid, private insurance does the same thing to make it look more, and it actually helps smooth out when somebody pays the full amount. So, there are actually a lot of similarities to that except for Medicare-Medicaid, we don't have an ability to go above what we charge them, that's the only difference with us, we can't seek out more money with that.

When we look at this, we look at what we bill and what we got back, and that's what the write-off is; it's hard to compare to other communities because a lot of other communities aren't even measuring this anymore, they just look at real revenue, so I don't really have good comparisons to other things. However, we want to create that equity in subsidization. So, as we look at Cottage Grove, we know we have Cottage Grove residents and we also subsidize folks on Medicare-Medicaid, but our task here is to cover that subsidy. So, Newport and St. Paul Park, how are we going to cover, you know, what does that look like for them to cover? The true write-off amount is, I mean, again, we talk about Cottage Grove, and we write off a lot for Cottage Grove, but we also know two smaller communities and us in Cottage Grove couldn't even imagine \$600K in the levy, that's a pretty significant amount.

So, what is a reasonable amount that we can ask for them, and I'm going to give credit to Brenda again because she came up with an idea, which I think was perfect. Because Cottage Grove of all these cities is the highest real cash per trip that we get, and then what was the difference between these other communities? And really when we made that difference, that gives those Medicare-Medicaid gaps that we have in here because of those high percentages, when we take that run volume to that, that's where we get to those numbers on the last column. I think when everything is all said and done, those are incredibly fair amounts and those are very reasonable amounts to ask for communities of that size. What those amounts would also be is per year, that's what we'd like to see from each community. If we could get that amount per year, because Brenda and I discussed a lot, like what is one of the goals with this? It's like if they could help cover the cost of an ambulance, at least if like they could cover a full cost every two-to-three years, and those numbers get close to that; that would make a huge impact for being able to afford a lot of this stuff, or you can just look at the cost of some of the other stuff we talked about, monitors, those sort of things, that would really help with that.

When we went to each of these communities, this was our ask of those communities. I think there's really good math behind it, I think it's not only fair, it's equitable, and we've gotten I'd say a little warm reception from a couple of them and then the other one is still in discussion; but I think our case is very strong with that, and it really is the ball's in their court and it's being set up to continue that discussion and not lose sight of it. So, that's kind of the ask we had with those communities that would make a big impact if we could get them to help fund much-needed stuff.

Administrator Levitt said so, we've provided them with a draft contract, then they would pay that first value that you see there, and year two would be a 9% increase. So, we had anticipated smaller communities, we are starting with something that I thought was manageable on a levy perspective, and then we start to absorb and to plan for; so, that's what we asked for is a two-year contract because, honestly, if they were willing to give us the money and agree to the second year with that 9%, we could then start to see if this actually starts to help level things out.

At this point, with us not getting a very positive response from these communities, that's why we're here is what other steps do you want us to take? Because now the tax burden is being borne by our residents to provide services to these other communities.

Council Member Garza said in addition to this tax year being pretty questionable ourselves, so our taxes here, I mean, will probably creep up, too.

Council Member Olsen said well, here's the thing with that. Regardless of where things head with the budget conversation, one thing that seems to be true year after year is that any challenges we're facing are being faced by

all of the other communities that we compare ourselves to; we always seem to come out the other end in the same place, which is second lowest per capita tax in the County, next to a community that receives a significant amount of Local Government Aid (LGA). I think that's also a point to ponder with respect to this. At the end of the day, I think, like we always do, we're going to figure it out and we're going to get where we need to go, but the number's going to be what the number's going to be, based on the level of service that they want provided. You know, that has to be one of those key questions is level of service. Jon mentioned the complexities of subcontracting, and while there may be complexities with that, it might be our best option, we just don't know, right? So, I mean, I don't think you can take that off the table, particularly if the other communities don't want to participate. I mean, the numbers you're asking for are reasonable, especially for communities that get as much LGA as they do and we get none. I mean, I think that's an iron that I'd argue, I don't think there's any to date of that. It boils down to each government body, including their City Councils, have to make decisions, if they make their best or not. If their decision is to not participate and they think that's the best decision for them, then that's going to form our decision, and our decision may be we can no longer afford it as a budget expense and that's a real thing.

