

Pursuant to Minnesota Statute 13D.02, Subd. 1, Council Member Thiede will be attending remotely at the following location:
Holiday Inn Express & Suites Albany (2713 Pointe North Blvd., Albany, GA, 31707)

MINUTES

COTTAGE GROVE CITY COUNCIL

April 19, 2023

**COUNCIL CHAMBER
12800 RAVINE PARKWAY SOUTH**

REGULAR MEETING - 7:00 P.M COUNCIL CHAMBER

1. CALL TO ORDER

The City Council of the City of Cottage Grove, Washington County, Minnesota, held a regular meeting on April 19, 2023, at Cottage Grove City Hall, 12800 Ravine Parkway. Mayor Bailey called the meeting to order at 7:00 p.m.

2. PLEDGE OF ALLEGIANCE

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

3. ROLL CALL

City Clerk Tammy Anderson called the roll: Mayor Bailey - Here; Council Member Dennis - Here; Council Member Khambata - Here; Council Member Olsen - Here; Council Member Thiede - Here.

Also present: Jennifer Levitt, City Administrator; Korine Land, City Attorney-LeVander, Gillen & Miller, PA; Tammy Anderson, City Clerk; Ryan Burfeind, Public Works Director; Pete Koerner, Public Safety Director; Brenda Malinowski, Finance Director; Amanda Meyer, City Engineer; Emily Schmitz, Senior Planner/Interim Community Development Director.

4. OPEN FORUM

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

5. ADOPTION OF AGENDA

Council Member Dennis made a motion to approve the agenda; second by Council Member Olsen. Clerk Anderson called the roll: Mayor Bailey-Aye; Council Member

Dennis-Aye; Council Member Khambata-Aye; Council Member Olsen-Aye; Council Member Thiede-Aye. Motion carried: 5-0.

6. PRESENTATIONS

A. Arbor Day Proclamation

Staff Recommendation: Proclaim Friday, April 28, 2023, as Arbor Day in the City of Cottage Grove.

Ryan Burfeind, Public Works Director, stated Arbor Day is a day to celebrate planting trees and all of the benefits that they have. He reviewed the events planned for next week:

- Arbor Day Ceremonial Tree Planting: Wednesday, April 26, 1:00 p.m., at Strawberry Fields Park.
- Arbor Day Tree Giveaway: Register on the City website by 8:00 a.m. on Wednesday, April 26, to be entered in a drawing to win a free bare-root tree, one entry per address. Names will be randomly drawn, and winners will have their tree delivered to their home on Friday, April 28, 2023, between 7:00 a.m. and noon. Last year about 1,000 people signed up, and we gave away about 100 trees.
- Buckthorn Pickup: The Public Works Department will be helping residents get ride of invasive buckthorn. Call Public Works before April 21, 2023, to be added to the pickup schedule. Remove buckthorn and place it on your curb/boulevard. Public Works will haul away the buckthorn on Monday, April 24, and Tuesday, April 25, weather permitting.

Council Member Olsen read aloud the Arbor Day Proclamation.

Council Member Khambata made a motion to proclaim Friday, April 28, 2023, as Arbor Day in the City of Cottage Grove; second by Council Member Dennis. Clerk Anderson called the roll: Mayor Bailey-Aye; Council Member Dennis-Aye; Council Member Khambata-Aye; Council Member Olsen-Aye; Council Member Thiede-Aye. Motion carried: 5-0.

7. CONSENT AGENDA

- A. Authorize issuance of a massage therapist license to Grace Katie Oehrlein, without will be working at The Healing Place of Cottage Grove, 8612 West Point Douglas Road South, #140.
- B. Approve the issuance of rental licenses to the properties in the attached table.
- C. Adopt Resolution 2023-031, terminating the local emergency declared by Mayor Myron Bailey on March 15, 2020, by Resolution No. 2020-031, effective immediately.

