

MINUTES

COTTAGE GROVE CITY COUNCIL

November 15, 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 November 15, 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 Khambata - Here; Council Member Olsen - Here; Council Member Thiede - Here.

Also present: Jennifer Levitt, City Administrator; Kori Land, City Attorney-LeVander, Gillen & Miller, PA; Tammy Anderson, City Clerk; Ryan Burfeind, Public Works Director; Zac Dockter, Parks and Rec Director; Pete Koerner, Public Safety Director; Brenda Malinowski, Finance Director; Amanda Meyer, City Engineer; Emily Schmitz, 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 Olsen made a motion to approve the agenda; second by Council Member Thiede. Motion carried: 4-0.

6. PRESENTATIONS

A. Recognition - Kent Griffith

Staff Recommendation: Recognize Regions Hospital EMS Clinical Supervisor Kent Griffith for over 34 years of dedicated service to the citizens of Cottage Grove and partnership with Cottage Grove Public Safety.

Mayor Bailey asked the Council Members to join him in front of the dais for this presentation. Pete Koerner, Public Safety Director, asked Kent to step forward.

Director Koerner stated Kent will be retiring from Regions Hospital. He stated Kent has played a major role in all of the successes we've had with our EMS program. Kent is a resident of Cottage Grove and has had over 34 years of service to the Cottage Grove community. He's an R.N. and a National Registered Paramedic, served as the EMS clinical supervisor for Regions Hospital, who provides medical direction for the City of Cottage Grove. In his role, Kent has been essential to training, development, and improving EMS care provided by Cottage Grove paramedics and EMTs. Kent also worked as a parttime paramedic on our Fire Department. He really supported us in our COVID-19 response and worked with the Fire Department's vaccine team.

Director Koerner stated these are just some of the things Kent has done over the past 34 years. He knows Kent doesn't expect a lot of recognition, but he really deserves it. He congratulated Kent.

Mayor Bailey read aloud the plaque. He stated he personally tends to respond to fires in our City, and he's often seen Kent there in the Regions Hospital vehicle. It wasn't that he had to do that, but he did it because this is his community and he has a love for the community. We very much appreciate that. At one particular fire, Kent was instrumental in helping take care of people with smoke inhalation. It's people like Kent who give of themselves to this community that make him proud to be the mayor here. On behalf of himself, the Council, and the citizens of Cottage Grove, Mayor Bailey thanked Kent for his many years of service to Cottage Grove and presented Kent with the plaque. Everyone applauded.

Kent thanked the City for the wonderful award, but he doesn't feel like he deserves this at all. It's been a pleasure working for many years with Cottage Grove Police EMS. Without that, he probably would not have met his wife, and that was really a good thing. It's a great department, with very dedicated and talented people, and it's been his pleasure working with everyone here over the years, including the Mayor and Council.

Director Koerner and Mayor Bailey asked all Public Safety personnel present to step forward for a group photo with Kent.

B. Proclamation - Small Business Saturday

Staff Recommendation: Approve the Small Business Saturday Proclamation.

Mayor Bailey stated Small Business Saturday in Cottage Grove will be held the Saturday after Thanksgiving, November 25, 2023. He asked Council Member Olsen to read aloud the proclamation, which he did.

Motion by Council Member Olsen to approve the proclamation of Saturday, November 25, 2023, as Small Business Saturday in the City of Cottage Grove; second by Council Member Khambata. Motion carried: 4-0.

7. CONSENT AGENDA

- A. Accept the lease agreements with the Minnesota National Guard Armory for the 2024 election dates of March 5, August 13, and November 5, 2024.
- B. Approve the issuance of rental licenses to the properties listed in the attached table.
- C. Staff recommends the approval for submitting the application for an LPFM permit from the FCC.
- D. Authorize entering into a professional services agreement with Redpath and Company, LLC for audit services for the years ending December 31, 2023, 2024, and 2025.
- E. Adopt Resolution 2023-139, declaring costs to be assessed and adopting assessments for Summers Landing 3rd Addition Final Streets.
- F. Approve the appointment of Jon Pritchard to the position of Deputy Director of Public Safety - Fire Chief, effective Saturday, December 30, 2023.
- G. Adopt Resolution 2023-140, supporting the Washington County All Hazard Mitigation Plan.
- H. Adopt Resolution 2023-142 approving a one-year extension of the Minor Subdivision approvals for the Tinucci Lot Split - Minor Subdivision.
- I. Adopt Resolution 2023-141 approving the street name change from 91st Street Alcove South to 91st Street Court South in the plat known as Southeast Industrial Park 3rd Addition.
- J. Authorize resolution approving Special Law regarding a Local Option Sales Tax for Cottage Grove and filing of the Certificate of Approval of Special Law with the Secretary of State.
- K. Authorize Change Orders for the Pine Tree Valley Park Sports Lighting project.
- L. Authorize entering into an agreement with Aurora Strategic Advisors for Federal and State lobbying services in 2024.
- M. Authorize the contract for Construction Manager at Risk with a Guaranteed Maximum Price between Kraus Anderson and the City of Cottage Grove for the construction of the Public Works Utilities and Engineering building project.
- N. Adopt the infrastructure Maintenance Task Force Special Assessment Policy for Public Improvements updated on October 31, 2023.
- O. Authorize Mayor Myron Bailey to sign a letter supporting Washington County's pursuit of Local Road Improvement Program Funding from MnDOT for the CSAH 19 (Keats Avenue) and 80th Street Roundabout Project.

- P. Approve Change Order #1 in the amount of \$22,400 for the Grange Trunk Water Main Extension project; funding through 3M Settlement Funds.
- Q. Adopt Resolution 2023-144 approving the final payment to Miller Excavating, Inc. in the amount of \$73,899.86 for the Goodview Water Main Project.

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

Council Member Olsen noted there are some important things on our Consent Agenda tonight. As a City Council, one of the things we pride ourselves on in Cottage Grove is we work together with each other, our staff, the residents, advisory commissions, and other stakeholders toward positive outcomes. We ensure whatever decision gets made it's the right decision for the City of Cottage Grove as a whole. We sometimes disagree, but the Council acts as a body; we are a group of individuals, and we each have individual opinions and thoughts that we share when we deal with any issue that comes before us. But when the body makes a decision, that decision is the move forward decision. We all make sure that we support the decision of the body, it's very important to us, and it is a tradition that we believe strongly in and plan to continue.

Motion by Council Member Thiede to approve the Consent Agenda; second by Council Member Khambata. Motion carried: 4-0.

8. APPROVE DISBURSEMENTS

- A. Approve payments for the period of 11-01-2023 through 11-08-2023 in the amount of \$4,098,308.35.

Motion by Council Member Olsen to approve disbursements; second by Council Member Thiede. Motion carried: 4-0.

9. PUBLIC HEARINGS

- A. Gerlach Property - Drainage & Utility Easement Vacation
Staff Recommendation: 1) Hold a public hearing to vacate a public drainage and utility easement across the Gerlach Services, Inc. property and Gerald Gerlach property over part of Block 8, plat of Cottage Grove. 2) Adopt Resolution 2023-143 vacating the public drainage and utility easement across the Gerlach Services, Inc. property and Gerald Gerlach property over part of Block 8, plat of Cottage Grove.

