

**CITY OF MARSHALL**  
**AGENDA ITEM REPORT**

<b>Meeting Date:</b>	Tuesday, April 13, 2021
<b>Category:</b>	AWARD OF BIDS
<b>Type:</b>	ACTION
<b>Subject:</b>	Project Z88: 2021 State Aid Overlay Project – Consider Resolution Accepting Bid (Awarding Contract).
<b>Background Information:</b>	<p>The Municipal State Aid Street (MSAS) program provides funding to assist municipalities with the construction and maintenance of community-interest streets on their state aid systems. The program is administered by MnDOT’s State Aid for Local Transportation (SALT). A street may be designated as a MSAS route if it is projected to carry a relatively heavier traffic volume or is functionally classified as a collector or arterial, if it is connected points of major interest, and if it provides an integrated and coordinated highway and street system.</p> <p>The City of Marshall receives an annual allotment of funds for our designated MSAS network. In calendar year 2019, we received \$794,804. In 2020, we received \$865,128. In 2021, we will receive \$787,027; the reduction is a direct result of the impacts of COVID-19 on transportation revenues. As discussed at the 2-23-2021 worksession, our current account balance is “advanced” by roughly \$2,887,000.</p> <p>To improve the current condition on a number of MSAS routes while also paying back our ‘advances’ with our annual allotment, City engineering staff is proposing to issue local bonds for this surfacing project with the intent to make bond payments with future MSAS Advances. City engineering staff has reviewed this proposal with SALT and we have their approval to execute this plan. Issuing local bonds and making bond payments with MSAS advances allows the city to slowly improve our MSAS account balance while also making improvements to our MSAS routes and not impacting our levy.</p> <p>On April 9, 2021, bids were received for the above-referenced project. Two bids were received as shown on the attached Resolution Accepting Bid. The low bid was from Duininck, Inc. of Prinsburg, Minnesota, in the amount of \$1,924,600.45. The engineer’s estimate was approximately \$2,242,885.</p>
<b>Fiscal Impact:</b>	No proposed general fund impact. Bonds will be issued locally but coordinated with State Aid Finance. Our MSAS account will be responsible for making the bond payments. Due to our funds already being “advanced” \$2,887,000, we will need to make “advance requests” to SALT annually. It is possible that our “advance request” will be denied. In this event, staff will need to wait until MSAS funds become available to reimburse ourselves.
<b>Alternative/ Variations:</b>	No alternative actions recommended.
<b>Recommendation:</b>	that the Council adopt RESOLUTION NUMBER 21-028, which provides for the Resolution Accepting Bid (Awarding Contract) and authorizing entering into an agreement with Duininck, Inc. of Prinsburg, Minnesota, in the amount of \$1,924,600.45 for the above-referenced project.

**RESOLUTION NUMBER 21-028  
RESOLUTION ACCEPTING BID (AWARD CONTRACT)**

WHEREAS, pursuant to an advertisement for bids for the following project:

**PROJECT Z88: 2021 STATE AID BITUMINOUS OVERLAY PROJECT**

**SAP 139-103-004, SAP 139-107-008, SAP 139-109-005, SAP 139-110-006, SAP 139-110-007,  
SAP 139-111-008, SAP 139-114-004, SAP 139-115-004, SAP 139-119-008, SAP 139-120-006,  
SAP 139-122-008, SAP 139-123-008, SAP 139-127-002**

bids were received, opened and tabulated according to law, and the following bids were received complying with the advertisement:

Bidder	Bid Amount
Duininck, Inc. Prinsburg, MN	\$1,924,600.45
Central Specialties Inc. Alexandria, MN	\$1,976,342.05

AND WHEREAS, it appears that Duininck, Inc. of Prinsburg, 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 a contract with Duininck, Inc. of Prinsburg, Minnesota, in the amount of \$1,924,600.45, in the name of the City of Marshall for the above referenced project, according to the plans and specifications therefore approved by the City Council and on file in the office of the City Clerk.

Passed and adopted by the City Council this 13<sup>th</sup> day of April, 2021.

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

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