

SPECIAL MEETING – JULY 18, 2017

The special meeting of the Common Council of the City of Marshall was held July 18, 2017 in the Professional Development Room at the Marshall Middle School, 401 South Saratoga Street. The meeting was called to order at 12:00 P.M. by Mayor Byrnes. In addition to Byrnes the following members were in attendance: Craig Schafer; Glenn Bayerkohler, David Sturrock and James Lozinski. Absent: Steven Meister and John DeCramer. Staff present included: Sheila Dubs, Interim City Administrator; Dennis Simpson, City Attorney; Jason Anderson, Assistant City Engineer; Karla Drown, Finance Director; and Cathy Lee, Executive Assistant. Others in attendance included: Bill Otto, Midwest Contracting.

PROJECT Z47: COMMERCE INDUSTRIAL PARK/MICHIGAN ROAD IMPROVEMENT PROJECT – 1) . PROJECT Z47: COMMERCE INDUSTRIAL PARK/MICHIGAN ROAD IMPROVEMENT PROJECT – 1) ACKNOWLEDGE RECEIPT OF POTENTIAL NOTICE OF AWARD OF DEED BDPI GRANT AGREEMENT; 2) CONSIDER RESOLUTION ACCEPTING BID (AWARD CONTRACT) CONTINGENT TO EXECUTION OF THE DEED BDPI GRANT AGREEMENT:

Jason Anderson, Assistant City Engineer, indicated that the City of Marshall has applied for a DEED Business Development Public Infrastructure (BDPI) Grant for participation in the Commerce Industrial Park/Michigan Road Improvement Project. The City received bids for the project on April 20, 2017, which were very favorable. The recommendation of award is dependent upon the receipt of a DEED BDPI Grant.

Staff received an e-mail message from Marcia Loeslie, EDA Assistant Director indicating a recommendation for award of the DEED BDPI grant in the amount of \$2,000,000. As per the e-mail, there is still uncertainty as to the final award. The project was bid utilizing either participation by the State with a BDPI DEED grant or without any State participation, understanding that the city will be receiving up to \$2,000,000 of DEED BDPI grant funding.

It is recommended that the city award the contract to Midwest Contracting, LLC of Marshall, MN in the amount of \$4,004,847.25, contingent to execution of the DEED BDPI grant agreement. The contract included 90 days for holding bids prior to award. Typically, the Council would award a bid within 30 days. Because of the extended period of time for notice of DEED BDPI grant award, and additional time necessary to complete the DEED BDPI grant process, staff contacted Midwest Contracting to discuss honoring their bid prices beyond 90 days. Midwest Contracting has signed a letter agreeing to keeping all project contract items as bid. The letter also indicates that the project substantial completion date will be revised to September 14, 2018. Once the City receives an executed grant agreement and award the project city staff will adjust the project completion date as necessary. Once the final determination is made concerning the amount of the DEED BDPI grant, the remaining local project cost will be split 50/50 with Marshall Municipal Utilities' participation at a maximum of \$500,000 per year until their portion is paid.

Dennis Simpson, City Attorney, explained that the funding for this project has to be in place. Karla Drown, Finance Director, indicated that the project costs minus the DEED Funds will be bonded, approximately \$2,000,000.

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Member (**Craig Schafer**) Moved, Member (**David Sturrock**) Seconded to approve the **ORIGINAL** motion 'motion to acknowledge receipt of potential notice of award of DEED BDPI grant agreement'. Upon a roll call vote being taken, the vote was: Aye: **5** Nay: **0**. The motion **Carried 5 - 0**

Member (**David Sturrock**) Moved, Member (**Craig Schafer**) Seconded to approve the **NEW** motion 'motion to adopt RESOLUTION NUMBER 4411, SECOND SERIES, which is a Resolution Accepting Bid (Award Contract) to Midwest Contracting, LLC, Marshall, Minnesota in the amount of \$4,004,847.25, contingent upon execution of the DEED BDPI grant agreement. This resolution will expire January 1, 2018 if the DEED BDPI grant is not approved'. Upon a roll call vote being taken, the vote was: Aye: **5** Nay: **0**. The motion **Carried 5 - 0**

Member (**Craig Schafer**) Moved, Member (**James Lozinski**) Seconded to approve the **ORIGINAL** motion 'adjourn meeting'. Upon a roll call vote being taken, the vote was: Aye: **5** Nay: **0**. The motion **Carried 5 - 0**



Mayor

ATTEST:



Executive Assistant