Emily Schmitz, Community Development Director, stated this had previously been before Council in 2012. This storm pipe extends over the Gerlach property in Old Cottage Grove, in between Langly and Lamar Avenue. That infrastructure was installed to kind of work through some drainage situations on Langly Avenue. When we have

infrastructure in the ground, we have an easement over it so that we are able to maintain that infrastructure long term. What staff came across is that easement, which is supposed to be over that pipe, was recorded against the wrong PID, the wrong parcel number. So, we're here this evening to hold the public hearing to vacate that easement as it does not cover the pipe, and then we'd like to shift it and record the actual easement on the appropriate pipe.

Mayor Bailey opened the public hearing. As no one wished to speak on this item, Mayor Bailey closed the public hearing.

Motion by Council Member Thiede to Adopt Resolution 2023-143 vacating the public drainage and utility easement across the Gerlach Services, Inc. property and Gerald Gerlach property over part of Block B, plat of Cottage Grove; second by Council Member Khambata.

Council Member Khambata stated obviously Gerlach Services is aware of the change; he wanted to confirm that they don't have any objection to this. Director Schmitz stated staff is working very closely with the Gerlachs and their trust to navigate this process. Motion carried: 4-0.

10. BID AWARDS - None.

11. REGULAR AGENDA - None.

12. COUNCIL COMMENTS AND REQUESTS

Council Member Olsen assumed that Mayor Bailey will go through all of the upcoming holiday events, so he will cede his time. Mayor Bailey stated he won't go through all of them, as some will happen after our next Council Meeting.

Mayor Bailey stated that prior to tonight's Council Meeting, we interviewed six prospective candidates to fill the vacant City Council seat, vacated by Council Member Steve Dennis. We chose Monique Garza as our newest Council Member. She will be sworn in at our first meeting in December. He thanked all of the candidates who applied, as they're all very passionate about the City of Cottage Grove and the direction we're moving. That was refreshing to see, and it was a tough decision, but we're happy with the results.

Mayor Bailey stated regarding the holidays, we're already about a week away from Thanksgiving. There is an event on Thanksgiving, Hale to the Bird 5K Race/Walk, 9:00 a.m., at Hamlet Park. All of the proceeds of that event go to the Friends in Need Food Shelf.

The following week, on Wednesday, November 29, 5:00-7:00 p.m., here at Cottage Grove City Hall, is the Hometown Holiday Celebration; there will be a variety of things including Santa & Mrs. Claus, reindeer, rides from the parking areas, bonfires, food trucks, games for the kids. He encouraged everyone to attend and join the Council, as

that area will be decorated for Christmas. This will be our second annual event, as our traditional Christmas tree lighting has been expanded to be a family fun event. Everything is held outside, so dress accordingly.

Fill the Fire Truck, 10:00 a.m.-12:00 p.m., at Woodridge Park. They're looking for paper products and/or cash donations, all of which will be donated to the Friends in Need Food Shelf.

The Holiday Home Lights Tour is also now on social media, so if you decorate your own home or that of a neighbor, go to the City website and add the address where there are awesome decorations. The City will load the addresses into a map and give you the best directions from City Hall to visit all of the lights. Due to the large number of homes, last year we created two separate maps, the North Pole and the South Pole. It's a fun family event.

The Holiday Train will arrive in Cottage Grove on Sunday, December 10. There are additional festivities this year, as this is the 20th Anniversary celebration. Festivities start at 3:00 p.m., the train arrives at approximately 5:00 p.m. with music. This is also a fundraiser for the Friends in Need Food Shelf.

Mayor Bailey stated check out the City's website or our Facebook page and you'll find those and many other upcoming events. He encouraged everyone to get out there and enjoy our community and enjoy the holidays.

Council Member Olsen stated on December 3, at the VFW Red Barn, the Cottage Grove Lions will be holding their annual Santa Breakfast, starting at 8:00. Santa will be there so the kids can talk to him about what they want for Christmas this year. There will be great food, so please join us. He believes price for adults is \$12. If you can't make it, Santa will also be at River Oaks the next weekend so you'll get an opportunity one way or the other to get your last minute gift wishes in to Santa.

Mayor Bailey stated there are two workshops this evening, the first is closed to the public, pursuant to Minnesota Statute 13D.05, Subd. 3 (b) for attorney-client privileged communication to discuss the potential litigation related to DuPont and 3M drinking water class action lawsuit. That will be held in the conference room.

The second is open to the public and that will be held in the Training Room for those who are interested in attending. That will be a discussion about the Local Option Sales Tax Community Relations/Education Services.

13. WORKSHOPS - CLOSED TO PUBLIC - CONFERENCE ROOM

A. DuPont and 3M Drinking Water Class Action

Staff Recommendation: Close the meeting pursuant to Minnesota Statute 13D.05, Subd. 3 (b) for attorney-client privileged communication to discuss the potential litigation related to DuPont and 3M drinking water class action.

14. WORKSHOPS - OPEN TO PUBLIC - TRAINING ROOM

- A. Local Option Sales Tax Community Relations/Education Services
Staff Recommendation: Receive Local Option Sales Tax community relations/education services proposals and provide direction to staff.

Parks and Recreation Director Zac Dockter stated he will keep this very short, as we've discussed this before; we will ask the voters about the Local Option Sales Tax on a referendum next November so we need a solid communication plan and we need the support to do that. All of the proposals are in front of you. Communications and other staff have also reviewed this and have some thoughts on it. We'll start with ICS, who will do about a 15-minute presentation, after which we'll give you about 10 minutes to discuss and ask them questions. Kraus-Anderson will be next, and they'll be given the same time parameters. After that, you'll have as much time as you need to give us some direction on how to proceed.

Director Dockter asked if there were any questions before the presentations.

Council Member Thiede stated he didn't realize that Kraus-Anderson would be involved in this. Director Dockter replied they did our last referendum for us.

ICS

Kris Duerr, Client Liaison, thanked Council for their time, stated we are ICS, partnering with Rapp Strategies in response to Cottage Grove's RFP for communication assistance on your Local Option Sales Tax referendum. She introduced the ICS project team: Pat Overom, Principal-in-Charge, and herself. She identified others on the ICS team, not here tonight: Chris Ziemer, Project Development Director, and Eryn Sorensen, Referendum Communications Specialist. Rapp Strategies: Todd Rapp, C.E.O. and Jodi Boyne, Referendum Communications Consultant.

Pat focused on a few key points about ICS and Rapp Strategies from a referendum standpoint. ICS: About 90% of what we do is public sector work with cities, counties, and school districts. All of the services we provide, whether it's planning, project development, or helping to secure funding, are perpetual services. We see time and time again with our clients that the way we approach things is with that consultant lens, professional services lens that really tends to lend itself well to the process. When we look at things associated with referendum efforts, we tend to be extremely proactive and extremely technical; we get into the science behind it and we really work to do what we can to make sure that projects get off on the right foot. Obviously, we look at pre-referendum efforts. Typically, in a public entity, that's one of the toughest hurdles, so we want to ensure we do everything necessary to make sure you've got a very efficient, effective process.

Pat stated Todd would talk about Rapp Strategies and why we've chosen to partner with them.