Council Member Thiede asked what about public pressure? You know, maybe you can start talking about this more and you start letting people in St. Paul Park and Newport know and Grey Cloud know what's going on with this; and you identify a basic level of service and advanced level of service, and then is that a community level of service? BLS is less costly, right? And it may be, and I don't know exactly how you'd work that, though, you know? If the budget in St. Paul Park, all of a sudden, you know found out that people in Cottage Grove we're subsidizing all that for St. Paul Park or Newport, and they're not paying their fair share, you know, then you start getting some of that public pressure. If I was on the Council in those cities and I'd start getting calls from people, saying well, how is this going to affect our level of service and things like that? That would be something I think that would make me look twice in the end, you know, or what I would vote for again if I was on their Councils.

Administrator Levitt replied well, when we presented it at St. Paul Park, they said they'd take it to their budget discussion; but in all honesty, the indication seemed very negative that they're willing to engage with this, even though we told them our response time to them is like somewhere between 8 and 9 minutes. We explained that you could add, you know, 20 minutes or 15 minutes to that number, and their Council didn't seem to give any indication that that mattered, unfortunately, which is why we're sitting here.

Council Member Thiede said so, I'm thinking, even some sort of article or something like that, that might just happen to like come up that's talking about all these facts that can go in the paper or go in some other, something else.

Council Member Garza asked who determines what service, and how far from Cottage Grove is that? I mean, I'm sure they obviously understand that there's going to be a break in their services.

Council Member Thiede replied well, I doubt they do.

Council Member Garza said well, okay, so then say that they don't, and we say hey, yeah, did you know that you're paying \$300?

Council Member Olsen replied I think the mayor's done that or he did.

Council Member Garza said and so how did they respond? If we're looking to get, you know, from Newport and St. Paul Park and Grey Cloud, for their residents to say wait a minute, no, you're not going to change our level of service; but then our residents, we can turn around and say, wait, no, no, this doesn't work, this doesn't fly, and then that turns into something bigger. I know you said that the conversations don't seem to be going well, so what if we don't continue to give them that level of service and see how it goes for them, you know, whether it's 3 months, 6 months, a year? I don't know what kind of timeline that would be, what they'd need to do or whatever, but if they get a taste of that and then their residents do start hollering, you know, then they would come back and say hey, is that offer still on the table, can we work with you? I just think the approach is just to let our Cottage Grove residents know.

Council Member Thiede said I think it would be safe to put that information out to the public and have that public pressure drive somebody; otherwise, you know, I'd say they're probably not going to.

Council Member Garza asked but what if we just stop, like we just don't?

Chief Pritchard replied, well, we're obligated to serve them, right? Council Member Garza said but we didn't settle on a contract. Council Member Olsen said maybe.

Mayor Bailey said Jon, I think at this point and maybe you're already doing this, is let's dig a little deeper into this. Council Member Olsen said yep, I think we need to. Mayor Bailey said because I think the message that I can deliver is we are now, because we haven't heard anything, and we are now talking about something else.

Chief Pritchard replied I would recommend we reach out to our legal team to start working with the State, that's above my knowledge level. I would want our legal team to do that.

Mayor Bailey asked do you know anybody else? Obviously, we used White Bear Lake as an example. Do you know anybody else that does contracts like that, other than private, any other cities?

Chief Pritchard asked for EMS? Mayor Bailey replied yes.

Chief Pritchard replied no, because they all, so, it's contrary to kind of what we've talked about with write-offs and it's hard to kind of, I know we've talked about that for years. I think a lot of places, no matter what revenue they get, they tend to use that as their driving force. Despite write-offs, they typically use their real revenue as that contractual number, despite the write-offs. So, that's where I would answer that question with how other communities work.

The Fire Districts is very different because a lot of those are just Fire protection that its based on, like the White Bear Lake model is just based on Fire protection; they do a formula just for Fire protection, so whatever those write-offs in their PSA are, they just look at the real revenue and are just kind of there with that. So, that's how some of those other places work, so that's kind of how to answer that with how other places operate with that.

