

**COTTAGE GROVE CITY COUNCIL
12800 RAVINE PARKWAY SOUTH
COTTAGE GROVE, MN 55016
COUNCIL CHAMBER - 7:00 P.M**

September 4 , 2024

1. CALL TO ORDER

The City Council of the City of Cottage Grove, Washington County, Minnesota, held a regular meeting on September 4, 2024, 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 Garza- Here; Council Member Khambata-Here; Council Member Olsen-Here; Council Member Thiede-Here.

Also present: Jennifer Levitt, City Administrator; Tammy Anderson, City Clerk; Ryan Burfeind, Public Works Director; Zac Dockter, Parks and Recreation Director; Pete Koerner, Public Safety Director; Brad Petersen, Public Safety Captain; Korine Land, City Attorney-LeVander, Gillen & Miller, PA; Brenda Malinowski, Finance Director; Schmitz, Community Development Director.

4. OPEN FORUM

Mayor Bailey opened the Open Forum.

Beth Sauder, 7119 84th Street South, said I live right there on the path of Hamlet Park. First of all, I want to say how thankful I was, as I thought the City did a great job after the storm, they did an amazing job of picking up, and I just have been really, really impressed. We have lived here in Minnesota for the last 2.5 years, here in Cottage Grove; we used to live in Wisconsin. So, I'm really enjoying Cottage Grove and so many people have had it so much worse than I did with this storm. The stories we're hearing as people are walking by on that path by our house, there are just houses and electricity and stuff. So, I have a small problem, but I kind of feel like it's really a big problem that maybe we could address as a community. We live right on the path, and along our side yard we have wires that are community wires; we don't use most of those services that are running past my house. A big tree of ours went down, it snapped the electrical, they came out and fixed that, but when we cut the tree, because it's our tree, those three wires bounced back up. They didn't break, and we still have internet service, and the internet people were really surprised. Our problem is they're only like this high off the ground, but my biggest problem is I have now devoted 4-1/2 hours of trying to find out who those wires belong to. When I called the City, they said oh, that's my responsibility. I'm like, but where do I begin? Who services Cottage Grove? As a person living next to these, I have no idea who owns those wires, and that was my job to figure that out. And the only way I've been able to piece some of it together and I'm not even done was the gentlemen that have come out from Xfinity and obviously the electric company, otherwise people wouldn't have power. But I still have 2 cables that now when I walk through my yard will take me out. I don't know whose those are, and I'm left to figure out who those belong to. I have kind of it pieced together with what these gentlemen have said, but I have spent 4 hours on hold or with people online trying to track down who belongs to these wires.

Council Member Olsen said that sounds so frustrating. Beth said and when they told me it was my responsibility, I was like.

Mayor Bailey said no, I think we'll be able to help you with that. I'm going to turn it over really quick to our City Administrator, Jennifer Levitt, because you're not the first one that we've had these conversations with.

Beth said oh, good, so it's on your list that it's happening. That's what I wanted to make sure of. I've been on hold today, I got transferred from a company I thought maybe was them; after I waited 55 minutes and then we got through all this, after another 20 minutes, I was sent to an insurance company because they thought I wanted to file an insurance claim. So, anyway, I just thought it might help other people because we have wires everywhere.

Council Member Olsen said I'm glad you came.

Mayor Bailey said I'm going to let Administrator Levitt speak, thank you for letting us know. We have your information now, so we can obviously work with you on that.

Administrator Levitt said we appreciate the resident bringing that to our attention. Those private utilities are sometimes a difficult thing to sort out, so we would be happy to look into that with our private utility contacts to see if we can find the entity responsible for those. So, when residents do have those challenges, sometimes if you have a provider, it's easy to look at a bill and know who it is; in this case, it's clearly not directly related to that. So, we will hunt down that private utility and get that addressed. So, if other residents have those issues, it's helpful for us to know where they're at specifically, so we can work with the private utilities and we can take care of that.

Mayor Bailey asked Administrator Levitt do you want them to call Public Works or do you want them to call City Hall? Administrator Levitt replied to Public Works.

Beth said and that's where I started. Mayor Bailey said okay, well, we'll help with that going forward. Beth said and it's policy and not everybody knows the policy. I appreciate you guys helping.

Council Member Olsen said thanks for bringing it forward, and rest assured, you're not the only one, we've heard from several. Mayor Bailey said after this storm, yes.

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

5. ADOPTION OF AGENDA

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

6. PRESENTATIONS

A. Hispanic Heritage Month

Staff Recommendation: Receive the Hispanic Heritage Month Proclamation.

Mayor Bailey said I asked Council Member Thiede if he would like to read the proclamation for Hispanic Heritage Month, and then we'll look for a motion and a second to approve.

Council Member Thiede read aloud the Hispanic Heritage Month Proclamation.

Motion by Council Member Thiede to proclaim September 15-October 15, 2024, as Hispanic Heritage Month; second by Council Member Olsen. Motion carried: 5-0.

B. Cottage Grove Food Truck Festival and Dowdle Updates

Staff Recommendation: Receive the Cottage Grove Food Truck Festival and Dowdle Updates.