Todd thanked the Council, stated he's the C.E.O. of Rapp Strategies, and Julie Boyne is our Senior Director. Our firm works in the public space on strategic communications. We provide strategy to clients, and we also provide implementation services; that is, we work with their teams to the extent they have teams on delivering appropriate communications to the audiences they care more about. We focus on issue

management, reputation, and risk management, particularly risk reduction. We also work very extensively on public and private construction projects. We're now over \$10 million, with the Vikings stadium and the destination medical center in Rochester; somehow, in the middle of all of this, we got them the referendum. We have now worked on 107 different referendums for local units of government in the Upper Midwest: School districts, counties, and cities. We have a 70% success record; when he says we do, our clients do. The support we provided hopefully has helped them bring their referendum over the top. We only work for the local governments, and we only work on community outreach and public engagement. We do not work on the advocacy side at all or provide that kind of consulting, as we find it a conflict of interest. On the other hand, we do get connected with advocacy groups because they want to hear about the City's plans as they make their own plans. So, to the extent that you do have some citizens that want to do that, of course we would meet with them.

Todd displayed a list of some of the City and County projects we've been working on, including Elk River; they became interested in cities, as they were doing LOST referenda to bring on some external communication support. We've worked on ten of those so far, and nine of them have been successful, for a total of \$746 million of projects.

Todd stated together with ICS, the two teams have done over \$5.4 million of successful voter-approved referendums in the last decade. We started appearing with the ICS team 13 years ago; we have found the merger of the two teams' expertise, the construction management and planning side that ICS brings, and we bring our communication support. There's a talented group at ICS also who does design work, which is outstanding, and we appreciate working with them as a complementary partner. We think we've been a pretty successful team.

Two different goals we have in working with you are one unified team around communication strategy and a communications work point. We work with our clients, trying to understand for them what capacity they have and where we can best fit in. Sometimes they need soup to nuts, turnkey, give us all the communication support we can provide, and we're willing to do that. Other times, there are particular services that the client is looking for, and we can step in and provide those. We work with you to try to figure out what assets you have, and we fill in the gaps. The one thing we do for all of our clients is the strategy side, help with the referendum question. If they're going to do a community survey, we help them design that, design a community engagement program, and work on the presentations.

In terms of the communication support, the work we do is community outreach and public engagement. Our goal is pretty simple: We want any information that the public gets about this referendum to come directly from the City, either because they go to the City or because they asked a third party, who got their information from the City. That's the goal here. There are four keys to a successful plan, as far as we're concerned: Transparency, Accessibility, Accuracy, and Listening to Feedback. One of the things we ask our clients to do is to make sure that they're responding to every single question they get, knowing that sometimes the questions they get may be a bit annoying, repetitive, or it may just be somebody who's just trying to dig deeper for no reason other than trying to find a reason to pull the plan. That's okay; those are residents, too, they

pay taxes. The goal is to build that trust among everybody so they're getting that information from the City.

Jodi stated our proposal fills the need that was put forth. We have a really good track record on referendums, in terms of what we've been able to achieve and help our clients succeed; to be honest and fair, we haven't won them all. So, in our work with school districts, cities, and counties, we've identified some common pitfalls about why a good proposal failed to gain public support. She specifically cited three areas: 1) Tax impact. When you are going out for a referendum, you need to talk about the tax impact, but you don't want to engage in extended debate, which can be easy to do. The more you focus on the tax component of this plan, the less you focus on the benefits; that's the key piece that we need to keep people focused on, the benefits that the plan will provide to your community's quality of life as well as its residents. 2) Visibility. When we say visibility, that's where we're talking about you, as Mayor and the City Council; this is the City's plan, and you have ownership and accountability for it. You need to be out in the community, sharing that information through tools and resources that we'll talk about shortly, as well as person-to-person contact. Otherwise, people may not view it as a serious proposal. It's really important to have that visibility in the community, making one-to-one contact, as well as responding to those questions, so people can understand and build up confidence in the plan that the City is proposing. 3) 24-Hour Rule. Responding to questions and inquiries as quickly as possible is imperative. In this day and age, with the number of online social media platforms, chat rooms, and informal conversations, friend and family networks, running into people in the grocery store, if you're not responding to their questions, somebody else will. Their answer may not reflect your plan. It may not reflect the benefits; more importantly, it may not include the true tax impact. So, it's really imperative, as Mayor and City Council, that you are owning this plan and sharing that information with the community in order to establish that trust. Also, respond to those inquiries so we can help position you as a full source of information for the referendum.

Julie noted in our work with cities, counties, and school districts, we have a tested model that we use for communication support. It's the City's obligation and responsibility to share public information about the referendum, but there's also a Statutory requirement in terms of sales taxes that you need to communicate. We have a nine-point strategy that we use to make sure that the City is sharing that actual information, meeting that requirement, and ensuring that the residents are getting the information that they need to make an informed vote. Of course, we build this plan with you based on your existing plan for your community, as well as this referendum, that drives your vision for the future. We then go into the need, we talk about what is the need. We walk through the process, how you develop this plan, how you engage the community. We go through the plan details of these three specific asks that you are looking for and the benefits it will provide, not only to residents but to those who visit Cottage Grove; the overall quality of life to community because we know what that can mean in terms of economic vitality, residential recruitment, and other areas. We then have to talk about the cost and tax impact. The consequences of an action are very important, as much as we want people to know what the plan will provide, we also need to know what happens if the plan does not pass; what action the City would take and the consequences of that.

We will always have a resource library for transparency where all information that you're presenting, whether it's at City Council meetings, out in the community, fact sheets that we develop with you, or other materials, are located in this online resource library. Of course, we share voting information; there are three ways that people can vote, and we want to make sure they understand how they can make their voice heard through one of those ways. That's the core framework of our website, but it's also the core framework of our strategic Communications Plan that we would develop with you.

Pat stated from a Communications workplan standpoint, we know you're not starting from scratch, you've been working on things in the City for quite a while. When we look at it, coming into the process, we see some foundational things that really have to happen in order to achieve some of the things that Todd and Jodi just spoke about. We've got to immediately create some of that consistent messaging that we can start to leverage. We've got to look at developing all of the content, and then ultimately looking at various media venues to get the word out and that message out. Jodi mentioned that resource library; we work with you to develop a website or a microsite specifically for this sales tax. We look at different brochures and fact sheets, understanding that constituents and voters gain information in different ways and learn about the process and the proposal in different ways. We've got frequently asked questions, which we really approach as something ongoing and dynamic and continually changing as we hear feedback. As you hear feedback at the City, we need to get that information incorporated into that microsite so the folks that want detail have it at their fingertips.

Whether its electronic things, paper flyers with fast facts, or a social media calendar and campaign that we will put together with you, all of that needs to have a consistent message; it really needs to be balanced with the impact that we're wanting to gain, too. There's a reason that videos, for instance, now are usually 15-to-30 seconds and not three minutes, like they used to be. People have kind of evolved in how they receive information and how they digest things. So, we want to make sure that when we're putting information together, we're balancing that level of content with that impact that we can get. All the way through, we've got that resource library for those folks that want to get into all of the details and information; it's there for them to dig into if they want.

Pat stated from a pricing structure, we've used the matrix that was provided and put together a compensation structure. Right now, we've identified our side of the equation as a lump sum of \$38,000. We would like to structure that with it typically being awarded coming into the relationship; we would bill half of that upfront, the rest of it would typically be deferred until after the referendum. If we're engaged to help implement the project, then all that compensation will be rolled into our implementation services.

Advantages of ICS:

- Our team will draft strategies providing pre-referendum services and CM services.
- This process that starts with pre-referendum, receiving funding, and implementing a project, we need to see that consistency all the way through; constituents and voters are demanding that additional level of information. If you're communicating, you've got to have a secondary resource equipped to answer those questions to have the referendum pass.

-Looking at pre-referendum efforts as a whole, it's really a project in itself; as a professional service, that's what we do, day in and day out, is manage those projects.

