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City of Duluth

Legislation Text

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RESOLUTION AGREEING TO SPONSOR A MARITIME ADMINISTRATION, DOT MA-PID-22-001 2022 PORT INFRASTRUCTURE DEVELOPMENT PROGRAM GRANT FOR HALLETT DOCK 7 AT A PROJECT COSTING UP TO \$12.85 MILLION.

CITY PROPOSAL:

Resolved, that THE City of Duluth agrees to act as sponsor for A Maritime Administration, Dot Ma-Pid-22-001 2022 Port Infrastructure Development Program Grant for the refurbishing of Hallett Dock No. 7 at a total cost of up to \$12.85 million, subject to Hallett Dock 7 LLC. agreeing to provide any local share of the cost.

STATEMENT OF PURPOSE: the purpose of this resolution is to express the City's willingness to act as sponsor for a federal grant from the federal Maritime Administration for the refurbishing of Hallett Dock No. 7 in the Duluth Harbor.

Hallett Dock No. 7 is an old dock facility owned by Hallett Dock 7 LLC. just upstream of the Bong Bridge (see attached drawing) which is used as a trans-shipping facility for transporting of bulk cargo between marine, rail and truck transportation facilities. The dock walls are presently in deteriorated condition and are in need of replacement/reinforcement through sheet piling to maintain the usefulness of the dock as well as to prevent contamination of previous MPCA work addressing contamination in the estuary. This work would also present the opportunity to provide an additional dredge spoils disposal site for the benefit of the Corps of Engineers' harbor maintenance dredging work.

Grants have become available under the Port Infrastructure Development Program which could potentially fund 80% of the cost of this work or about \$10.28 Million but a local governmental sponsor is required to apply for and implement any grant for the project. Pursuant to the resolution the City would agree to act as the sponsor of the project for the application process. If the grant were to be awarded, the City would administer the grant funds, oversee the design process, let the contract for the project's construction and administer payment to the contractors. Hallett has agreed to fund the local share of the project, and pay for the engineering services require for its design. In addition, Hallett would agree that the City would be reimbursed for its costs related to the application and the implementation of the Project (see attached MOU).