Mayor Bailey said there are two exciting events coming up here on the same day, the Cottage Grove Food Truck Festival, and the Dowdle Puzzle event. We'll start with Gretchen Larson, our Economic Development Director, will first talk to us about the Dowdle Puzzle update.

Director Larson said I'm happy to be here tonight. We're going to talk first about the Dowdle Unveiling and then I'm going to turn it over to my colleague, Jaime Mann, who will tell you about the Food Truck Festival. Staff will stand by for questions at the end.

The Dowdle Unveiling Event is going to take place on Saturday, September 14, at Cottage Grove Middle School. The doors will open at 8:00 a.m. to the special guests who will be speaking in the program and the media. Then the doors will open to all the guests at 8:30 a.m., and the attendees will be welcomed by the Park High School marching band and then the Park High School choir will sing the National Anthem. We have some copies on the screen of some marketing efforts behind the unveiling.

Next, the puzzles that are a part of the program will be for sale at Cottage Grove Middle School until about 11:00 a.m., so the program will end at about 10:00-10:15 a.m., and then puzzles will be for sale in the lobby. We have 500-piece puzzles at \$28, 1000-piece puzzles at \$30, and that includes tax. After the unveiling, the artist, Eric Dowdle, will proceed to the Food Truck Festival.

As a part of the marketing efforts, the Communications team had a children's coloring contest, and that insert was included in the August *Cottage Grove Reports*; as of today, which was the deadline, we have 57 entries. It was super cute to see all the little kids coming in holding their pictures. Eric will present the top five finalists with a City medallion, and that will be on the stage at the Food Truck Festival at 12 noon. As another part of the marketing effort, there's going to be a 7-foot-tall coloring activity of the actual black and white rendering of the painting; it's a fun, interactive activity for the Food Truck Festival attendees and a way to just potentially draw more people to the booth while Eric is still there.

Director Larson said with that, I'll turn it over to Jaime. Mayor Bailey thanked Director Larson and welcomed Jaime.

Jaime said I am pleased to be here tonight to present information on our second annual *Discover Cottage Grove* Food Truck Festival. The event this year takes place again at Kingston Park on Saturday, September 14, and it will run from 11:00 a.m. to 7:00 p.m.; we added an extra hour onto the end of the event time because we heard from vendors last year that we missed an hour of dinner-rush time, so we accommodated their request this year.

This year we have a lot of familiar things happening and then a couple new things that we've added as well, including the Dowdle Puzzle sales.

So, starting with food trucks: Our goal this year is 40 food trucks. Right now, I have 35 confirmed food trucks, which means their payment is in, all their paperwork is done; I have 5 that are at some point in the paperwork process, so we have hit our 40. Depending on spacing, I also have 6 on a wait list as well, so we may be able to add just a few more food trucks to the list. We will have a full house of food trucks this year, and everybody coming are displayed on the screen. They're also updated on our Facebook Event, so we've tagged them all on a post in our Facebook Event, so their followers will see that they're part of the event as well.

This year we also pushed sponsorships a great deal more than last year; we have 11 total sponsors this year, which is fantastic. The sponsorships help cover some of the costs of the event, like the bounce houses, the Porta Potties, the tents, and Facebook advertising, etc. So, we have a great lineup of sponsors this year, and they will be on signage throughout the event, depending on what level they are; we also have shirts that the volunteers are going to be wearing that have the gold and platinum sponsors on them.

New this year we're adding a marketplace, so our goal was 10 vendors because we weren't quite sure of how much interest we'd have. Right now, we are at 10, but those are just confirmed, meaning they've paid their fee, they've done all their paperwork; we have another 4 in the process of finishing their paperwork or we're waiting on their payment, so in the next 10 days they have time to get that into us. We're hoping to end with about 14 vendors, which will be right along the path that goes from where the Food Truck Festival is to the north parking lot, like where Strawberry Fest holds theirs.

Also, this year, we have some great entertainment for guests that are visiting the event: We have kids' activities, so we'll have a couple bounce houses, which will be staffed by a few Recreation staff members. Strawberry Fest ambassadors are going to be there again this year, from 11:00 a.m. to 4:00 p.m., but they are hosting carnival games for kids again this year. We also have some great live music: Basic and Boring is opening the day for us; when they take a break at noon, Eric Dowdle will be up on stage for the coloring contest finalists. Liv McNair will come on at 3:30 and kind of open for Hailey James, as she's one

of Hailey's friends, and then Hailey James is our headliner for the event; we're excited that she's joining us this year. We will also have the Beer Gardens, as the Cottage Grove Lions Club is hosting that again for us this year and we're glad they're back. We're able to extend our beer gardens out into the grass a little bit; the Parks team is going to kind of snow fence off a larger area of the grass so people can take their beer, go sit in the grass, and listen to the music. So, we're excited that we get a little more space for people to kind of mingle this year. *Discover Cottage Grove* will have a booth, like we did last year, and we'll be staffing that from 10:30 a.m. to 7:00 p.m. On the screen, you can see the shirts that our volunteers will be wearing and, on the back, the sponsors will be listed. Come join our booth, visit us, talk to people as they come up and see us, and we'd like to invite you to stop by the booth. Jaime said with that, Gretchen and I would be happy to stand for any questions that you might have.