Pat stated he'd take any questions.

Mayor Bailey stated he saw a couple of the projects that you'd worked on. He saw a slide that showed a sales tax referendum vs. project tax referendum. He asked if Maple Grove's was a sales tax referendum. Mr. Overom replied we've worked on ten LOST (sales tax) referendums, 97 school district property taxes, and one was also a local property tax; generally speaking, we've worked on ten of those so far in the State of Minnesota.

Mayor Bailey stated so, you've worked on ten, and you got nine of ten; Pat confirmed that. Mayor Bailey asked which one didn't they get; Pat replied Mounds View, and Mayor Bailey stated that's what he thought, and it just happened.

Pat stated Mounds View went for 1.5%, that's a big ask, right after the legislature already passed a sales tax. So, they knew they had an uphill climb. Unfortunately, some things went wrong in the community side, especially when they were talking about what the probable tax impact was; all of a sudden, some of the messaging got divided and that's what happens.

Mayor Bailey stated we did a referendum for a Community Center in 2021, which just missed by 200 or so votes. The School District just passed one recently, but it was very close. What was interesting from our standpoint is typically, for whatever reason, the Cottage Grove side of the School District tends to vote no; it wasn't as much this time, especially on Questions 1 and 2, but he's wondering how do you change that narrative. He looked at the data for our Community Center referendum. It was really one precinct where it was pretty negative towards the referendum, while others possibly affected it, it was really one precinct. He asked if they got into that level of detail, at the level of a precinct.

Pat replied he's got the South Washington County School District registered voter file on his home computer, even though we've never been hired by them. He's a resident of South Washington County Schools, he knows the superintendent, and he's dug into the registered voter list to better understand how targeting could happen. You're talking about an election in November, 2024; voter turnout will not be your issue, and there's almost nothing that you can do about that. Your issue is going to be in some ways just to make it through the people who remember there is a referendum to vote for. Pat asked if your last one was funded by property tax; he was informed it was. He stated you've made the first step you need to make, as you're asking for a sales tax instead of a property tax. We've done research on a statewide basis where a lot of people vote for local governments; we asked Minnesotans if they'd rather have a sales tax, property tax, or income tax to pay for infrastructure. Sales tax was the choice. If you communicate the idea that the tax for residents is X%, non-residents is Y%, you're taking the first step. What we can do in addition to that is we can just help you really focus your communications in a way that hits the right audiences. You need to communicate to everybody, you shouldn't be discriminating in any way, but he thinks we

can help you better understand who are those voters who you most need to keep with you all the way down to the ballot or push to the positive side. He stated 35% of your residents will not vote yes on this, no matter what you offer them, and you've got to be okay with that. You will hear a lot from some of those 35%, and that's okay, too.

Todd stated just to reiterate, it may seem like a nuance, the difference between a property tax and a sales tax, but Litchfield is one that we had recent success on with a LOST referendum. The way we approached it and the way we messaged it, we made sure we worked with their financial folks and others to really dial in on anticipated local contributions vs. from others, surrounding. Getting that message out was very impactful, especially for those segments of the community out there that tended to be on the conservative side. It was very impactful, seeing some of that message hit home, that not all of this burden is going to be yours, but a big share of it is going to be for visitors to the community. So, that's a big deal, and how we message that is critical.

Council Member Olsen stated it was mentioned that 35% of the voters are not going to vote for it, which he understands. It's a presidential election year. Unlike even a gubernatorial election year, voter turnout is going to be huge, but there's going to be a lot of complaints. We are also going to have four candidates on the ballot from this City Council: Mayor Bailey, myself, Council Member Khambata, and a new Council appointee, Monique Garza, who will need to run should she choose to do so for the additional two-year term to which she has just been appointed. So, for us, part of the challenge is as local government officials, particularly when you run in a presidential year, it's really hard to get your voice heard because there's so much national attention; the local issues just get drowned out by others. From a strategic perspective, the question becomes most places when they do referendums, they try to do it in a quieter time of year; voter turnout is pretty low, they can advocate strongly and get a core group of people behind them, and they can get the referendum passed. We're not going to have that opportunity next year, so, it's going to be one of two things: It's going to be the four people on the ballot for our local Council are going to need to come out strongly in favor of this referendum, and there's no doubt it will become part of the debate. We also know there's going to be strong opposition, some of that fueled by the national media, to any sort of feared tax increase. How do you get the message out in such a loud and disorganized media environment?

Todd replied first of all, the most important thing you've got to do is get away from what is likely going to be a Biden-Trump very negative, very divisive election with a lot of hateful rhetoric. Don't encourage people to put out campaign lawn signs. To him, this is solely about the following three things: 1) Is the City doing something that's in the best interest of residents? 2) Are you picking the smartest way to finance it? 3) Have you listened to residents' input in developing a plan? If you can say yes to all three of those, the research that we've done demonstrates the person who agrees with all three has a better than 90% chance of voting yes. You really want to focus on those three as the foundation when you're thinking about your messaging and how you distribute information. You're the City; you can approach this a different way than the political world does in how you communicate, and that's what you're going to have to do. He

thinks one of the best things that you can do to temper down the opposition is to be respectful; he's a big believer in take oxygen away from the opponents. Opponents get to have their voice, they get to speak out, sometimes they win on these things. The most difficult thing that City leaders can do is argue with them or get into extended debates. There's no point in that. Most of that 35% will decide tomorrow if they're going to vote for this, and they get to do that. Your job is just to make sure the information gets out there, and for the City Council to find the 65% that are out there.

Pat stated he thinks Todd's exactly right; with any time, effort, or any expense trying to argue with an opponent, they're winning, right? They're distracting, they're taking your time away. He thinks Todd hit it on the head, going into November, we've got a lot of things to deal with. He thinks how we get that message out has got to be changed; he believes it almost has to revert to a little more grassroots. We're not going to overcome the noise of the national campaign, it's going to come down to identifying that 65% and going out and finding them.

Council Member Thiede stated that's really kind of focusing more on some of the projects and the benefits of the projects that's going to come with the sales tax. Also mentioning that some of those things bring people in from outside the City, and they're also helping pay for those things. Council Member Olsen stated that's why it's the smartest way to fund it, and people will respond to that.

Pat said right now if you talk to the City of Bloomington, the City of Edina, the City of Golden Valley, or the City of Maple Grove, all it would tell you is at the end of the day what they did was they conducted very fair, factual communication. But the way they did it made sure that the people got what the benefits were: Here's the plan and here's why it's good for the community, and that's why it passed. He thinks that's the struggle that Mounds View had, as it became more focused on the taxes. A tax debate is not a great way to pass something.

Jodi stated she thinks Cottage Grove is all right with the three projects that you've identified; they each have distinct constituencies that use them with the golf course or a trail or what you want to bring to the community. When we talk about that targeting strategy of how we reach out to those constituencies, it's getting to those audiences and how do we leverage those sites while we're in this campaign so people are seeing the information as they're coming and going. That visibility of information is very key, in addition to vocal communication, particularly in sites where you'll have high traffic in the summer months, when maybe people aren't quite ready to pay attention to presidential elections.

Council Member Khambata stated one thing he observed while talking to people regarding the referendum for School District 833 was they were only telling me this set of information; they were skeptical because they're also the one that needs the money. So, how do you deflect somebody who says, well, the City's the one giving us the

information, but they're also the one that wants it. How do you disassociate from that level of skepticism or distrust that the casual observer might have?