Administrator Levitt said and just to clarify, on August 7, we're going to Newport to present to their full Council, so that's our next meeting. The one in Grey Cloud Township did not happen, and they've not come back to us yet.

Mayor Bailey said I was going to ask about the others, especially.

Administrator Levitt asked Chief Pritchard, so, do you want to talk a little bit about going back to the EMS Taxing District?

Chief Pritchard replied yep. So one of the pieces is Deputy Chief Fischer went to an EMS Leadership Conference and actually learned about this, and its something that I'm going to admit that's something that I've overlooked.

In Minnesota State Statute, there is the ability for two or more political subdivisions that they can keep form together and they can create an EMS or Fire Protection District; what it does require is it needs to be at least two political subdivisions, which is something we happen to have. For example, Maplewood, they don't have the ability to do an EMS Taxing District because they don't have two political subdivisions within their ambulance services.

Within the State Statute, they may provide Fire, EMS, and again every political subdivision has to agree upon that. Then to creating a Taxing District, again, all political subdivisions have to do that. Within that agreement, there are specifics in the State Statute, and we did send this to our legal team, and Kori sent us like a quick rundown of each little piece and everything. So, for example, the agreement has to include specific things, but also there's a lot of other things that can be included in this agreement.

Now, back to Mayor Bailey's question, there are a couple things with that, these aren't contracted amounts; we're creating a real levy, no personal, no property, to collect taxes.

Mayor Bailey said so with taxes, I do have a question. So, it would be a line item on your tax bill that says?

Chief Pritchard replied our best example for this is South Metro Fire Department; so, West St. Paul and South St. Paul, they actually only tax for EMS, they don't tax for Fire, which I mean, at the same time, I mean their EMS obviously covers a lot of their operations because they do run a BLS ambulance. However, its only for EMS. So, that's kind of our best scenario, and I pulled just some literally random addresses, and its just under Special Taxing Districts, there isn't like an EMS type thing, but for us it may be just because if there's no other Special Taxing Districts. Again, depending upon what the agreement is for, it could be Fire, EMS, or both; of course, as we're kind of within this run of things, it'd be for EMS. For example, we could still provide the EMS care, so we would get the funds from that Taxing District with those government entities, and that could go to Cottage Grove to deliver EMS.

But a couple other things: So, when we talk about contracting, of course contracting contracts, you're going to give us this amount, we're going to provide this service, and kind of those sort of things; but with this, there's going to be a Taxing Board. Of course, each representative is going to have their people and then we have to run into well, how many people from this? Is it population, is it, those sort of things. So, you do lose that full control if we create the EMS Taxing District; however, there is an ability to create more equitable funding, really what we'd be doing here I believe is creating an EMS Taxing District for that readiness factor, currently the Cottage Grove residents pay for the readiness. Because really all of our staffing numbers and all that is only based on Cottage Grove residents right now, so we're really paying for that readiness. So, how do we spread the cost of being ready, providing ambulance, and I think that's where that EMS Taxing District has problems within that; however, we do have to also recognize when we go into those agreements, we do lose some of that access because that Board would have to be comprised of somebody from at least each one of those subdivisions.

Again, the Board can do certificates, they can take on debt, we can add people to the Board, but the one piece of it, again as you look at it, people can withdraw from that as well; it's a two-year notice, so, for example, within all of those sort of things, they could say, hey, this isn't fair, or you're spending too much on graphics, we're out. They could withdraw, but it gives you two years to do that, and then really what you'd expect is that there are oversights with that and everything as well.

So, the South Metro example, because we didn't want to get too much into the weeds with this, but instead of increasing their City levies, that has actually remained pretty stable over the last two years, but their EMS Taxing District has gone up 207% in terms of money that covers their overall operating costs of their department. So, instead of putting in their City levies, they can put in their tax levy between those two cities, and those sort of things. So, as we look at that, too, it's just like where do we want that to balance out with that? That's also another piece of that, but I think our biggest thing is if it's something we have to look at, we also need those other communities to support it as well and create that Board. So, there are a lot of things within that vs. just the contracting pieces, too.