Mayor Bailey said first, I'll say in both cases it's kind of cool. We're going to start off with this unveiling, and you had a little teaser on the side there on the one poster, the one sign, that shows what the puzzle looks like, and all the history of Cottage Grove, which is amazing, and the connections to the community that go way back, including up to current days. So, that's been fun to kind of go through that, and Council along with staff have been having a great time figuring out what should and shouldn't be in the puzzle and how do you fit everything. He did an amazing job of putting it all together, you can tell he's an expert at doing this with the other communities.

With the Food Truck Festival, that's an amazing job, up to 40 food trucks; last year, there were long lines at the food trucks, and it was a gorgeous day, so we'll keep our fingers crossed on that. This is almost like a Strawberry Fest, but just a one-day event in Cottage Grove. So, I'll tell the public, come and enjoy it, check out the puzzle, if you want, buy a puzzle, they make great gifts. Then go over and check out all the food trucks that you're going to have and the vendors and great music, grab a drink if you want at the Lions' Beer Garden. So, I'm looking forward to this amazing event in just a couple weeks.

Mayor Bailey asked if Council would like to make any comments:

Council Member Olsen said really all I want to say to Gretchen and Jaime and the team behind them is a hearty thank you. I don't think the public really knows how much time, energy, and effort have gone into coordinating these events. The Dowdle Puzzle Event, in and of itself, is a really big event, and then to find a combination with the Food Truck Festival and create that synergy that was a heavy lift; it's not like you have 1,000 people around you to help you out. So, I just want to thank you. I know how much all of you have been working on this for months and months and months. With the Food Truck Festival, Jaime has absolutely been the tip of the spear on that and every day it seems like she's really working on making sure that that event is as awesome as we all want it to be. So, I'll look to Council Member Thiede to make sure that we get a good weather prediction, like he does for Strawberry Fest each year, as we really hope we have a good weather day. Our Cottage Grove Lions Club, of which I'm the president, is so proud to be associated with the Food Truck Festival, and we're so eager to see how this year is different from last year. With year two, you take all those learnings from year one, and you try to apply those. I'll tell you what, I was at the One Family Festival over the weekend at Kingston Park, and Council Member Garza and Council Member Khambata were there as well, and they had 28 food trucks and it looked big, so 40? Wow! That is going to be just unbelievable. So, I hope people come in droves and I hope they come hungry, and thank you very much for all that you've done to put this together. It's going to be a special day.

Council Member Thiede said just out of curiosity, I don't know if I saw anything, in terms of parking and things like that, we're going to kind of promote the school lots and so forth for parking; obviously, the north lot is going to have a carnival there, so is that open for parking?

Jaime replied we're blocking off the north parking lot for vendors and volunteers this year; so, it will be closed, similar to Strawberry Festival. We will have the streets, and we're going to do some additional handicap parking in the west lot so those needing accessibility can have that along the sidewalk. We do have the elementary school parking lot as well. Council Member Thiede said all right, good, thank you.

Mayor Bailey said awesome, thank you both.

7. CONSENT AGENDA

- A. Approve the July 10, 2024, City Council Special Meeting Minutes.