Pat gave two answers: 1) You've got to prove it. The way you communicate; we're talking about a website that's really open information about all of the projects, including a clear tab that says costs and tax impact. You look at the FAQs and you see we're taking on all the questions that people are asking and making sure we're answering them. You can only prove to people that you're being fair about how you communicate over time, that's pretty important. 2) Even if you do that, there will be people who complain that you're not communicating fairly, and you've got to accept that. It's part of the price of entry if you're going to put up a referendum, that somebody is going to make the issue be you're not communicating appropriately. Sometimes we work with local units of government that chase every complaint through social media and get very defensive, they get into the arguments. We suggest you give one answer to people in that situation and be comfortable with your answer. Then move back to talk about the process, the plan, the benefits, the tax impact, and how they get more information.

Todd stated one of the things we've learned and we observe very frequently is that 35% we're talking about is likely not going to approve anything; within that 35%, there's a spectrum of those that are very passionately against something. There's the other end of that, ones who are Minnesota nice and might support part of it, but they didn't have enough information, would have liked to see more detail, or they didn't see a picture of it. Those are Minnesota nice reasons and answers for not wanting to approve the tax impact for those people who are on that side of the 35% spectrum.

Mayor Bailey asked if Council had any more questions, but there were none. He thanked ICS for sharing their information with us; obviously, we'll be in touch.

Mayor Bailey asked staff when ICS talked about Construction Management, with our situation, how would you do that. Administrator Levitt replied you have to pick the one that you think would get us to that process, but you don't have to worry about construction now, as those would be separate contracts.

Kraus-Anderson (KA)

Dustin Phillips, Senior Project Manager, thanked the Council for inviting them to make their presentation. He encouraged them to ask questions tonight. He detailed his background; he's been fortunate to have worked with the City of Cottage Grove over the last five years. KA's relationship with the City goes back much farther, and we don't take that for granted.

Jenna Mead stated John Huenink, Project Director, was hoping to be here tonight but is not available. For decades, John has been one of the point people at KA for referendum services, planning, and facilities, as well as engagement with all communities; so, he'll still be part of the team.

Jenna is the Director of Marketing, Referendum, & Project Planning. She's the one who actually works day in and day out with our clients when it comes to actual campaign season, working through and implementing all the different plans. If you need

community relations pieces or need a task force put in place and engagement with your community, it's usually about a four-to-six month process where she'd be handling that. She noted she'd actually worked with CafeMedia before joining the KA team, had done some video work here in the City of Cottage Grove and interviewed Mayor Bailey. She's looking forward to working with Cottage Grove again.

Megan Livgard, Communications Coordinator, stated she works with the government team at KA, has been there for almost five years. Her background is actually mostly with cities and is in the regional Economic Developer organization, as a former Economic Development Director. So, she very much loves the public sector as it's really where she grew up and got her feet wet in the profession. As part of this team, she will be one that helps with local community engagement with Jenna and that messaging, to make sure that from the City's perspective, that we're really on it, in how you want to move forward.

Jenna stated we have a pretty brief agenda tonight, so we'll start with where we've been in the partnership we've had with the City so far, our expertise when it comes to referendum services, and we also hope to discuss some strategies.

Dustin stated building off of the relationship piece, we've been fortunate enough to work with the City on five projects; he believed the Cottage Grove Utility Building was on tonight's Council Agenda, so, hopefully we will be successful and continue to work with you on that project. In 2022, Cottage Grove did a Parks and Recreation survey where the community members said what they really imagined for their parks. That was followed by a University of Minnesota study for how that could be funded. You really build upon that small town feel in a growing suburb, and we hope to illustrate how we can help bring this project to life.

Jenna said when it comes to the work you've already done, we understand that you really had your own ideas and have seen a shift in generational pieces and neighborhood dynamics. We all kind of feel it in our neighborhoods where we have those younger families moving in, we have those grandparents that really want to get out and enjoy activities in the outdoors. With that brings needs for new facilities. Looking at your survey and some of those results, you've done the work; you've reached out to your community, kind of figured out why they want to live in the space they want to live in, and narrowed it down from five projects to three at this point.

When it comes to our community referendum expertise, Jenna said she runs a lot of these campaigns all year round; this year she's run six different campaigns, so we really have a track record of not only tackling these things but also the idea of building trust and engaging a community within that. So, we always say it's a lot more than just a yes or no vote at the ballot; it's making sure that we campaign throughout the entire process, it's building that trust, bringing people in a community-driven approach to what you're doing. So, if you've done the work and surveyed your constituents with your team, it's really a community-driven project.

One of our campaigns was the Iron Trail Motor Event Center in Virginia, Minnesota, and last November, in Hermantown, Minnesota, we did a recreation initiative, which was a half cent Local Option Sales Tax referendum. It benefited three different areas in their

community; she feels that's similar to what Cottage Grove wants to do. They had reimaged Fitchner Park so that there were some different baseball pieces and a playground, and they wanted that to kind of be a hub of their outdoor recreation for that community. They also added seven miles to their trail system throughout their community. This sales tax increase would be able to fund for that system to actually become a system and attach to the different communities around them, which was key for them. They also added an ice sheet to their hockey arena. They also went to their community first and really surveyed; there were many different projects that they wanted to do, and they boiled that down, and it was very much a community-driven referendum. Honestly, probably the only reason the ice sheet made it on the ballot is because their community told them that over and over again; so, they had three separate questions on their ballot, and all three passed. That was a 20-year half cent sales tax, and every one of those questions added a year towards it.

Jenna stated when it comes to communication and marketing of these things, we have an internal Marketing Department that can do all the deliverables. Many companies have a design team that can do that; what she thinks is really important is the strategy itself, being really thoughtful about not just a one-size-fits-all campaign that we can just put into any community. It's really taking time, having conversations with the different user groups, doing research, and really getting a feel for what makes sense in that community. For Hermantown, we had a series of different types of display boards, depending on the target, where it was going to go in the community. They wanted to make sure they had them near the foot traffic; the hockey center wasn't a necessarily good display board, but it was more for the actual City Hall and some of the lobbies that wanted that overview. There were various display boards, depending on who was coming into the buildings and the foot traffic and what kind of key messages really made sense for those people.

There was also a similar fact sheet that was mailed out to all constituents. They really wanted to use the *"Let's Play in Hermantown"* campaign, so we built on that. All three of the different pieces that their referendum had was about play; that's similar to here in Cottage Grove. So, if it's the trails, we took photos and made video of people enjoying those trails, as well as hockey and baseball. We had different clips, we had our overview video, but we also had a series of different videos that went out, really targeted to specific groups. We made sure that we had influencers at the table who were ready, wanting to do more than just vote yes on the ballot, they wanted to make sure they were also part of the campaign strategies. So, we had those influencers on the ready to grab onto those videos, share them on their specific pages, and kind of spread that out; again, very community driven, organic, not this top down approach. There was also some other social media traffic that we had, so we built the entire campaign during the active campaign, so, two months at the most. We had a handful of social media posts every week that we had scheduled.

The referendum website is probably one of the biggest pieces; it's the basis that you're driving people to. So, whether you want to build out that information, the why, the need, the tax impact, what does this mean for me, what is actually going to get taxed; all of

those different FAQs that we started to hear in those community meetings that we're facilitating. It's always a dynamic and moving website that has the latest content, but it's kind of the host to everything going. So, anything on social media is getting driven to the website, as well as the email campaign. We had a "*Let's Play in Hermantown*" that was linked from the city's website, so you can toggle back and forth between the hockey arena and the park and trail system. To her, it's the story. All of you live in this community, and we want to make sure we use each and every one of you, as well as different influencers, to be able to tell your why, that's connected to this story.

