

Presenter:	Jason Anderson
Meeting Date:	Tuesday, March 14, 2023
Category:	AWARD OF BIDS
Type:	ACTION
Subject:	Project SWM-002: Legion Field Stormwater Improvements Project-Phase II – 1) Consider Resolution Declaring the Official Intent of the City of Marshall, Minnesota to Reimburse Certain Expenditures from the Proceeds of Tax-Exempt Bonds or Other Obligations to be Issued by the City; 2) Consider Resolution Accepting Bid (Award Contract).
Background Information:	<p>The proposed Phase II improvements include a new pipe crossing of the railroad tracks and a ponding improvement north of the tracks and south of the Parkway Addition to manage the stormwater runoff from the developed land south of the BNSF railroad tracks. The developed industrial area south of the railroad tracks has been nearly completely covered by impervious surfacing for many years, and the development pre-dated current requirements for on-site stormwater management. This resulted in development that sheds stormwater quickly without managing the volume of stormwater runoff that is generated.</p> <p>Bids were received on March 8, 2023, for the above-referenced project. Five bids were received as shown on the attached resolution awarding contract. The apparent low bid was received from Towne & Country Excavating LLC of Garvin, Minnesota in the amount of \$703,749.60. The engineer’s estimate for this project was \$861,419.50.</p>
Fiscal Impact:	<p>The above-referenced project, or a portion thereof, may be financed by the sale of bonds with repayment coming from special assessments and Surface Water Management Utility revenues. It is required that action be authorized by City Council via the attached “Resolution Declaring the Official Intent of the City of Marshall, Minnesota to Reimburse Certain Expenditures from the Proceeds of Tax-Exempt Bonds or Other Obligations to be Issued by the City”. This resolution was received by Baker Tilly US, LLP and amounts input per the Finance Department.</p> <p>The estimated total project cost including 5% allowance for contingencies and 16% for engineering and administrative costs is \$857,167.01.</p>
Alternative/ Variations:	No alternative actions recommended.
Recommendations:	<p>Recommendation No. 1 that the Council adopt RESOLUTION NUMBER 23-XXX, which provides for Resolution Declaring the Official Intent of the City of Marshall, Minnesota to Reimburse Certain Expenditures from the Proceeds of Tax-Exempt Bonds or Other Obligations to be Issued by the City for Project SWM-002: Legion Field Stormwater Improvements Project-Phase II.</p> <p>Recommendation No. 2 that the Council adopt RESOLUTION NUMBER 23-XXX, which is the “Resolution Accepting Bid (Award Contract)” for Project SWM-002: Legion Field Stormwater Improvements Project-Phase II to Towne & Country Excavating LLC of Garvin, Minnesota in the amount of \$703,749.60.</p>

RESOLUTION NUMBER 23-_____

DECLARING THE OFFICIAL INTENT OF THE CITY OF MARSHALL, MINNESOTA TO REIMBURSE CERTAIN EXPENDITURES FROM THE PROCEEDS OF TAX-EXEMPT BONDS OR OTHER OBLIGATIONS TO BE ISSUED BY THE CITY

WHEREAS, the Internal Revenue Service has issued Treas. Reg. § 1.150-2 (the "Reimbursement Regulations") providing that proceeds of tax-exempt obligations used to reimburse prior expenditures will not be deemed spent unless certain requirements are met; and

WHEREAS, the City of Marshall, Minnesota (the "City") expects to incur certain expenditures that may be financed temporarily from sources other than tax-exempt bonds and other obligations, and reimbursed from the proceeds of tax-exempt obligations; and

WHEREAS, the City has determined to make this declaration of official intent (the "Declaration") to reimburse certain costs from proceeds of tax-exempt bonds or other obligations in accordance with the Reimbursement Regulations; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARSHALL, MINNESOTA AS FOLLOWS:

1. The City proposes to construct Legion Field Phase II improvements that will include a new pipe crossing of the railroad tracks and a ponding improvement north of the tracks and south of the Parkway Addition to manage the stormwater runoff from the developed land south of the BNSF railroad tracks (collectively, the "Project").
2. The City reasonably expects to reimburse the expenditures made for certain costs of the Project from the proceeds of tax-exempt bonds or other obligations in an estimated maximum principal amount of \$875,000. All reimbursed expenditures will be capital expenditures, costs of issuance of the bonds or other obligations, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Reimbursement Regulations.
3. This Declaration has been made not later than sixty (60) days after payment of any original expenditure to be subject to a reimbursement allocation with respect to the proceeds of tax-exempt bonds or other obligations, except for the following expenditures: (a) costs of issuance of bonds or other obligations; (b) costs in an amount not in excess of \$100,000 or five percent (5%) of the proceeds of an issue of bonds or other obligations; or (c) "preliminary expenditures" up to an amount not in excess of twenty percent (20%) of the aggregate issue price of the issue or issues that finance or are reasonably expected by the City to finance the project for which the preliminary expenditures were incurred. The term "preliminary expenditures" includes architectural, engineering, surveying, soil testing, bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction or rehabilitation of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction.
4. This Declaration is an expression of the reasonable expectations of the City based on the facts and circumstances known to the City as of the date hereof. The anticipated original expenditures for the Project and the principal amount of the tax-exempt bonds or other obligations described in paragraph 2 are consistent with the City's budgetary and financial circumstances. No sources other than proceeds of tax-exempt bonds or other obligations to be issued by the City are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the City's budget or financial policies to pay such Project expenditures.
5. This Declaration is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.

Passed and adopted by the Council this 14th day of March, 2023.

Robert J. Byrnes, Mayor

ATTEST:

Steven Anderson, City Clerk

RESOLUTION NUMBER 23-_____

RESOLUTION ACCEPTING BID (AWARD CONTRACT)

WHEREAS, pursuant to an advertisement for bids for Project SWM-002: Legion Field Stormwater Improvements Project-Phase II, bids were received, opened and tabulated according to law, and the following bids were received complying with the advertisement for bids:

Bidder	Amount
Towne & Country Excavating LLC Garvin, MN	\$703,749.60
A&C Excavating, LLC Marshall, MN	\$760,602.67
R&G Construction Co. Marshall, MN	\$847,258.17
D&G Excavating, Inc. Marshall, MN	\$867,156.55
Duininck, Inc. Prinsburg, MN	\$940,883.92

AND WHEREAS, it appears that Towne & Country Excavating LLC of Garvin, Minnesota, is the lowest responsible bidder.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MARSHALL, MINNESOTA:

1. The Mayor and City Clerk are hereby authorized and directed to enter into an agreement with Towne & Country Excavating LLC of Garvin, Minnesota in the amount of \$703,749.60 according to the plans and specifications on file in the Office of the City Clerk.

Passed and adopted by the Council this 14th day of March, 2023.

Mayor

ATTEST:

City Clerk

This Instrument Drafted by:
Jason R. Anderson, P.E.; Director of Public Works/City Engineer