- B. Approve the July 24, 2024, City Council Special Meeting Minutes.
- C. Approve the July 31, 2024, City Council Special Meeting Minutes.
- D. Approve the cancellation of the September 18, 2024, City Council Meeting.
- E. Authorize issuance of a temporary intoxicating liquor license to Spiral Brewery, LLC, for “the Zywiec’s Garden Centers Haunting Experience,” located at 10900 East Point Douglas Road South on October 18-19, 2024, and October 25-26, 2024.
- F. Authorize issuance of a single occasion gambling permit to Laurie Levine on behalf of the Cottage Grove Area Chamber of Commerce to conduct a raffle at 8617 West Point Douglas Road South, #150, on December 11, 2024.
- G. It is recommended to not approve the Massage Therapy License application for Yunfang Wang to operate as a massage therapist at Summer Spa in Cottage Grove, given the applicant does not meet the requirements outlined in City Ordinance 3-7-3, which states applicants must graduate from an accredited school recognized by the United States Department of Education and/or pass the MBLEx exam.
- H. Authorize the Wellness Committee, on behalf of City staff, to apply for the Washington County Worksite Wellness Grant through the Statewide Health Improvement Partnership (SHIP).
- I. Approve the issuance of rental licenses to the properties listed in the attached table.
- J. Approve the 2025-2026 labor contract with the Sergeants union. All wage and benefit costs have been budgeted for the 2025 budget.
- K. Approve the AuthX software agreement as reviewed by the City Attorney and authorize the 3-year Software agreement, payable annually.
- L. Staff recommends the approval of the CJN Agreement as reviewed by the City Attorney and the Subscription for the eBriefing application.
- M. Adopt Resolution 2024-128 approving the plans and specifications and authorizing bidding for the
Low Zone Water Tower Project.
- N. Approve the utility occupancy license with the Soo Line Railroad Company, DBA Canadian Pacific, with minor modifications by the City Attorney.
- O. Authorize staff to order a vac truck for an amount not to exceed \$700,000.
- P. 1) Adopt Resolution 2024-124 approving the PCiRoads, LLC, Proposal for the MMA Flood Sealing of Ravine Parkway Bridge project in the not-to-exceed amount of \$18,313.20. 2) Authorize the appropriate officials to sign all necessary documents to effectuate this project.
- Q. Adopt Resolution 2024-126 approving the plans and specifications and authorizing bidding for the Jamaica Avenue Trunk Storm Sewer Realignment Project.
- R. Adopt Resolution 2024-125 awarding the 2025 Pavement Management-Televising and Cleaning Project to the accepted quote supplied by American Environmental in the amount of \$43,612.25, and the appropriate officials are hereby authorized to sign all necessary documents to effectuate these actions.
- S. Adopt Resolution 2024-123 approving the minor subdivision subdividing a 6.45-acre parcel of land (PIN 2302721120005) into one 3.10-acre parcel and one 3.35-acre parcel and a variance to the minimum front width of a new parcel.
- T. Authorize the Mayor and City Clerk to sign the Land Surveyor’s Certificate of Plat Correction for Glacial Valley Estates 2nd Addition.
- U. Authorize the Mayor and City Clerk to sign the Land Surveyor’s Certificate of Plat Correction for Summer Valley.
- V. Approve the hiring of Phil Jents as Communications Manager at Grade 21, Step 1 (\$110,094.00) of the Non-represented Pay Plan.
- W. Approve the Tobacco Application for Cottage Grove Vape, LLC, located at 8599 West Point Douglas Road, Suite 200, Cottage Grove, Minnesota.
- X. Adopt Resolution 2024-131 approving the modified referendum questions on the November 5, 2024, ballot to impose a Local Option Sales Tax for Hamlet Park, Mississippi Dunes Park, and River Oaks Golf Course and Event Center.

None of the Council Members wished to pull any Items on the Consent Agenda for further discussion and/or approval.

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

8. APPROVE DISBURSEMENTS

- A. Approve disbursements for the period of 8-16-2024 through 8-29-2024 in the amount of \$4,861,232.59.

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

9. PUBLIC HEARINGS - None.

10. BID AWARDS - None.

11. REGULAR AGENDA

- A. Adopt Preliminary Property Tax Levy
Staff Recommendation: Adopt Resolution 2024-127, Adopting the Proposed Preliminary 2024 Property Tax Levy, collectible in 2025.

Mayor Bailey said Brenda Malinowski, our Finance Director, will walk us through this; we've been working on this since January, and we've finally got to the end here, so you can walk us through the proposal as it is.

Director Malinowski stated Mayor and City Council, as the mayor had alluded to, yes, we have been working on our budget and the Preliminary Property Tax Levy that's in front of you this evening. We started in January, so Quarter 1, so on the screen is that calendar that we've been utilizing throughout the year. In Quarter 2, Council gave direction to City staff on budget direction; we took that back to our budget teams, and they prepared budget requests based on that direction. So, my thanks to City Council on all the hard work and effort that you have done throughout the year on this budget process, and thank you to our Department Directors, too, and all the City staff behind the scenes that is working on the budget throughout the year. In Quarter 3, we did three budget workshops, two in July, one just last week, where you looked at every Budget Request, the impacts to the Property Tax Levy, and the impacts to our community on those requests, on those needs. So, here we are tonight, on September 4, asking you to consider adoption of the Preliminary Property Tax Levy. It doesn't stop tonight, though, as you can see on the screen. So, we will certify that to the County and will continue through the process until we come back to you in December for that Final Property Tax Levy adoption.

Action Tonight

Adopt a Preliminary Property Tax Levy for the City of Cottage Grove. Preliminary Levy will be certified to Washington County. Washington County will take our Preliminary Property Tax Levy and the Preliminary Property Tax Levy of the other taxing jurisdictions that are in our community, the School District and the County, and they will prepare individual Property Tax Notices. They will mail those to each taxpayer here in our community, and they will then know based on this Preliminary Property Tax Levy the amount they'll pay in property taxes in 2025. Also in that notice, they will receive notice of when each taxing jurisdiction, including the City of Cottage Grove, will hold a Public Meeting to discuss the budget and the Property Tax Levy. Here in Cottage Grove, we'll do that on December 4, at 7:00 p.m., right here in City Council Chambers. At that same time, City Council will adopt the Final Property Tax Levy. Something to remember for tonight: You're setting your maximum levy. When we come in front of you in December, we

cannot increase the amount of the Property Tax Levy that you adopt tonight; so, your maximum Property Tax Levy is what you're setting tonight. You can come in lower in December, but you can't increase it.

