



Legislation Details (With Text)

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Title: RESOLUTION AUTHORIZING A REQUEST TO MNDOT TO PROVIDE ADVANCE FUNDING AND AUTHORIZING PAYMENTS FROM SUBSEQUENT ACCRUALS TO THE CITY'S MUNICIPAL STATE AID CONSTRUCTION AMOUNT FOR SUPERIOR STREET RECONSTRUCTION IN THE AMOUNT OF \$4,000,000.

Sponsors:

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Attachments: 1. 17-0745R Map

| Date | Ver. | Action By | Action | Result |
|------------|------|--------------|---------|--------|
| 10/23/2017 | 1 | City Council | adopted | |

RESOLUTION AUTHORIZING A REQUEST TO MNDOT TO PROVIDE ADVANCE FUNDING AND AUTHORIZING PAYMENTS FROM SUBSEQUENT ACCRUALS TO THE CITY'S MUNICIPAL STATE AID CONSTRUCTION AMOUNT FOR SUPERIOR STREET RECONSTRUCTION IN THE AMOUNT OF \$4,000,000.

CITY PROPOSAL:

The city council finds as follows:

- (1) The municipality of Duluth is planning to implement reconstruction of Superior Street in 2018 which will require State Aid funds in excess of those available in its State Aid construction account; and
- (2) Said municipality is prepared to proceed with the construction of said project with local and State Aid funds and proposes to complete said projects through the use of an advance from the municipal State Aid street fund to supplement the available funds in its State Aid Construction Account; and
- (3) The advance is based upon the following determination of estimated expenditures:

| | |
|--|----------------|
| Account balance as of October 6, 2017 | \$3,805,302.96 |
| Less estimated disbursements: | |
| Project #118-171-006 | \$7,300,000 |
| | |
| Total estimated disbursements 2018: | \$7,300,000 |
| Advance amount (amount in excess of account balance) | \$4,000,000 |

- (4) Repayment of the funds so advanced will be made in accordance of the provisions of Minnesota Statutes 162.14, subd. 6, and Minnesota Rules, Chapter 8820.1500, subp. 10b; and

- (5) The municipality acknowledges advance funds are released on a first-come, first-serve basis, and this resolution does not guarantee the availability of funds.

RESOLVED, that the commissioner of transportation be and is hereby requested to approved this advance for financing approved Municipal State Aid projects of the municipality of Duluth in an amount up to \$4,000,000. The city of Duluth hereby authorizes payments from subsequent accruals to the municipal state aid construction account of the city of Duluth in accordance with the schedule herein indicated:

Repayment from entire future year allocation until fully repaid:

\$4,000,000 paid from year 2019

STATEMENT OF PURPOSE: This resolution authorizes the proper city officials to request an advance from the city's 2019 Municipal State Aid street funds. This advance allows the city to receive an interest-free loan from its Municipal State Aid account in order to help pay for the proposed Superior Street project. This request, if approved, allows the state to reimburse the city now, instead of after the 2019 apportionment is available.