Jenna said she knows Cottage Grove's percentage is a little different than Hermantown, as you have commuters coming in for work and going out for work; so 75% of the sales tax is covered by non-residents. It's really important to figure out your strategic messaging: What are those top level things that will resonate, that you can make sure that everybody is kind of a coordinated effort, everybody in your community repeats those messages. We're getting all of these things, and 75% of the project is getting paid for by non-residents; that probably isn't your top message, but we will work through the process with you to really figure out what's going to resonate. It might be different in every community.

Megan stated one of the things that we often do is we can really customize a website, and inside of your website what we can do is create a separate website that we can really customize. We started with the community because the community was very engaged in this project. So, we covered this website, then we took photos at the community meeting. Then, what we did from there is we had these QR codes along the waterway on different signs; so when you're walking within the City, wherever it is that you would feel you want people to see it, you can scan a QR code and you can get the most updated information. So, all of this that Jenna showed you on Hermantown is something that we can do in your parks or at different areas that we can do these kind of signs with QR codes, and we can do five updates a year. So, these are just other examples of the different things that we can work on with you.

Milestones

Jenna stated as we move forward, we need to think about milestones, as you're targeting next November for your referendum. It's important to have a robust campaign, but also on a pretty tight timeline. We need to continue to always have the momentum moving forward, instead of it kind of fizzling out at the wrong point. In the referendums she's worked on since last November, this is a really successful milestone or timeline to work on; it's not set in stone by any means.

May-June: We really need to be talking through and information gathering with certain user groups. Whether it's with the Council, just very informally, sitting down and figuring out what communication channel does the City use, what resources do you have available, what partners can we lean on to add more tools to the toolkit, per se. We have an entire team, and we want to make sure that it's organic, and the more people you bring in and have the conversations and give them a piece of the puzzle, per se, the more buy in there is. So, June would be really spent in meetings, whether it's a couple at noon, or if we just come to the City for a day and have a half hour or hour with

different user groups to really just figure out what works for your community. What did we learn from the last campaign, what do we want to lean into, or what do we want to do a little bit differently. So, we'll spend May into June doing some of that.

July-August: We really want it to look calm to everybody who's looking in above the water, but we're going to be working really hard below the water to make sure that all the planning is in place. That's everything from videotaping, figuring out all the different messaging, laying out what those fact sheets and brochures might look like, depending on if that's the way we want to move. We're really building out that website; it's not public yet, but all those things are going to be into place, and we're going to be your team to really coordinate that effort and manage all these juggling balls everywhere to make sure that we have similar messaging going out. Everything that we create has consistent branding, consistent messaging, maybe it leans into different areas and is more detailed in certain ways, but when people see certain deliverables, they know that that has to do with the referendum that the City's putting on. So, this is going to be the busy time for our team, but we hope that it looks like we're coasting along from the outside.

September-October: Working the plan because at that point we've laid out an entire communications and community relations and engagement plan. We just need to follow through with everything that's going on. So, that's going into the social media channels, scheduling out all those things, having our community information meetings if that's how we want to do it, figure out when Mayor Bailey is going to chat about and have some groups that come together. We start with our video campaigns that have now been edited and are ready to go. It's the awareness campaign, kind of Step 1 of what's going on, what's a part of this, and why are we doing this.

November: This is the get out the vote piece, but one thing you have going for you is it's a general election. So, it's less about hey, get to the polls on November 5, and more about this is what you're going to see on the ballot when you go to the polls. There may be other things on the ballot, and we want to make sure that people aren't skipping this part of it or voting no because they don't know what it is; so, we can send out a sample ballot. Just those reminders, person to person, text messages, email blasts, etc. for yes, get to the polls, but remember, this is an important issue on the ballot. We want to make sure they understand when they read the ballot language and what it actually means.

Megan stated a couple things that Jenna said about messaging is that you are the leadership for the City; so, making sure that everyone has the same message and is all on board. That's going to be where Jenna alluded to Step 1; again, working with you, staff and City Council, as you are the best and the biggest ambassadors for your community. We want to make sure that from beginning to end we're all on the same page with the messaging, everyone agrees to the messaging, so Jenna's going to work really hard with everyone on that, including certain stakeholders. So, there's no misunderstanding as to where everyone is with that message moving forward. And it takes this community to build the trust. If you don't have the trust, as you all know being on the City side, when you lose that, it's really hard to gain it back. We want to make sure that we have embodied that trust with each of you, staff, and then again the stakeholders and residents. We will work really hard in keeping those meetings with

you, so that if something changes and you're hearing something in the community, we can jump on it; if we need to adjust something on the messaging, we do that with you, because you need to be the ones that are employing that message, first and foremost.

Jenna had talked about consistent branding a little bit; she thinks it's important, as well as just jumping back to establishing trust, you already have some things in place that you're reaching out to your community and you're always communicating. So, making sure that that Mayor's Moment or the Council Update isn't just willy nilly, but we'll actually lay out like Week 1 could be this, Week 2 we're building on this, and then we're going to add this message in. So, we could actually kind of lay out that strategic plan, just for what those specific channels could be. Video and social media is another one, and the idea is to always have Council having a seat at the table and continually engaging you; that's so we can always have a pulse on your community. So, whether it's this group right here, maybe we bring in a handful of like influencers within your community that kind of sit in different circles and have different networks. Just making sure that everyone sees we are checking in and having that poll check, what are you hearing? What's making the FAQ that you're hearing over and over again that we just need to answer? Maybe the Mayor's Moment needs to cover that this week. Knowing that we have a plan in place but also can be super flexible with that plan, depending on what's resonating in your community, what's not, what's coming up as questions. We've also had it just where on the website there's a piece where people can write in their questions, and we're keeping an eye on those. Not every question is a FAQ, but there are pieces that come up that we can just slide in on your social media, like once a week, once we're really in the thick of things on FAQ. We don't know what that is at the beginning, when we're planning it, but we know we're going to fill those in as they come because we wanted to keep that poll on the community.

Jenna stated this is a coordinated effort, we really want to make sure that we're leveraging any of the resources that you already have. So, we have a marketing team that is on the ready, but we also want to make sure that organically we have the SWCTC that we can potentially partner with. Video and design is her background, and she'd love to help produce those. She doesn't think we need a huge video production company to come in; it goes so much further when you use some of the resources you have and just have a team that's managing that. Also, people can tell the story that it's a local company helping out on the campaign; she thinks that's huge.

Dennis stated we're limited in time today, but he thinks it boils down to what Jenna and Megan have said time and time again throughout the presentation, it's not a one-size-fits-all. It's our ability to adapt and work with our clients that drives our success. It's really building that trust within the community and making sure how we work with you is on point so that we can bring that forward and really help bring your project to life. With that, we'll open it up to questions. Thank you again for the opportunity.

Council Member Olsen asked when KA entered into this conversation about potentially being our partner on this, you mentioned the fact that we've got a long relationship with your company, so did you have any time to work with the staff on that timeline that you had displayed. Were you able to discuss key events and key times, etc.