- D. Approve the Agreement for Professional Services between Stewart Kennels and the City of Cottage Grove.
- E. Authorize the purchase of upgraded squad radios and in-car camera systems utilizing DUI forfeiture funds.
- F. Accept the Cottage Grove Police Department 2023 Body-Worn Camera (BWC) Audit.
- G. Adopt Resolution 2023-056 awarding the 2023 Joint Street Striping project, including the Alternate, to the lowest-accepted quote supplied by Sir Lines-A-Lot LLC in the amount of \$54,372.30.
- H. Adopt Resolution 2023-055 awarding the 2023 Joint Crack Sealing Project to the accepted quote supplied by Northwest Asphalt and Maintenance in the amount of \$79,605.00.
- I. 1) Adopt Resolution 2023-053 awarding the 2023 Tree Planting Contract to Hoffman & McNamara in the amount of \$36,706 for the material and labor to install 84 boulevard trees. 2) Authorize the service agreement between Hoffman & McNamara and the City of Cottage Grove.
- J. Approve the 2023 Emerald Ash Borer Injection Treatment Program Agreement.
- K. Approve the 2023 Grant Agreement for Municipal Recycling Grant Distribution for \$56,734.00.
- L. Authorize the execution of the First Amendment to the Purchase Agreement with The Dunes, LLC to extend the closing date to June 30, 2023.
- M. Adopt Resolution 2023-057 approving the plans and specifications and establishing a May 11, 2023 bid date for the Summers Landing 3rd and 4th Additions Final Streets Improvement Project.
- N. Adopt Resolution 2023-054 supporting an affordable housing unit operated by the Washington County Community Development Agency (CDA).
- O. Adopt Resolution 2023-051, a Resolution Approving Interfund Transfers, and Adopt Resolution 2023-052, a Resolution Closing Fund 491.

None of the Council Members wished to pull any items for further comment and/or discussion.

Motion by Council Member Olsen to approve the Consent Agenda; second by Council Member Dennis. Clerk Anderson called the roll: Mayor Bailey-Aye; Council Member Dennis-Aye; Council Member Khambata-Aye; Council Member Olsen-Aye; Council Member Thiede-Aye. Motion carried: 5-0.

8. APPROVE DISBURSEMENTS

- A. Approve payments for the period of 4-05-2023 through 4-12-2023 in the amount of \$475,252.51.

Motion by Council Member Dennis to approve disbursements; second by Council Member Khambata. Clerk Anderson called the roll: Mayor Bailey-Aye; Council Member Dennis-Aye; Council Member Khambata-Aye; Council Member Olsen-Aye; Council Member Thiede-Aye. Motion carried: 5-0.

9. PUBLIC HEARINGS – None (Holcim Annexation - Petition Withdrawn).

10. BID AWARDS - None.

11. REGULAR AGENDA

- A. Sale of \$8,170,000 General Obligation Improvement and Tax Abatement Bonds
Staff Recommendation: Adopt Resolution 2023-058 accepting the proposal on the sale of \$8,170,000 General Obligation Improvement and Tax Abatement Bonds, Series 2023A, providing for their issuance and pledging for the security thereof special assessment and abatements and levying a tax for the payment thereof.

Brenda Malinowski, Finance Director, stated tonight Council will be considering awarding the 2023A bond issuance; the bonds were sold earlier this morning with favorable results. The bonds will pay for the 2023 Pavement Management Project and the Glacial Valley Park building. Due to the favorable bids received today, we were able to reduce the issuance size from \$8,170,000 to \$7,815,000. Stacie Kviltang, our representative from Ehlers, is here tonight; she will speak about the bids and also about our recent bond rating upgrade, from AA+ to AAA.

Ms. Kviltang stated today we sold \$7,815,000 of General Obligation (GO) Bonds; \$4,880,000 was for the Glacial Valley Park building and \$2,935,000 is for Pavement Management. The bonds have a term of 20 years, 15 years for streets and 20 years for the park building.

Every year when the City issues debt, you're rated by Standard & Poor's (S & P), and the City had a rating of AA+. There are seven rating factors: Institutional Framework; Economy; Management; Financial-Budgetary Flexibility; Financial-Budgetary Performance; Financial-Liquidity; Debt & Contingent Liabilities. The one that has the highest weight, 30%, is Economy, which you don't have control over; the remaining deal with your financial management, including budgeting, debt, and contingent liabilities. Those are all factored into a scoring system: For a rating of AA+, you'd need a score between 1.65-1.94.