Accomplishments as part of this Budget Process and this Property Tax Levy

- Continues to provide that same exceptional level of City services that we provide to our community.
- Demonstrates stewardship of capital assets by including the replacement of capital equipment and city infrastructure that have been identified in the Financial Management Plan (FMP) and Capital Improvement Plan (CIP).
- Maintains the distinction to be an employer of choice.
- Provides managed growth in staffing positions needed for our growing community by including new positions in the 2025 budget.
- Meets the Debt Service Requirements for all existing debt by funding these requirements with the Property Tax Levy; that's important for our AAA Bond Rating.
- Established HRA Levy for the first time to provide funds for housing and redevelopment; it will say Cottage Grove HRA for transparency.
- Maintains Fund Balance Target of General Fund; our Fund Balance Policy for our General Fund states that at the end of the year we'll have 45%-55% of Assigned Fund Balance at year end of our next year's budget. The reason for that percentage basis at year end is we don't receive our first Property Tax settlement until July; so, we are paying bills for the first 6 months of the year without that inflow of cash until July so we need that buffer until we get that payment.

Property Tax Levy Details

Property Tax Levy details are shown on the screen:

1. General Fund Levy-Our chief operating budget for the City, funds Police services, Fire services, Public Works services, and Parks and Recreation amenities. When we provide those services to the community, we're not giving them a bill, but we need to generate money to provide those services so we do that through property taxes.
2. Equipment Levy-We're funding our squad replacement, our Public Works equipment, our Parks equipment, and our Fire equipment.
3. Municipal Building-We have an internal loan here on this City Hall-Public Safety building; when it was built in 2012, we borrowed money from our Sewer Operating Fund and some of our other operating funds, and so with this levy, we're paying that money back to our Sewer Operating Fund.
4. EDA Levy-As you can see, that's 50% of last year's levy. We're doing just 50% because we're dropping half of it down below our City levy and calling that the HRA Levy.
5. Debt Levy-To pay our principal and interest payments that are due on the debt that we've issued in the past.

In total, our City Property Tax Levy that we're asking for your consideration tonight is \$25,990,500, an increase of 12.39%. Then we add on that HRA Levy; the EDA has HRA Levy powers here at the City, so they've already adopted that preliminary levy, and they will hold a meeting on December 3 to adopt that Final Levy for that HRA Levy. So, the combined levies are \$26,128,000, an increase of 12.98%.

Director Malinowski said to put that in perspective on an individual home, we need to know what our City Property Tax Rate is; our City Property Tax Rate is comprised of two components, the first is our Property Tax Levy and the second is our Tax Capacity. Here in Cottage Grove our Tax Capacity is a near level increase from 2024; if we were to look at a community that was fully developed, we would see that those communities actually decreased in Tax Capacity by about 3% because our existing properties dropped about 3%. We had growth from new construction, so we're just under $\frac{3}{4}$ of a percent increase between 2024 and 2025. From those two components, the Property Tax Levy and the Tax Capacity, we get our City Property Tax Rate: For 2025, we're looking at 37.213%, pretty consistent with what we saw in 2021 and 2022.

City Property Tax on a Median Home

We looked at that median home to see what the impact of our Property Tax Levy is, so a median home in Cottage Grove has a value of \$352,500. Last year, the property value was about \$363,000, so it decreased about 2.89%. Based on that City Property Tax Rate, they will pay \$1,257 in City Property

Taxes for 2025; that's about a \$77 increase. We did a FMP at the beginning of 2023 to look at all the operating costs needed in the City for the next 10 years: Our Equipment Replacement needs, funding our Pavement Management program, funding our Street Reconstruction program. We put all those into our spreadsheet analysis, and we need about a \$100 tax increase per year to fund all those services that are needed in our community so the \$77 is below what was identified in our FMP, so we're within the parameters of that plan.

Knowing that not all properties in Cottage Grove act the same as the median home, some will increase in value and some will decrease in value from year to year; the City Tax Rate still stays the same, so they'll have different impacts. So, we track four properties in the City; if we look at the average increase on these four properties and the median home, we're at about an average of \$112. City Council, I also want to reflect back when we started the process back in July, that median home we thought would have to increase by about \$108 for 2025 and that increase is now down to \$77.

What Do My City Taxes Pay For?

On that median home, they're paying \$1,257 in City Property Tax annually; if they were to make a payment to the City on a monthly basis, much like they do their utility or cable bill, they would send us a check for \$104.75. We would then allocate it to our different departments:

Public Safety -	\$ 45.05
Public Works -	\$ 14.73
General Government -	\$ 13.65
Parks & Recreation -	\$ 10.90
Community Development -	\$ 1.46
Debt Service -	\$ 15.49
Capital Equipment -	\$ 1.29
EDA -	\$.56
HRA -	\$.56
Budget Contingency -	\$ 1.06
TOTAL	\$104.75

That \$1,257 on the median home, we like to know how we compare to other communities, especially in Washington County. So, while we do not have their 2025 Preliminary Property Tax Levies at this point, we know how we compared in 2024. In 2024, we were second lowest on that median home, \$1,177. So, at \$1,257, we still would be second from the bottom in City property taxes. I will caution you that is based on all these other cities having a 0% Property Tax increase and a 0% Tax Capacity Increase for 2025. We know that will not be the case and so we feel that we will compare favorably once again. Director Malinowski said with that, I will take any questions from City Council.