Mayor Bailey said we kind of had a Board, though, before, right?

Director Koerner replied yeah, we did.

Mayor Bailey said and then we did away with it back then, and so, we're kind of re-looking at that option.

Council Member Olsen said and that was because there was acrimony about how much people wanted to pay vs. what they should be paying for it. Mayor Bailey said right.

Chief Pritchard said and that's one of the potential benefits of an EMS Taxing District; Cottage Grove won't be 8%, everyone would be whatever percentage would be set by that Board. So, there is that equity, really everyone's paying the same percentage.

Administrator Levitt said and I will also argue there's transparency, then you know that that percent is paying for ambulance, right? In the general levy right now, we're kind of burying it in there, and it's not segregated.

Council Member Olsen said but you're still going to need voluntary participation on that.

Mayor Bailey said but you did say, and I mean there's a couple ways to look at this. We are one and we have three entities, obviously, so we just need one in four.

Chief Pritchard said to create, yes, you'd need.

Mayor Bailey said I'm interested in this. The question I have for you, Jennifer, though, is we're going to go to the Newport meeting on the 7th, do we want to pitch this, or do we want to stick with our original?

Administrator Levitt replied I think we stick with our original, and I think in the end, if they all say, you can all pound sand, that tells us we need to take some more drastic action.

Council Member Garza said I just, with those other three, why would they, if you don't go the route of asking them to do contracts, or not contracts, but subsidies, why would they even want to agree to it? You know, they've been able to sail their ship the way they have been, so they're probably like, you know? But if we went the other route and say, look, this is our hand, this is what we have, and this is what we're offering. I wouldn't jump in on this boat because why would I if I didn't have to?

Administrator Levitt replied and to your point, we could look more aggressively at subleasing.

Council Member Garza said yeah, that's what I mean.

Administrator Levitt said if that's what you'd like us to do, we could more aggressively pursue that option.

Council Member Olsen said I think we have to, and Mayor Bailey said I think we do, too.

Director Koerner said one last slide here, this is my last.

Brenda said I'm sorry, I just want to let you know, though, if we do sublease, there are implications to us. We right now get \$418K in cash per year for trips to those other communities. And, so, now if we have the same model and we need to staff it the same, now we are going to be paying that \$418K here; and then \$400K, that is our budget subsidy for 2025, I can't say if we are fully staffed if that is a true number or not, but then \$100K per year for an ambulance. So, I'm just saying, it does have about a 3.5% levy.

Council Member Olsen said recognize, though, that if you are not serving those populations, you don't need as many people.

Chief Pritchard said actually, I need to be very frank, all of our staffing studies, everything we've done, is all based upon not those cities; without that calculation, we'd still be over 4,000 calls, we'd still need three ambulances, at least two up per day, we'd still need 6 firefighters on shift, and that would continue to grow as our community grows. So, we would still need the same amount of firefighters, the same amount of paramedics, same amount of ambulances, and same amount of equipment. What we've done incredibly well with our City is that we've absorbed some of those costs, and we've kind of created this like fixed cost and then really going to those communities are more like a variable cost but we would still need the same amount of everything. So, I just want to caution all of us with that, and like Brenda's done a good job on the slide is that we wouldn't be cutting staff, we'd still need the same amount of staff.

Council Member Olsen said so, the thing that we would need to do is to analyze the data. I'm not just going to take your word for it that if we cut out three different communities from the service that we're providing right now, that we're going to have the same problem.

Chief Pritchard replied in our 2023 Staffing Study that we presented to Council, that was based upon the Cottage Grove population and everything, so and the Standards of Cover will help answer that as well.

Council Member Olsen said we'll have to look at that data if we get to that point, but you know, the bottom line is we still need to find a solution for the funding we have, one way or the other, whether it's serving those other communities or not, and if they're not willing to participate, subleasing is an option we're going to need to discuss. I mean, it's just the way that it is. You can talk about a Taxing District, but you raised a good point over here, Council Member Garza, they have never had to pay it before, why would they pay it now, right? Some people choose to pay their bills and some don't, but at the end of the day, we still have to pay our bills and if they won't participate, then we've got to reduce the bills.

