

PUBLIC WORKS AND UTILITIES COMMITTEE

10-0535R

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 \$1,358,722.85.

CITY PROPOSAL:

The city council finds as follows:

(1) The municipality of Duluth implemented municipal state aid street projects in 2010 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 said 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 on the following determination of estimated expenditures:

Account balance as of 8/24/2010			\$0.00
Less estimated disbursements:			
	Project #118-162-013	\$1,296,487.85	
	Project #118-080-037	\$62,235.00	
Total estimated disbursements			\$1,358,722.85
Advance amount (amount in excess of account balance)			\$1,358,722.85

(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 approve this advance for financing approved municipal state aid projects of the municipality of Duluth in an amount up to \$1,358,722.85. 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;
\$1,358,722.85 paid from year 2011.

Approved:

Approved for presentation to council:

Department Director

Chief Administrative Officer

Approved as to form:

Approved:

Attorney

Auditor

ENG CJV:jh 10/1/2010

STATEMENT OF PURPOSE: This resolution authorizes the proper city officials to request an advance from the city's 2011 municipal state aid street funds. The city has already paid the contractor for Glenwood Avenue and will soon acquire expenses on the Miller Creek Bridge rehabilitation project. This request, if approved, allows the state to reimburse the city now, instead of after our 2011 apportionment is available.