Mayor Bailey thanked Brenda and staff, as it's been a long road to get to this point. First of all, I'll open it up to Council; are there any questions or comments that you'd like to make at this point to Brenda or staff.

Council Member Olsen said thank you, Brenda and staff. As the mayor said, this was a very arduous and detailed process, as it is every year, but I want to compliment all the hard work on behalf of the Department Heads and obviously our City Administrator in putting together such a strong budget. I think that it is extremely well balanced with respect to continuing to provide the high level of City services that our residents have come to expect while also make various investments in infrastructure, including trucks, squad cars, and all of the various things that our team needs in order to do the job well. I want to talk for a minute about the storm that just happened. Of course, we had kind of a double whammy; we had a Tuesday storm and then just when people were getting their power back on, we had a Thursday storm. If you've taken any time to look at some pictures or drive around town, that Thursday storm was a humdinger, it was tough. When I think about a budget, I think about what are my values with respect to what our property owners, including me because I pay taxes, too, what do they deserve when we have an event like that? What they deserve is a community that is staffed appropriately, that has all of the right equipment, all of the right training and knowledge to be able to address residential concerns in a very quick manner and a very effective manner. And I've heard so many compliments from residents since last week about how fast we responded, and that includes the evening of the storm; actually, having the EOC

set up here, all of the calls coming into 911, having I think it was close to 200 calls that our people had to address. None of that happens unless you plan for it, and that's how we budget here in the City of Cottage Grove is we plan to make sure that we are good guardians of the public trust, which I think is reflected in the second lowest tax levy per capita in Washington County; that's kind of where we've sat for a long time. So, definitely great value to the residents but also just an unbelievable level of service. I can't say thank you enough for the guidance that you all give us during the course of a budget conversation with regard to hey, we have a truck that probably isn't going to make it another year, we've maintained it for 15 years, we need to think about replacement. Looking ahead like that is what provides us that opportunity to respond in very short order when we have events like we had last week. You also mentioned the FMP; we've stuck to that thing, and the \$77 vs. the \$100 estimate that we were trying to live within, that is one of the reasons we're a AAA Bond-rated City. Cities of our size generally are not that but we are and it's because, again, we have a plan, we stick to the plan, we're very judicious when it comes to public funds; but we make certain that the things that need to be funded properly and you saw on your if everybody wrote a check slide what it costs to provide Public Safety services, Public Works services, etc. You never want to skimp on those core functions of government, and obviously the bond houses think that we're doing well. So, all in all, wonderful job this year. It's never easy, it won't be easy the next time, it wasn't easy last year, but I think we've done a really good job of kind of balancing out what our needs were and what we're looking at moving into the future as well.

Council Member Garza said I just want to say thank you, thank you to all of our staff. I appreciate all of the explanation, just making sure that I understand our budget and how all of the pieces of the pie work together. I really appreciate you taking the time so that I could really have an understanding of how things really work in our City. I'm very, very impressed with our City to tell you being on this side of everything and learning all the things that I have, our City works really hard for our community and they work really hard to make sure that we have a beautiful place to live in. So, I just really want to say thank you all so much; it's been an amazing experience, and I'm so excited to learn more.

Council Member Thiede said everybody loves me at budget time because my dad raised me to be pretty frugal, and sometimes the thing is trying to keep the services up and also the costs down; because it seems like we all say, well, it only went up a little bit but then if you add 10 things that go up a little bit, then that becomes a bigger bit. So, again, I would just like to commend all of the employees in the City, especially the management who worked together. If you ever sat in on some of the budget meetings, we have some pretty good discussions at times, but everybody works together, there's give and take. I think we should maybe send some of our videos up to maybe the State or Federal level and show people, even though we have some differing opinions on things, how we do work together and make the best of whatever decisions are made and things of that nature. Again, thanks for everything you guys do, and we really do have a nice community. And, well, I'd always like things to be a lower cost, but we kind of took fine-toothed combs through it and tried to control it as much as possible. One thing that Council Member Olsen said in terms of the AAA Bond Rating and so forth, that is very important for any type of debt costs, and they really do look at how much, some of the changes, and how those finances are controlled. Again, it's not just being low and then being higher and lower, or low all the time, it's that steadiness and a sure sign that yes, we are looking at things, we're managing things; Brenda and her team and everybody does a fantastic job with that.

Council Member Khambata said I want to commend our different Department Heads on bringing forth to us the list of things they could do without; I know it's hard for them to choose their baby, but that's part of our process is figuring out what we can postpone or what we can prolong the service life of in order to make our budget work. So, as Brenda had said, we've been working on this since January, and there's been some sacrifices, so thank you to all of our staff.

