



## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Presenter:</b>	Jason Anderson
<b>Meeting Date:</b>	Tuesday, July 11, 2023
<b>Category:</b>	NEW BUSINESS
<b>Type:</b>	ACTION
<b>Subject:</b>	Project ST-032: Lot 2, Block 1, Schwan's Corp I Addition Parking Lot Repaving Improvements Project (Ralco) - 1) Resolution Declaring Official Intent Regarding the Reimbursement of Expenditures with the Proceeds of Tax-Exempt Bonds; 2) Resolution Accepting Bid (Awarding Contract).
<b>Background Information:</b>	<p>This project consists of: the installation of a new 6" concrete pavement surface over the existing, in-place, aggregate base section. To accommodate the new pavement surface, the existing bituminous pavement surface will be removed and the spot-removal of existing curb and gutter will be completed as needed to ensure positive drainage. The existing curb and gutter and drainage structures will remain in-place to the maximum extent practicable. Additional aggregate base may be added to the in-place aggregate base section as needed to ensure proper grade on the new parking lot surface. Additional curb and gutter and concrete sidewalk replacement may be completed on the southeast side of the parking lot area to provide better definition between the parking and walking areas, and to promote positive drainage.</p> <p>On July 6, 2023, bids were received for the above-referenced project. Four bids were received as shown on the attached Resolution Accepting Bid. The low bid was from D&amp;G Excavating, Inc. of Marshall, Minnesota, in the amount of \$221,243.20. The engineer's estimate for the construction portion of the project is \$234,374.00.</p>
<b>Fiscal Impact:</b>	<p>The concrete construction project will be 100% assessed to the owner, Knochenmus Enterprises, LLC with the special assessments paid back over eight years and bearing interest at a rate of two points over the bond rate. The assessment period and interest rate are consistent with existing special assessments and the fee schedule, respectively. A portion of the 2023 abatement bonds issued were for this parking lot project.</p> <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 D&amp;G Excavating, Inc. of Marshall, Minnesota, in the amount of \$221,243.20.</p> <p>The estimated total project cost including 5% allowance for contingencies and 16% for engineering and administrative costs is \$269,474.22.</p>
<b>Alternative/ Variations:</b>	No alternative actions recommended.

<b>Recommendations:</b>	<p>Recommendation No. 1 that the Council adopt RESOLUTION NUMBER 23-052, which provides for Resolution Declaring Official Intent Regarding the Reimbursement of Expenditures with the Proceeds of Tax-Exempt Bonds for Project ST-032.</p> <p>Recommendation No. 2 that the Council adopt RESOLUTION NUMBER 23-053, which provides for the Resolution Accepting Bid (Awarding Contract) and authorizing entering into an agreement with D&amp;G Excavating, Inc. of Marshall, Minnesota, in the amount of \$221,243.20 for Project ST-032.</p>
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