



## Legislation Text

File #: 20-0051R, Version: 1

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

### CITY PROPOSAL:

The city council finds as follows:

- 1) The municipality of Duluth implemented municipal state aid street projects in 2018, 2019 and 2020 which required state aid funds in excess of those available in its state aid construction account; and
- 2) Said municipality has proceeded with the construction of 2018 and 2019 projects and is prepared to proceed with the 2020 projects 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 1/15/2020	\$883,625
Plus: 2020 estimated construction allocation	\$2,073,831
Less estimated disbursements:	
Project #118-171-006 (Superior S	\$5,227,415
Project #118-060-012 (Skyline Pa	\$17,000
Project #118-134-017 (Ninth St./E	\$515,000
Project #118-178-006 (Decker Ro	\$500,000
Project #118-134-018 (Woodland/	\$500,000
Project #118-160-025 (CSAH 4/Ar	\$150,000
Signals)	
Project #118-109-020 (W. Superio	\$50,000
Signal)	
Project #118-153-004 (24 <sup>th</sup> Ave. E	\$50,000
Project #118-191-002 (26 <sup>th</sup> Ave. E	\$50,000
Project #118-164-003 (E. Superior	\$395,250
Project #118-XXX-XXX (to be ass	\$125,000
Bridge)	
Total estimated disbursements	\$7,634,665

Advance amount (amount in excess of account balance)	(\$4,677,209)
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4) 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 8830.1500, subp. 10b; and

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

RESOLVED, that the commissioner of transportation be and is hereby requested to approve 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 2021.

STATEMENT OF PURPOSE: This resolution authorizes the proper city officials to request an advance from the city's 2021 municipal state aid street funds. The city has already paid the contractors for most of the 2018 and 2019 project costs and will soon acquire expenses on the 2020 projects. This request, if approved, allows the state to reimburse the city now, instead of after the city's 2021 apportionment is available.