Mayor Bailey said and as I mentioned earlier, thank you, Brenda and your team and Jennifer and everybody else for all the conversations. By the way, also thank you for the updated list that you gave us of how other cities are looking out there, the ones that we know of, that are already going through the process of the Preliminary Property Tax Levies that they're looking at; there definitely are some much higher than ours, and there are some lower than ours, too, but what we try to do, like we said, is to maintain a standard of service and process within our community that I think our community and our residents have come to enjoy. Yes, as we all know, we could look at certain things to reduce the cost; however, maybe we don't plow as quickly or there's different things out there that we have become

accustomed to in our community. At least from my standpoint, and I think the Council too, and staff when we talked about some of these different options that happen, it's like no; we're known for these things in our community, people count on the fact that when they get up in the morning, their streets are plowed, or the roads are getting done. Or if they call 911 when an emergency is happening in our community, that somebody is there. I just wanted to again thank you and everyone for providing that level of service that you have and obviously letting us continue to be one of the best cities out there in the State of Minnesota, frankly.

Council Member Khambata made a motion to Adopt Resolution 2024-127, Adopting the Proposed Preliminary 2024 Property Tax Levy, Collectible in 2025, in the amount of \$25,990,500: second by Council Member Olsen. Motion carried: 5-0.

12. COUNCIL COMMENTS AND REQUESTS

Council Member Khambata said Justin already touched on this, but after the last of last week's storms, I have to give a sincere job well done to our Fire and Public Safety crews and especially our Public Works crews with clearing the downed trees, the debris, and making sure that Fire and EMS could get where they needed to go. Most importantly and most thankfully, no serious injuries from either of those storms. They all deserve a job well done.

Mayor Bailey said thank you, I agree with you wholeheartedly. I'll have a statement to make here in a little bit.

Council Member Olsen said I will wait for the mayor's statement with regard to the storm cleanup, but I don't think we can say thank you enough.

A couple things I just wanted to mention, earlier I talked about the One Family Festival that took place this past weekend at Kingston Park; it was packed, it was more than packed. Luckily, I have a friend who lives near the park, and I could park in their driveway because there was nowhere to park, streets were full, schools were full, parking lots were full, and of course it was a wonderful event. I don't know the exact attendance, but I will tell you that it felt very Strawberry Fest-like, and certainly we love to have that festival in our community twice a year, on Memorial Day and Labor Day. So, kudos to my friend, John Yang, for organizing another great festival, and thank you to Zac and his team for making sure the park was in absolutely pristine condition, it was awesome. They use all those fields, and as we were walking around, we were hearing compliments about what a beautiful park and how well maintained; it really was something to be admired, so please make sure your team knows that because I know it takes a lot of work. The cool thing about that One Family Festival is it really is a way for our Hmong community to gain some exposure. One of the things we talked about when we were visiting that event was how the population of people of color here in the City of Cottage Grove since I started as a City Council Member, since Myron started as the Mayor, has virtually doubled; we're well over 20% now of our population that are people of color. Events like this that we feature, that this is a welcoming community for everybody, and that we want everyone to be able to enjoy the services that we provide, the beautiful parks, and all the rest of it. I think that speaks volumes about the kind of community that we are, so it was very neat to see that.

I also just want to take a second and thank all the teachers and the staff and the bus drivers and custodians and administration, everybody else associated with back to school. Most of the kids went back yesterday, I know a few went back today. Those teachers and everybody else have been hard at it for a couple weeks or more to make sure that the school was ready and that it was a welcoming experience. They deserve a lot of credit for putting in the time, energy, and effort, especially when a lot of people are trying to take that last vacation of the summer, and they're in school working. I know that the kickoff to the school year is always an exciting time, so I'm very grateful for everybody, bus drivers, etc., who made it a great day for our kids, either yesterday or today.

Council Member Thiede said I was just going to mention that school is back in session, and everybody be careful out there on the roads and drive with sanity and so forth and watch out so that we have another successful school year.

Council Member Garza said I just wanted to piggyback on what Council Member Olsen had mentioned about the One Family Festival; it was an amazing experience, there were thousands of people there. What was most intriguing or interesting to me is when I spoke with the coordinator or the organizer of it, I asked if he was a resident of Cottage Grove, and he's not; he had visited our park and thought it was so beautiful and it was so well maintained that they thought it was an ideal space for them to host this event. So, I thought that was really impressive for them to not to be from our community, but they chose that park.

Council Member Khambata said that's very cool.

