



**WORK SESSION MINUTES OF THE CITY COUNCIL
OF THE CITY OF WHITE BEAR LAKE, MINNESOTA
TUESDAY, OCTOBER 25, 2022
IMMEDIATELY FOLLOWING THE
REGULARLY SCHEDULED COUNCIL MEETING
PUBLIC SAFETY TRAINING ROOM**

Work Session Opened: 8:23 PM

In Attendance: Mayor Louismet, Councilmembers Walsh, Hughes, Jones, Edberg and Engstran. City Manager Crawford, Finance Director Kindsvater, Public Works Director/City Engineer Kauppi, and representatives from Ehlers, Kraus-Anderson and Wold.

Staff stated that bids for the Public Safety Renovation Project came in at \$17,800,000. Whereas, the project cost estimate was \$14,700,000. Kraus-Anderson (KA) shared the increase was due to general industry inflation for materials and labor uncertainty, which had doubled since the City Council approved the final project design.

The City Council discussed value engineering items and ultimately agreed the appearance of the building should not be changed and that the security fencing and automatic gates should not be delayed. It was the consensus of the Council to delay replacing roofing on the existing building (\$350,000) as well as the monument sign (\$100,000).

Staff and the City Council discussed potential earnings from interest on bond proceeds during the project as well as sales tax refunds received annually from the State during the project. It was the consensus of the City Council that the project will be paid for by issuing debt (bonds) and a minimal amount of funds will be contributed from the Community Reinvestment Fund at the end of the project. Any unused project Contingency Funds at the end of the project will be used to replace the roof and add the monument. If no Contingency Funds are available at the end of the project, the Community Reinvestment Fund may contribute funding for the roof replacement. Finally, it was agreed that the 2023 street reconstruction project would be delayed in order to keep bonding within the limits of bank qualifications (under \$10,000,000).

Costs:

Total Project Costs	\$17,801,800
Delay Monument	(\$100,000)
Delay Roof Replacement	<u>(\$350,000)</u>
Adjusted Project Costs	\$17,351,800

Funding:

2022B CIP Bonds - 20 years	(\$6,841,800)
2023A CIP Bonds - 20 years	(\$9,812,000)
Interest earned on Bond Proceeds (Est.)	(\$275,000)
Sales Tax Refund (Est.)	(\$300,000)
Community Reinvestment Fund	<u>(\$123,000)</u>
Total	\$17,351,800

Work Session Adjourned: 11:04 PM