A couple weeks ago, she, Administrator Levitt, and Director Malinowski participated in a ratings call with S & P. We reviewed the City's financials, what your future debt plans are, and economy updates for Cottage Grove with development and building. As Director Malinowski stated, Cottage Grove was updated to a AAA rating, which is amazing. She reviewed a couple comments from the S & P report: Cottage Grove has a growing tax base, strong financial policies, and a consistent track record of positive

reporting results in recent years. They anticipate that Cottage Grove's history of outperforming the budget will continue, and you'll maintain very strong reserves. Even with the additional debt plans, they expect that your debt costs will remain manageable. They like to see that you have a long term Financial Management Plan; you have a stable outlook, and your economy will continue to grow, with space for more residential and commercial development.

Ms. Kvilvang stated Cottage Grove is one of 30 cities in the State of Minnesota to be rated AAA, and noted Woodbury also has a AAA bond rating. This change did not occur overnight; you worked collectively with your team to plan and maintain your assets, strong policies, and strong reserves. There were two determining factors in the rating change, Economy and Management, which are the biggest factors. We want to continue to see you keep that rating, so keep doing what you've been doing.

Ms. Kvilvang gave kudos to current and past Councils and current and past staff for this achievement. She read aloud an authentic bond document plaque from Ehlers, then presented it to the Council, Administrator Levitt, and Director Malinowski. Everyone applauded and photographs were taken.

Mayor Bailey stated this is a great honor, and today it saved us thousands of dollars on the bonds, which is significant. Mayor Bailey thanked Ehlers, the staff, and the Council and congratulated the citizens of Cottage Grove.

Ms. Kvilvang stated we had our bond sale at 10:30 a.m. today, and there were six bidders; with your AAA rating, you're more attractive to bidders in the market. The lowest bidder was Piper Sandler with a true interest cost (TIC) of 3.58%, about 50 basis points lower than what we had anticipated at presale time. We'll be closing with the funds on May 9, 2023. The difference between a AA+ and a AAA rating is it saved you approximately \$31,000 in interest. She stated the action for the Council tonight is to award the bond sale to Piper Sandler, as the lowest responsible bidder.

Motion by Council Member Olsen to Adopt Resolution 2023-058 accepting the proposal on the sale of \$7,815,000 General Obligation Improvement and Tax Abatement Bonds, Series 2023A, providing for their issuance and pledging for the security thereof special assessment and abatements and levying a tax for the payment thereof; second by Council Member Dennis. Clerk Anderson called the roll: Mayor Bailey-Aye; Council Member Dennis-Aye; Council Member Khambata-Aye; Council Member Olsen-Aye; Council Member Thiede-Aye. Motion carried: 5-0.

12. COUNCIL COMMENTS AND REQUESTS

Council Member Khambata commended the staff and everyone in the Finance Department on the AAA bond rating. He stated April marks Fair Housing Month, and the Fair Housing Act prohibits discrimination based on race, color, religion, sex, familial status, sexual orientation, national origin, and disability. Minnesota's Fair Housing Act goes above and beyond the national standard, which is really good, as it protects sexual orientation; not every state does that. It's important to note that in acknowledging fair housing as a community, we're going to create more opportunities for more people, and that will help to further grow our economy. He just wanted to make note of that.

Council Member Dennis stated now that we've finally melted off some of the snow, when driving through the neighborhood he noticed what good shape the boulevards were in; that's really impressive considering how much snow we had. He asked Director Burfeind to speak a bit about how Public Works will manage any boulevard repairs that might be needed, and if something is missed, how residents might reach out for help.

Director Burfeind stated the boulevards are in better shape than what we expected, especially after the last snowstorm. Every year in May, we do what we call a "dirt day"; this year, that will be on Wednesday, May 17. If we see something damaged by plows, we'll put it on the list ourselves; residents should call Public Works, 651-458-2808, and we'll add their name and address to the list and schedule them for nice, good topsoil, hydroseed, and mulch. We hope Mother Nature will take care of it; we'll also provide information to residents and might ask them to water the boulevards occasionally.