Council Member Garza said so for those three cities, what is that; that's about 1,000 trips?

Chief Pritchard replied it's about 800.

Council Member Garza said about 800, so that's about 3 times 8, you're looking at; Mayor Bailey said well, the math was up there. Council Member Garza said \$24K, so; no, \$240K, right? No. So, what I'm thinking is the 800 trips with the cost that we're going to be losing, but actually, that's not a significant reduction, that 800 trips and the money that would save just for the trips alone, not staff, not anything.

Chief Pritchard replied well, yeah, I mean, really face the point of conceding that, yeah, it's your choice on how much staffing at the end of the day. I would argue we'd still need the same amount of staff.

Council Member Garza said I remember that; Chief Pritchard said yeah, the Staffing Study. Council Member Garza said with our expected growth, right, I think it was 10,000. Chief Pritchard replied yeah, and that's what it's very much based on, correct. Council Member Garza said and I remember that.

Council Member Olsen said I'm going to have to ask you why don't we take this somewhere where we're going to have a conversation about whether we're getting there or not. Why would we care?

Council Member Garza replied well, no, if we're growing, right? If we're growing, we still need the staff, so that would help both. I mean, even if we went through with the contract way and we're growing the way that we're

growing, we may not be able to make up that deficit, what was it, \$600K or something, but eventually, over the next I don't know, 1,000 years, like that gap will grow because of the population growing now.

Chief Pritchard said it's an important, yes, it's an important discussion because this is what's facing all cities right now. For example, as short as three years ago, you know Maplewood, Oakdale, White Bear Lake, their EMS Funds funded 60-65% of their. Council Member Olsen said we had that here, too. Chief Pritchard said and now those cities are about 30-35% in just three years. Council Member Olsen said it was 75% when I started.

Chief Pritchard replied correct, but my biggest caution for this, because I think how come these communities have seen their EMS revenue declining significantly is that what are these alternates that they can do? One of the things, some of the things we do have here is that we can reach out to these communities that absorbed some of those costs. I just really want to caution that I don't foresee us reasonably cutting staff because we'd still need the same amount of folks, the same amount of stuff for just our community. And then, lastly, I was a member of White Bear Lake when we lost the Hugo PSA, and we remained the same amount of staff; they actually added staff over the years just because that's the nature of the business, but without that real revenue, it was a big impact on the White Bear Lake taxpayer for that, too. But I don't think we stop asking because there has to be that equity in that discussion; however, just knowing that, we still have these needs just to serve our community as well.

Administrator Levitt said so, council, the takeaway I have is for us to search out more aggressively how to carve them out the PSA for a contract, continue to have the dialogue, and mayor, you may set up a private meeting with the mayors to talk more frankly about the issue of an EMS Board. Is there another takeaway from this?

Council Member Olsen replied we're going to explore some of these options in greater detail, it would be nice to have our ducks in a row should we reach a point where we need to further delve into that; Administrator Levitt replied yes.

Council Member Thiede said I think more than any other, yeah, I think we have to have some type of a story, too, if we would need to take it back to the public, as a factual, informative type thing that ultimately could be a public peer pressure type thing, discussion.

Council Member Olsen said we've got to have the Communications team come up with something, and I think that's wise as well.

Mayor Bailey said Brenda, I have a question for you and maybe it's a dumb question, but in the levy that we currently have, there's obviously write-offs in that levy that the citizens of Cottage Grove are funding. It's like when you did the one where we had to come up with \$400K+ cash because we would have less cash flow, even though they're not paying all the bills, what is that number? Do you know what that number was?

Council Member Olsen said you're asking about what would their reduction in write-offs be.

Mayor Bailey replied well, yeah, but I guess what I'm saying is that, all right, if we're saying and maybe I'm thinking way too crazy here, but if you say hey, we're cutting them out, and I have to increase the levy 3.5% just on that one, what am I saving by not having them in our area? Do you follow what I'm saying?

