



## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Meeting Date:</b>	Tuesday, November 26, 2019
<b>Category:</b>	NEW BUSINESS
<b>Type:</b>	ACTION
<b>Subject:</b>	Project Z64 / SAP 139-111-006: Saratoga Street Reconstruction Project -- Consider Resolution for Municipal State Aid Street System (MSAS) 2019 Advance Funds.
<b>Background Information:</b>	<p>The City has completed the project utilizing MSAS funding. A previous application was submitted and the State approved a payment to the City in the amount of \$2,073,844. This amount included engineering costs incurred at that time, as well as 95% of the bid amount.</p> <p>This advance resolution in the amount of \$309,891.54 is the remaining MSAS participating costs for this project. This resolution is required to allow additional MSAS advance funding.</p> <p>The current MSAS account balance as of 11-17-2019 is (\$2,344,203.00). The maximum MSAS advance, set by Minnesota Commissioner of Transportation is five (5) times the City annual construction apportionment. The 2019 City of Marshall annual construction apportionment is \$767,699.00, resulting in an available MSAS advance of up to \$3,838,495.00.</p>
<b>Fiscal Impact:</b>	Total State Aid advance is requested in an amount up to \$330,626.36 required to be repaid in accordance with the regulations established by Mn/DOT from future MSAS disbursements.
<b>Alternative/ Variations:</b>	No alternative actions recommended.
<b>Recommendations:</b>	that the Council adopt RESOLUTION NUMBER XXXX, which is the "Resolution for Municipal State Aid Street Funds Advance" requesting an additional advance of Municipal State Aid System (MSAS) funding in the amount of \$330,626.36, resulting in a total advance of up to \$2,674,829.36.

**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 2019 which will require State Aid funds in excess of those available in its State Aid Construction Account; and

WHEREAS, said municipality is under construction of 139-111-006 (City Project Z64: Saratoga Street Reconstruction Project) and intends to utilize an advance from the MSAS fund for a partial payment; and

WHEREAS, via Resolution Number 4481, Second Series, on February 27, 2018, the City had previously requested a State Aid Advance for the estimated construction cost of the project; and

WHEREAS, via Resolution Number 4521, Second Series, on June 12, 2018, the City had previously requested an additional State Aid Advance for the estimated construction cost of the project; and

WHEREAS, the awarded contract amount was higher than anticipated; and

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

Account Balance as of <u>11-17-2019</u>	\$ <u>(2,344,203.00)</u>
Anticipated 2019 Construction Allotment (included in balance above)	\$ <u>0.00.</u>
Anticipated Account Balance	\$ <u>(2,344,203.00)</u>
Less estimated additional disbursements:	
Project #139-111-006 (Saratoga Street Project)	\$ <u>(330,626.36)</u>
 Total Estimated Additional Disbursements	 \$ <u>(330,626.36)</u>
Amount in Excess of Account Balance	\$ <u>(2,674,829.36)*</u>

\* Advance is Limited to 5 times City annual construction allotment (\$3,838,495=Estimated \$767,699 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 \$2,674,829. 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 26<sup>th</sup> day of November, 2019.

\_\_\_\_\_  
Mayor

ATTEST:

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