Council Member Thiede mentioned that Strawberry Fest is only eight weeks away! We've had great planning activity, with a lot of people already getting involved, so you're permitted to start getting really excited about that.

Council Member Olsen spoke about the Strawberry Fest Ambassador Program; it's a scholarship program intended for individuals interested in representing the City of Cottage Grove, through the Ambassador Program associated with our Strawberry Fest. There will be an informational meeting on April 26, at Carbone's, for males and females interested in becoming ambassadors. The scholarship program is for individuals between the ages of 17-21, and it's a neat way to get involved in your community; it will certainly give you a lot of training and helps you grow your skill set as it relates to public relations, public speaking, etc. He encouraged anyone who's interested to learn more at the public meeting; more information and the application to become an ambassador are available on the Strawberry Fest website, cottagegrovestrawberryfest.com.

Council Member Olsen thanked our phenomenal Cottage Grove Fire Department for hosting the Cottage Grove Lions Club last night at the Central Fire Station; we had an opportunity to spend time training on AED, CPR, Basic First Aid, and Narcan with our Cottage Grove Fire Department representatives, including some of the medic staff. It was very well attended and so educational for many people. He gave credit to the Cottage Grove Fire Department staff, many of whom stayed late or came in early just for this; we were also allowed to hold our Lions Club meeting in their Training Room. Afterward, Captain Nick Arrigoni took many of our Lions Club members on a nice tour of the Central Fire Station. He asked Deputy Fire Chief Jon Pritchard to express our gratitude to the entire team, as they did a great job. He noted one of our instructors was Chelsey Flores, Firefighter of the Year, as chosen by her peers; our 2023 Volunteer of the Year, Emily Yasgar, who is part of our Lions Club, was also present.

Council Member Olsen stated regarding our AAA bond rating, he recalled sitting in our former City Hall with the Mayor and Council Members at that time, when we were a AA rated city; we had a real focus on trying to improve that. We certainly need to celebrate today, but this process took a long time and a lot of work by many different people. It

also took every single employee in the City, full time, part time, seasonal, no matter which department, as they all have to work within the budget; it's not always easy, not everybody gets what they want. We have a group of people who are exceptionally dedicated to this community; because of them, we achieved this goal. So, he's very grateful for all of the hard work by everybody, as this is a monumental achievement.

Mayor Bailey stated on Saturday, April 29, from 10:00 a.m. to 2:00 p.m., will be the Chamber Community Showcase at the Park High School activity building. Many people attend this, it's a fun event, with lots of freebies and food, and you can see some of the businesses in Cottage Grove that you might not even be aware of. He encouraged everyone to attend; the City will have a booth there, most Council Members will be there at some point, and you're welcome to ask us questions.

Mayor Bailey stated the Saturday before Strawberry Fest is Cottage Grove Day at the St. Paul Saints game. He encouraged everyone to attend. The City will have a booth there, our ambassadors will be there, etc. He's already had people ask him how they can get tickets, so told staff that might be something we want to put on our social media.

Mayor Bailey stated construction has started on East Point Douglas Road and Jamaica. Some trees have been removed; some utility work is being done. There will be some pretty extensive construction taking place, but it's been a long time coming. He's excited that we're finally going to get that area fixed. He encouraged residents to watch his Mayor's Moment for the month of May, or look at the City's Facebook page. If you want to see what it's actually going to look like when completed in two years, there's a video that shows what the roads will look like, with the roundabouts.

13. WORKSHOPS - OPEN TO PUBLIC - None.

14. WORKSHOPS – CLOSED TO PUBLIC - None.

15. ADJOURNMENT

Motion by Council Member Dennis, second by Council Member Khambata, to adjourn the meeting at 7:35 p.m. Clerk Anderson called the roll: Mayor Bailey-Aye; Council Member Dennis-Aye; Council Member Khambata-Aye; Council Member Olsen-Aye; Council Member Thiede-Aye. Motion carried: 5-0.

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