Administrator Levitt replied right, I think that's where we have to look to the Standards of Cover Study, as they analyze that. I mean, that's getting back to Council Member Olsen's point of, you know, that what goes up, what goes down, and to Brenda's point, she would say well, then we give away less mutual aid, so then we should have more dollars staying in our community. And, so, there's a lot of levers that get pulled, right? And it's not just one-or-two variables, it's multiple variables, and that's why it's very complex. And, so, it's one of the main topics for our Strategic Planning session in January is to have this study results and then see how the other cities responded; in the meantime, we might start pulling our own levers.

Council Member Olsen said the bottom line is it's a math problem, that's it, that's all it is, it's a math problem.

Administrator Levitt replied we needed more comment.

Council Member Olsen said and there's a bunch of ways to solve a math problem, but if you do the problem and the solve isn't going to benefit you, then we stop having this conversation, we don't even need to. Okay, we're just going to accept it and whatever we're going to get, we're going to get; and whatever they're going to contribute or not contribute, that's just the way it is because if you do the math, it's still beneficial to us to keep it the way it is vs. make a change. That's the math, so that's what we need to answer to is depending on if we make these changes or not, how does the math work? That's going to drive your decision.

Council Member Garza said and keeping in mind the economic cuts to our medical insurances, too. So that's going to be a big affect to our community as well once we are not getting paid for the people that we're paying, they're not going to be able to pay anything for an agreement. So, that's something that we don't know, that's our unknown right now; but that's something that we know that is there and especially because we have that operation for the few months that we have for our service.

Council Member Clausen said I do agree with the rest of the Council that maybe even communicate the terms that you wrote. Now, this is really serious, and we're only asking St. Paul Park and Grey Cloud Island for \$7K; are you kidding, for an ambulance service to come to your community? Just kind of turn up the heat a little bit, like really, we've got to have these numbers, otherwise we're seriously considering. I'm wondering, also, can we explore with neighboring ambulance services, because they don't have to know this, but does anybody want them? What if we sublease it? Is there going to be someone from the back going, we'll take it, we'll take it? I don't know, and that's important.

Administrator Levitt replied and that's what we do have to look at. Council Member Olsen said we have to figure it out, that's what I've been saying.

Director Koerner said several years ago, I talked with HealthEast at the time, and they're like we would love it, but we're not putting an ambulance on this, it's next to the Mississippi and South St. Paul, you know, so. Council Member Clausen said right, exactly.

Council Member Thiede asked so, they wouldn't be taking over ours, though, right? Director Koerner replied no, that was just St. Paul Park and Newport.

Council Member Clausen said we can push it right now, like we're going to sublease; well, they can call our hand, maybe we can't.

Council Member Garza said right, and then the communication; so, what are we thinking, in Cottage Grove here, like would we only be communicating with Cottage Grove, or would we somehow communicate to the other three cities? Like how does that?

Council Member Thiede said well, you'd have to communicate it to everybody.

Council Member Garza said that's why I asked, how does part of that look? How do we communicate to those cities, right? That's my question. Director Koerner replied tag the mayor on Facebook.

Council Member Garza asked so is that the Pioneer Press we'd use for this or is that the Cottage Grove Bulletin? You know, like how do we, how does that? Council Member Olsen replied that's a Phil problem.

Council Member Garza said well, no, I, but still, you know I'm intrigued to see how that would look. Are we only communicating with our own residents, or are we going to get the other ones involved?

Mayor Bailey replied well, I think if our residents knew how much they're subsidizing.

Council Member Olsen said watch the Cottage Grove Neighbors page. Mayor Bailey said each of you would get assigned a page to monitor. Council Member Olsen replied no, I don't even read that.

Council Member Thiede asked are we good here? Mayor Bailey replied yes.

Council Member Olsen asked are we good? Are you done? Council Member Thiede said we still need to move to close, right?

14. WORKSHOPS - CLOSED TO PUBLIC - None.

15. ADJOURNMENT

Motion by Council Member Thiede, second by Council Member Olsen, to adjourn the meeting at 9:32 p.m.
Motion carried: 5-0.

Minutes prepared by Judy Graf and reviewed by Tamara Anderson, City Clerk.