

City of Bemidji
City Council Work Session
August 9 - 5:30 p.m.

Present: Zachman, Downs, Johnson, Erickson, Meuers, Hellquist
Absent: Lehmann
Staff: Minke, Freeberg and Murphy-Schuett

Downs called the meeting to order at 5:30 p.m. stating that the purpose of the meeting is to discuss the BSU Area Street and Utility Reconstruction Project.

Minke stated that the City has been considering this project since at least 2003 when the Council took a bus tour. There was general agreement at that time that this area needed some significant reconstruction. In addition, there is a sewer main that the City will need to install prior to the reconstruction of Paul Bunyan Drive scheduled for 2007 as it will tie into the project. No final decisions need to be made on any of the issues at this meeting but the next step is for the City Engineer to do the feasibility study where he will actually make a more detailed analysis of the specific improvements and the costs. At this point the numbers are somewhat general, plus or minus 20 percent. The feasibility study will add more accuracy.

Erickson asked if BSU is one of the driving forces behind the reconstruction? Minke replied that no, it is the condition of the streets and the need to replace utilities.

Brian Freeberg provided an overview of the project area, which includes 10th Street to 17th Street between Bemidji Avenue and Birchmont Drive. A component of the project will be to build a storm water retention or treatment prior to discharge to the lake in the area of Bangsberg Hall. Freeberg reviewed various funding sources to use in order to finance this project. BSU Neighborhood Financing Example:

Street Special Assessments @ \$35/foot	\$454,000
MSA	80,000
Water & Sewer Special Assessment	103,500
Water Utility (1 year)	102,000
Sewer Utility (1 year)	305,000
Storm Sewer Fund (2.3 year)	464,000
Liquor Store Fund (1.8 year)	<u>731,500</u>
	\$2,240,000

Erickson expressed concerns regarding use of the two years of Liquor Store dollars for financing this project. She stated that the City may need the liquor store fund if the Local Government Aid (LGA) is cut next year or another need arises. She suggested that the City consider selling parking permits for on street parking in the BSU area to generate revenue for the 2005 project.

Minke commented that the Council at a work session on August 18, 2003, discussed dedicating liquor store funds for street improvements so that if the State looks at cutting municipal liquor stores again Bemidji can show where this revenue is used. Using the Liquor Store funds would share the cost of street improvements between visitors to Bemidji and residents.

Erickson asked why G.O. Bonds are not being sold for a portion used by Liquor Store Fund? Freeberg responded that City residents through property taxes would pay the bonds.

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Erickson asked that staff look into parking permits for City streets in the BSU area. Zachman observed that enforcement of the parking permits would be a cost factor.

The consensus of the Council was to have the City Engineer prepare a feasibility study using the funding assumptions as discussed.

Adjourn

Motion by Meuers, second by Hellquist, to adjourn the meeting. Meeting adjourned at 7:05 p.m.

Respectfully submitted,

Kay Murphy-Schuett
Deputy City Clerk