



CITY OF MARSHALL AGENDA ITEM REPORT

Meeting Date:	Tuesday, March 24, 2020
Category:	NEW BUSINESS
Type:	ACTION
Subject:	Project Z75/SAP 139-124-004: South 4 th Street Reconstruction Project -- Consider Resolution for Municipal State Aid Street System (MSAS) 2020 Advance Funds.
Background Information:	<p>The current MSAS construction account balance as of 02/17/2020 is (\$1,837,376.36). The total maximum MSAS advance, set by Minnesota Commissioner of Transportation is the lesser of \$4,000,000 or five (5) times the City annual construction apportionment. The 2020 City of Marshall annual construction apportionment is \$837,453.00, which times 5 results in an amount of \$4,187,265.00. Therefore, the maximum amount of MSAS advance for the City is \$4,000,000.00</p> <p>The attached resolution is required in order to allow MSAS advance funding.</p>
Fiscal Impact:	Total State Aid advance is requested in an amount up to \$4,000,000.00 required to be repaid in accordance with the regulations established by Mn/DOT from future MSAS disbursements.
Alternative/ Variations:	No alternative actions recommended.
Recommendations:	that the Council adopt RESOLUTION NUMBER XXXX, which is the "Resolution for Municipal State Aid Street Funds Advance" requesting an advance of Municipal State Aid System (MSAS) funding in the amount of up to \$4,000,000.00.

RESOLUTION NUMBER _____, SECOND SERIES
RESOLUTION FOR MUNICIPAL STATE AID STREET FUNDS ADVANCE

WHEREAS, the Municipality of Marshall plans to utilize Municipal State Aid Street (MSAS) Funds in 2020 which will require State Aid funds in excess of those available in its State Aid Construction Account; and

WHEREAS, the advance is based on the following determination of estimated expenditures for State Aid eligible items:

Account Balance as of <u>02-17-2020</u>	\$ <u>(1,837,376.36)</u>	
Anticipated 2020 Construction Allotment (included in balance above)	\$ _____ 0.00	
Anticipated Account Balance		\$ <u>(1,837,376.36)</u>
Less estimated additional disbursements:		
Project #139-124-004 (S 4 th Street Project)	\$ <u>(2,162,623.24)</u>	
Total Estimated Additional Disbursements		\$ <u>(2,162,623.64)</u>
Amount in Excess of Account Balance		\$ <u>(4,000,000.00)</u> *

* Advance is limited to the lesser of \$4,000,000 or 5 times City annual construction allotment (\$4,187,265=Estimated \$837,453 x 5).

WHEREAS, repayment of the funds so advanced will be made in accordance with the provisions of Minnesota Statutes 162.14, Subd. 6 and Minnesota Rules, Chapter 8820.1500, Subp. 10b; and

WHEREAS, the Municipality acknowledges advance funds are released on a first-come-first-serve basis and this resolution does not guarantee the availability of funds.

NOW, THEREFORE, BE IT RESOLVED: That the Commissioner of Transportation be and is hereby requested to approve this advance for financing approved Municipal State Aid Street Project(s) of the Municipality of Marshall in an amount up to \$4,000,000.00. The City of Marshall hereby authorizes repayments from subsequent accruals to the Municipal State Aid Street Construction Account of said Municipality in accordance with the regulations established by Mn/DOT from future MSAS disbursements.

Passed and adopted by the Council this 24th day of March, 2020.

Mayor

ATTEST:

City Clerk