



CITY OF MARSHALL AGENDA ITEM REPORT

Meeting Date:	Tuesday, July 23, 2019
Category:	NEW BUSINESS
Type:	ACTION
Subject:	Resolution in Support of Chloride Reduction in Water Discharged to the Redwood River
Background Information:	<p>The City of Marshall and Marshall Municipal Utilities have been working cooperatively in an attempt and effort to meet the National Pollutant Discharge Elimination System (NPDES) permit as issued by the Minnesota Pollution Control Agency (MPCA). The City's NPDES contains a chloride (salt) limitation which must be achieved by 2024. To achieve that limit, significant changes or upgrades need to be made to City of Marshall Wastewater Treatment Facility. Both MMU and City have retained competent consultants that have recommended and designed changes to the water utility system and to the Wastewater Treatment Facility. The City has previously passed City Council resolution No. 4430 which supports the goals of Sodium Reduction as recommended by consultants.</p> <p>MMU has applied for and has been successful in obtaining Minnesota Public Authority Point Source Implementation Grant (PSIG) in the amount of \$7M.</p> <p>City Council and MMU will proportionately share all costs of the sodium reduction project in excess of the \$7M PSIG grant. City of Marshall will pay 55.74% of costs in excess of PSIG grant. MMU will pay 44.26% of the additional costs.</p> <p>On April 9, 2019, City passed Resolution No. 4608 which committed the City to pay as its share of the estimated costs in an amount not to exceed \$2,211,000. Bids for the project were let on July 9, 2019 and two bids were received. The low responsible bid exceeded the engineer's cost estimate and it is now necessary to discuss additional finances as required from the City of Marshall as City costs will exceed the amount as authorized by Council Resolution No. 4608.</p> <p>Attached is resolution which would obligate the City to pay, as its share of costs for the project, the amount of \$2,555,953. The resolution does explain and sets forth costs for the City, for MMU, all in excess of the \$7M PSIG grant. Marshall Municipal Utilities Commission has accepted the bid and has authorized award of the contract, subject to the City Council approval of its share of costs in the amount of \$2,555.953.</p> <p>Staff recommends approval of the attached resolution. MMU Water Superintendent Jeff Larson and MMU General Manager Brad Roos will be present at the July 23 Council meeting to discuss the project and it's financing.</p>
Fiscal Impact:	Increase in City obligation from \$2,211,000 to \$2,555,953.
Alternative/ Variations:	None recommended.
Recommendations:	Approve Resolution No. ____, Second Series, in Support of Chloride Reduction in Water Discharged to the Redwood River