Mayor Bailey said I have a few things for the public, but first I want to read a statement of appreciation: First of all, just for the public, you're already aware, but last Thursday night, during a very strong thunderstorm, the City of Cottage Grove experienced a significant downburst of surface winds that caused widespread damage; numerous trees were uprooted or snapped, and many were blocking roads, along with downed power lines. We had several homes that were damaged in our community, over 12, actually. Thankfully, and I mean that sincerely, thankfully no deaths or injuries occurred as a result of the storm. Our Public Safety and Public Works Departments quickly became overwhelmed with the calls for service. The decision was then made to activate our Emergency Operations Center (EOC) to coordinate the City's response to this emergency. City staff from all departments responded to work in the EOC to prioritize needs and resources and to collaborate with external partners like Xcel Energy to expedite power restoration efforts. I want to personally thank the many agencies who responded to assist Cottage Grove Public Safety with handling numerous 911 calls for police, fire, and EMS services, and for assisting Public Works with setting up barricades to protect the public from downed power lines and removing trees and limbs to clear blocked roads. I also want to mention that we did receive support from the Washington County Sheriff's Office, including their Emergency Management supervisor, and Washington County's Public Works Department. Woodbury's Police, Fire, and EMS Departments also helped us, as well as those from Newport and St. Paul Park and Lake Elmo, those Fire Departments came into our community to support what was going on that evening. In addition, Public Works has and is continuing to receive assistance from the cities of Burnsville, Eagan, Newport, and West St. Paul, all of their Public Works Departments, with debris management and cleanup efforts. So, the fact that we're getting a lot of these downed trees moved down to the boulevards or the streets, and the reason we're able to do it as quickly as we are is frankly because we're receiving this teamwork from those other cities as part of our Declaration of an Emergency, as well as mutual aid. So, when they have their unfortunate issues, we go there to help and aid those communities and those counties, and when we have our needs, they come and support us. I just also want to say we cannot overlook the importance of people helping people when emergencies like this affect our community. To all those agencies who provided us with personnel and equipment and to all the citizens of Cottage Grove who were out in their neighborhoods helping those impacted by last week's storm, I just want to give my heartfelt thank you to all of you, and I know the Council does too, I've been hearing that very clearly.

I will just share on a separate note, when I got the call from Public Works Director Ryan Burfeind, my house in Cottage Grove I think had a single branch that went down, nothing major, but Ryan called me and said we have some serious damage on the other side of the highway. So, as I'm the mayor, I hopped in my car and went over there, and frankly was blown away, no pun intended, by how bad some of the damage was. I was trying to go down streets but wasn't able to do it. There were a couple of locations, one particular home where the tree literally went through the house, and thank goodness that elderly couple was not home; I'm certain if they would have been, based on the way the tree went through that house, that they would not be with us today. But I pulled over, and along with the neighbors there, I had my 911 call ready to go because I thought if we were going to have to go into that house and find them, we were going to need help. The neighbor and I, along with other people who were stopping to run up there to make sure no one was injured, was quite remarkable. Ironically, where you live, I was just down the street from you, and I just happened to know who one person was there, the Barnharts on the corner there, and the house that had the power lines come down, just down the street from you, they were in their garage when the tree went down on their garage. Luckily, it didn't collapse the garage, but that's what I was trying to do; I wanted to get out, just like our Public Works crew, like our Parks Department, our Public Safety Department, everybody was trying to make sure that we can get in there.

Many of our employees who work at Public Works were, in essence, trapped in their neighborhoods because there were so many trees down. So, I know we were getting them to walk to a location to get on a Public Works vehicle to get to Public Works to get the equipment to start removing trees. So, just an amazing response. It's not one that we want to have to deal with, but when I walked into the EOC after doing some touring and checking on people specifically on the other side of the highway, it's a professional process; you have tried this before, you've practiced it, and it was amazing to watch our staff reacting as quickly as they did to all of the storms that happened on that Thursday. So, hats off to our citizens, hats off and thank you to all those assisting agencies who arrived to support our community; we absolutely appreciate everything that they did.

Mayor Bailey said another item is I need to mention from a legal standpoint that after the last Council Meeting we had a workshop that was closed to the public; it was a performance review check in with our City Administrator, Jennifer Levitt. It was a very good check in with no real issues or concerns; it was a great opportunity for us to share thoughts and ideas on things relative to budgeting or staff or personnel. I think Council would agree that it was a very good opportunity to go through a performance review.

Mayor Bailey said earlier, on tonight's Consent Agenda, it noted we are not going to have a second City Council meeting in September; because of that, our next meeting won't be until October. So, I wanted to point out three things that are on our calendar for the rest of the month:

- There is going to be an Open House on Tuesday, September 24, at the Cottage Grove Middle School, from 4:00 to 6:00 p.m., and that is to get feedback and communication with the public on the 80th Street-Keats Avenue future roundabout that is being proposed. If you have some feedback or want to talk through that or see what the designs look like, feel free to stop by.
- On September 16, we have a Public Safety Open House at the HERO Center. If you want to see the HERO Center, which is an amazing training facility, all the bells and whistles, all the different things that we have for our Public Safety Department, feel free to stop in; it is free and open to the public.
- On Friday, September 20, our Public Safety Board is having a golf tournament at River Oaks Golf Course. The check-in time is 7:00 a.m. If you're interested, they're looking for golfers, foursomes, but even if you don't have a foursome, if you want to come and golf, we can work to put groups together. This is a great opportunity and all the proceeds that they gain from that is going back into supporting our Police, Fire, and EMS programs. Things they've done in the past include helping us purchase our K-9s, vests, fire apparatus, equipment, etc. That's what this money will go toward. If you want to sponsor a hole or you want to golf or maybe just send a check to the Public Safety Board, feel free, but all that money goes directly back to support our Public Safety Department.

13. WORKSHOPS - OPEN TO PUBLIC - None.

14. WORKSHOPS - CLOSED TO PUBLIC - None.

15. ADJOURNMENT

Motion by Council Member Thiede, second by Council Member Khambata, to adjourn the meeting at 8:02 p.m. Motion carried: 5-0.

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