



CITY OF MARSHALL AGENDA ITEM REPORT

Meeting Date:	Tuesday, May 26, 2020
Category:	AWARD OF BIDS
Type:	ACTION
Subject:	Project Z76: South 1 st Street Reconstruction Project -- 1) Resolution Declaring Official Intent Regarding The Reimbursement Of Expenditures With The Proceeds Of Tax-Exempt Bonds; 2) Resolution Accepting Bid (Awarding Contract).
Background Information:	<p>This project consists of: reconstruction and utility replacement on South 1st Street generally between Southview Drive and George Street. Water, sanitary sewer, and storm sewer catch basins will be replaced along South 1st Street in this area. Sidewalk is proposed to be installed along the west side of South 1st Street from Southview Drive to a point approximately 215 ft. north of George Street. In addition to the utility replacement and street reconstruction on South 1st Street, sanitary sewer force main improvements are proposed at the intersection of South 1st Street and DeSchepper Street.</p> <p>On May 22, 2020, 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 \$617,136.55. The engineer's estimate was approximately \$643,400.00.</p>
Fiscal Impact:	<p>The above-referenced project, or a portion thereof, may be financed by the sale of bonds with repayment coming from assessments and Debt Service Fund Levy. It is required that action be authorized by City Council via Resolution Declaring Official Intent Regarding the Reimbursement of Expenditures with the Proceeds of Tax-Exempt Bonds.</p> <p>Attached is the "Resolution Accepting Bid" awarding the contract to Duininck, Inc. of Prinsburg, Minnesota, in the amount of \$617,136.55.</p> <p>The estimated total project cost including 5% allowance for contingencies and 16% for engineering and administrative costs is \$751,672.32.</p> <p>All improvements will be assessed according to the current Special Assessment Policy, including but not limited to participation from Marshall Municipal Utilities, Wastewater Department, Surface Water Management Utility Fund and Ad Valorem participation. Final approval of the project must include determination of funding sources.</p> <p>The financing and cost participation will be forthcoming and addressed at the time of the Resolution Declaring Cost to be Assessed.</p>
Alternative/ Variations:	No alternative actions recommended.

Recommendations:	<p>Recommendation No. 1 that the Council adopt RESOLUTION NUMBER XXXX, which provides for Resolution Declaring Official Intent Regarding the Reimbursement of Expenditures with the Proceeds of Tax-Exempt Bonds for Project Z76: South 1st Street Reconstruction Project.</p> <p>Recommendation No. 2 that the Council adopt RESOLUTION NUMBER XXXX, which provides for the Resolution Accepting Bid (Awarding Contract) and authorizing entering into an agreement with Duinick, Inc. of Prinsburg, Minnesota, in the amount of \$617,136.55 for Project Z76: South 1st Street Reconstruction Project.</p>
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RESOLUTION NUMBER _____, SECOND SERIES

**DECLARATION OF OFFICIAL INTENT
REGARDING THE REIMBURSEMENT OF EXPENDITURES
WITH THE PROCEEDS OF TAX-EXEMPT BONDS**

WHEREAS, under regulations adopted by the Secretary of the Treasury of the United States of America, the City of Marshall, Minnesota (the "City") is required to make a declaration of its official intent prior to making a capital expenditure, if it intends to be reimbursed for such capital expenditure at a future date from the proceeds of a tax-exempt bond; and

WHEREAS, the City intends to make capital expenditures with respect to the project described below and also intends to reimburse the fund or account described below from which the capital expenditure will be initially paid from the proceeds of an issue of tax-exempt bonds issued at a future date.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City as follows:

1. A general functional description of the project for which the expenditures to be reimbursed are paid is set forth below:

PROJECT Z76: SOUTH 1ST STREET RECONSTRUCTION PROJECT -
This project consists of: reconstruction and utility replacement on South 1st Street generally between Southview Drive and George Street. Water, sanitary sewer, and storm sewer catch basins will be replaced along South 1st Street in this area. Sidewalk is proposed to be installed along the west side of South 1st Street from Southview Drive to a point approximately 215 ft. north of George Street. In addition to the utility replacement and street reconstruction on South 1st Street, sanitary sewer force main improvements are proposed at the intersection of South 1st Street and DeSchepper Street.

The principal amount of debt expected to be issued for the project referred to above will not exceed \$775,000.

2. The fund or account from which the expenditures to be reimbursed are to be paid and the general functional purpose of the fund or account is set forth below:

Capital Improvements Projects Fund

3. The City reasonably expects to reimburse the expenditures referred to above with the proceeds of tax-exempt bonds.
4. This statement of the official intent of the City is a declaration of official intent under the regulations adopted by the Secretary of the Treasury of the United States of America.

Passed and adopted by the City Council this 26th day of May, 2020.

ATTEST:

City Clerk

Mayor

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

**RESOLUTION NUMBER _____, SECOND SERIES
RESOLUTION ACCEPTING BID (AWARD CONTRACT)**

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

PROJECT Z76: SOUTH 1ST STREET RECONSTRUCTION PROJECT - This project consists of: reconstruction and utility replacement on South 1st Street generally between Southview Drive and George Street. Water, sanitary sewer, and storm sewer catch basins will be replaced along South 1st Street in this area. Sidewalk is proposed to be installed along the west side of South 1st Street from Southview Drive to a point approximately 215 ft. north of George Street. In addition to the utility replacement and street reconstruction on South 1st Street, sanitary sewer force main improvements are proposed at the intersection of South 1st Street and DeSchepper Street.

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	\$617,136.55
D&G Excavating, Inc. Marshall, MN	\$622,285.80

AND WHEREAS, 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 \$617,136.55, 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 26th day of May, 2020.

ATTEST:

City Clerk

Mayor

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