Dennis replied not in detail with the City yet on how we see this going. He thinks sometimes you can get into it, and he and Jenna have talked about this. It's a long, drawn-out referendum campaign, and sometimes you can lose that key momentum. If you get the information out there too early, they forget about it, then you strike them again with something that went by, and what is key is we're not set on this timeline. This is a timeline from our experience of working with other cities and other public entities on their referendums. It really shows that you can get those votes with the most up to date information and that it's fresh in their minds. It's something that they just got done seeing over the course of two months prior; I was just at this park, or I remember seeing that on the City website. Did you see the Mayor's Moment? Did you see that pamphlet that just came in the monthly newsletter? All of those different things, and we time those out so that they're getting hit time and time again; it's not in an annoying way, but it's just a recurring theme that they see as they're going about their daily business here within the City.

Megan said we tried to find space with your staff and just to kind of better understand the project, but that's something that we would be doing.

Council Member Olsen stated 2024 is a big year with the presidential election, a lot of noise. For us, personally, we'll potentially have four candidates for the City Council who will be on the ballot. It's really critical that we break through in some way with that local angle, that local information to make sure that we don't get buried by other media focusing on national or even state-level elections. It's really hard sometimes to get your voice heard, especially in a presidential year. He's just curious what they think, how best to get that done.

Jenna replied she thinks the event calendar is a huge piece of it. So, if there are any park type events late in the summer that have the people or the neighborhood that you really know carry a lot of that support, we have no problem in launching the campaign at something that kind of coincides with some of those events. She also has experience in leveraging the groups of people that already kind of have a stake in the game. When we talk about information gathering and research, when you talk about adult sports and pieces like that, who are those people and who are the leaders there that we can leverage in order to get those person-to-person interactions. In her mind, there's no video we could put out there that's going to scream loud enough to be above some of the presidential noise that we're going to hear. One conversation, person to person, with somebody who maybe supports it and is just talking to their neighbor, or talking to an organization at the association at the golf course, those are the places we need to be. She thinks we just need to make those interactions. A lot of times it's actually not competing for the noise, but flying under the radar just a little bit and making sure we're having those meaningful conversations.

Council Member Khambata asked how would you combat skepticism from voters that the information that we're providing was skewed because we're the ones asking for the money.

Jenna replied you've done a survey, and she thinks there's some other pieces that she really leans into a community vision of it all. Yes, the Council is the one making

certain decisions, but it's based on research, it's based on community input. It's been several years in the making; that's going to be some top level messaging. We just want to make sure it feels like a community focus vision.

Dennis stated one thing he sees down the road is somebody is going to ask that. All of the time it's how they approach, like when you're going for a Local Option Sales Tax and the benefits that go along with that, which come here, to the community. There are folks out there who aren't well aware of how this is being funded because you've done a study with the University of Minnesota, you've already done the survey Jenna mentioned. There's a lot of good information, and how that information is formulated and sent out there will help you win.

Mayor Bailey noted Jenna stated she'd just finished up on some recent elections, and asked her how was your success rate. Jenna replied we were 6 of 6 this November.

Mayor Bailey asked if those were on the LOST elections; Jenna replied no, this November those were school board referendums that she worked on.

Mayor Bailey stated he knows they did the LOST for Hermantown and up on the Iron Range; he asked if there was anybody local in the Twin Cities.

Jenna replied not with her KA hat on, but she'd worked with the City of St. Louis Park; she doesn't believe that was a LOST specific thing, but it was like communicating their different funding mechanisms and how their ballot was changing on the way people can vote with another system. She worked through a campaign with the City of St. Louis Park on that. Locally, with her parent hat on, she's on the engagement facilities with the City of Robbinsdale right now and their potential Community Center. She's part of that in a different venue.

Council Member Thiede stated the big thing from a communication standpoint is just trying to keep negative connotations out of things. He would assume instead of using an acronym LOST, he would really focus on using the Local Option Sales Tax wording vs. using LOST.

Jenna replied yes, we have to really pay attention to those acronyms that people don't know. If you don't pay attention, you don't know what that means; so, we have to really figure out a way of knowing your residents, what really matters to them, and word it that way. We didn't use that acronym in any of the campaigns. We want to let them know which of their purchases would actually be part of that sales tax increase; we want to make sure they understand that.

Mayor Bailey asked Council if there were any other questions, but there were not. He thanked KA for coming here tonight and KA staff thanked the Council.

Council Member Olsen confirmed that staff was just looking for guidance tonight, and Administrator Levitt replied yes because we need to sign a contract. Significant discussion followed:

Council Member Thiede stated as he looks at this, he sees \$38,000 and \$9,500; so, to him, if it's apples to apples, it's a no brainer.

Director Dockter spoke about the expenses:

- ICS is \$38,000, with an upfront fee of half, which would be \$19,000. If the referendum passes, they would take the remaining \$19,000 and roll that into their fee. If it fails, you would have to pay the other \$19,000, for a total of \$38,000.
- KA's proposal says \$9,500, and if the referendum passes, you hire them as the Construction Manager (CM); they waive that fee and roll it into their work and we don't pay that money upfront, which is how we did the Community Center.

He noted they both have other incidental fees, like mileage and printing costs.

Council Member Thiede stated so KA's cost is significantly less. Director Dockter replied it's \$9,500 or 0, but it's all rolled into their CM fees later.

Council Member Khambata stated their objective is to get the contract after the referendum, so he thinks we just have to look at it as the fee is an arbitrary number.

Director Dockter stated it's \$19,000 out of pocket, no matter what; with ICS, potentially \$38,000. With Kraus-Anderson, it's 0 dollars out of pocket, potentially \$9,500.

Council Member Thiede stated he guessed with the experience that KA has with us, he liked some of the things that ICS was talking about, the awareness of some of the elections and the staff, but personally he likes the experience that we've had with KA.

Council Member Olsen stated he was disappointed with KA's presentation on a couple of fronts; he likes KA, they've been a good partner for us for a long time. He was disappointed that they didn't recognize that our biggest event of the year is in June. So, they would need to start their listening work quite a bit earlier in order to be prepared to deliver information at Strawberry Fest, and then carry that through the summer. We have a lot of events here in the summer that provide opportunities to get information into people's hands in a more grassroots way. He thinks we do pretty well with that now, but he thinks that's really the key. The folks from ICS clearly had a lot of information, they did their homework and had good knowledge of the community. Recognition of the fact that there's a certain demographic that you'd probably just beat your head against the wall all day and would not be able to impact. He thought they seemed like they were just solid, really well versed on who we are, what it will take to get us over the line. They just seemed to have a depth of knowledge and experience that was missing from KA, from his perspective.

Council Member Thiede stated there's also the connection with KA in terms of associating knowledge of Cottage Grove. Council Member Olsen stated SWCTC was definitely a really great example of that.

Director Dockter stated regarding the project timelines, their project timelines are actually identical in their proposals, but we control that. They both had said we can do whatever you want, whenever you want. Their proposals are identical in terms of when they can start things, but we are just controlling them.

Administrator Levitt stated she thinks a lot of strategies of cities over the last two months was honestly to not build opposition; if you can get your message out there, you can get the ballots.

Council Member Thiede stated he totally agreed with getting the information out as soon as possible and efficiently.

Council Member Olsen stated if you run a campaign, you know that most people don't pay attention until September. In terms of just being able to communicate the

features and benefits of the Local Option Sales Tax, he thinks there's going to be a lot of opportunities through the summer months to do that.

Council Member Thiede stated he was thinking, too, at Strawberry Fest the big thing would be talking about the different projects and so forth. Just getting an opportunity to get people's input, too, what do they think. Council Member Olsen stated you have to be prepared to do that, you have to be ready with all your materials.

Mayor Bailey stated the only thing, though, is what he thinks they're trying to do is if you do it too early, you build the opposition. So, he's assuming we should rely on what they're saying; that's why we wait until the end, so there isn't enough time for them to build the opposition, for it to take root. Council Member Olsen stated yes, take the air of their balloon, like the ICS guy said.

Mayor Bailey asked Director Dockter to refresh his memory about the referendum for the Community Center, if we used KA; Director Dockter replied correct. Mayor Bailey stated Jenna was there. Director Dockter explained she was actually working for a video production company, CafeMedia, that did interviews specifically for referendums. She had been let go, and that's when KA had hired her as their Director of Marketing.

Council Member Khambata stated his first impression of ICS, prior to seeing KA's proposal, was that he felt that they were a little bit disassociated with Cottage Grove in some respects. Just in regards to like they didn't specifically reference the three projects, and he just kind of felt like there was a generalized overtone with ICS's proposal that he didn't see with KA. Council Member Olsen had a different outlook on that regarding the timeline, but he thought from an opportunity vs. risk standpoint, KA's got a better proposal because if we don't win, we don't cut a check.

Director Dockter stated he needs to correct him on that. If we don't win, we do cut a check; if we win, we don't cut a check. It's 0 if we win, \$9,500 if we lose. Council Member Thiede stated it's still only about half of ICS.

Council Member Khambata stated but it's really outcome driven; \$10,000 at the end of the day is going to be probably equal to what we spend on media, mileage, whatever. But which one is going to get us across the finish line, who are we more confident will get us across the finish line?

Council Member Olsen stated he thinks that's the real question, if you set all the financials aside, who do you feel is going to bring what we need in order to achieve the desired outcome. That's where we really have to make the call. He asked Director Dockter if he had a preference, if he felt strongly either way.

Director Dockter replied he was really impressed with Rapp, but the ICS team didn't do much for him. As we know, Kraus has worked very closely with us, used them on the last referendum that failed, but they didn't do anything wrong. That was the best referendum we ever had, that was the closest we've ever been. With the community changing so rapidly, he doesn't know.

Council Member Olsen stated he thought Director Dockter drew a good distinction; Rapp has a certain role and ICS has a certain role. If we're talking about the primary function, which is to get it over the finish line, probably Rapp is the bigger player there.

Mayor Bailey asked if Rapp was part of ICS; Council Member Olsen replied Rapp is in partnership with ICS. So, the Rapp people are the marketing people, the ICS people are kind of the nuts and bolts people.

Director Dockter stated the approach of ICS was just very specific about everything, how to get things done.

Mayor Bailey stated he'd asked the question about who has had more success with sales tax, and he didn't know who had done Mounds View, but he was curious; that was its own issue, but they've had more success. He liked the fact that ICS worked with cities that he kind of looks at as a guide for own City; Maple Grove is an example. The only thing that pauses him is we used KA to get a referendum over the line, and they didn't get the referendum. So, if he uses that as his basis, if we did this and then a year or two later we come back and do it again, would we use KA if it didn't pass?

Council Member Olsen replied you know how he feels, he likes Rapp and ICS. He thinks they're strong candidates, but that's just him. He asked Administrator Levitt if she had a preference.

Administrator Levitt replied she's talked to a lot of City Administrators that have had Local Option Sales Tax pass, and every one of them has told her Todd Rapp was the reason they thought they got it across the line. And, so, considering she doesn't like to fail, she would have to put her eggs in the Todd Rapp bucket. She knows it's more money, but we'll add \$30+ million in sales tax. Council Member Olsen stated it's a drop in the bucket if we get the desired result. Administrator Levitt stated but we have to get it across the line; if we can't on November 5th, then we've done this for nothing. When you think about the years of surveying and the years of developing plans, all the different options, our fight at the Capitol last year, that like took us to the very end; we're given this one chance because there is a moratorium on Local Option Sales Taxes. So, our window to achieve success is this one chance. She would suggest you use your one chance as wisely as possible.

Mayor Bailey stated he'll share one other thing that he saw in the differences between the two. Yes, KA knows us, they do buildings for us, they've done things for us, they do all the buzz words, they showed the pictures of the Dunes, etc. They also used the same things that we're already doing; let's do the Mayor's Moment and do the Council Updates. What he actually liked about the Rapp group is they say quick, 30-second spots, maybe multiple; he's hearing from KA let's just do what we did, at least on that piece of it. He'd like to try something different. Personally, he wants to go with ICS with Rapp. And if Rapp wasn't here with ICS, he'd pick Rapp.

Council Member Khambata stated he thinks Todd's insight and just how he's kind of focused on strategy, he feels a lot more confident with that. Like we don't have to be sold, with KA coming in and knowing us and knowing everything we do, he felt that KA knocked their presentation out of the park, compared to ICS. He thinks on the mechanical parts of what need to get done, and he can't speak much for ICS, but he would say his confidence lies in Todd Rapp's explanation of the strategy.

Director Dockter said in follow up, this is just for the referendum; we hire whoever we want for Construction Manager. If you feel that KA is going to be the best to deliver the construction project, you can go with KA on that. Mayor Bailey stated that's what he

means, that's where he's at; does he have any doubt that KA can build a great project for us? No, not at all. But we have history; he doesn't want to lose this referendum.

Council Member Khambata stated if you look at the costs of this entire initiative, \$10,000 one way or the other is not a big factor. Because if we don't get it, to Administrator Levitt's point, we spent the last two years of polling and strategy and research and all of those billable hours that we've racked up with staff to do that. So, it seems like the upfront cost factor doesn't play at all into this decision today.

Mayor Bailey stated the last thing he'll say and then we can vote for one or the other, the other thing he saw was, and Council Member Olsen brought it up with both of them, there are going to four or five of us on the Council that could be on the ballot. Rapp said Mayor, I need you to do this, I need Council Member Khambata to do this, I need you to do that. He got the opposite of that with KA, they mentioned weekly Mayor's Moments; the challenge we're going to have with that is once the filing's closed, he can't be on cable if he's running for reelection because that's considered a disadvantage. Having him as the spokesperson when he's up for election, he doesn't know that that's going to work.

Council Member Khambata stated however hard we work to push this message out, there are going to be people who say well, you're only doing this because you want something. Looking at the polling data from the school referendum, again Cottage Grove overwhelmingly voted against it. They all won, but if you look at where the no votes came from, they came from here. So, we have that sentiment, it's baked in for whatever reason. He thinks whatever we do, we just need to either try to diffuse that or acknowledge that upfront. He heard one comment coming out of the gate, she's like obviously, we can't win them all. He picked up on that as a communication technique; rather than waiting for us to ask, like what about the ones we didn't get, they hit it upfront, and he took note of that, and that's a pretty clever comment.

Council Member Olsen voted to hire ICS and Rapp for community relations/education services on the Local Option Sales Tax referendum; Council Member Khambata seconded the vote.

Mayor Bailey asked Council Member Thiede if he was okay with that; he replied, yes, he was impressed with their presentation, and Rapp seemed quite confident. Mayor Bailey stated he seemed to almost have a finger on the pulse. Council Member Olsen stated they had a deeper, more experienced approach.

Mayor Bailey told Administrator Levitt that Council wants to go with ICS.

15. ADJOURNMENT

Motion by Council Member Olsen, second by Council Member Thiede, to adjourn the meeting at 9:14 p.m. Motion carried: 4-0.

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