



CITY OF MARSHALL

Work Session

A g e n d a

Tuesday, February 23, 2021 at 3:30 PM
Minnesota Emergency Response and Industrial
Training (MERIT) Center, 1001 Erie Road

NOTICE: Pursuant to Minnesota State Statute 13D.021

Some or all members of the City Council may participate by telephone or other electronic means. Regular attendance and meeting location are not feasible due to the Coronavirus Disease (COVID-19) pandemic.

CALL TO ORDER

NEW BUSINESS

- [1.](#) YMCA Discussion
- [2.](#) Pool Funding Options
- [3.](#) 2021 Bonding

ADJOURNMENT

Disclaimer: These agendas have been prepared to provide information regarding an upcoming meeting of the Common Council of the City of Marshall. This document does not claim to be complete and is subject to change.

CITY OF MARSHALL AGENDA ITEM REPORT

Meeting Date:	Tuesday, February 23, 2021
Category:	INFORMATION ONLY
Type:	INFO
Subject:	YMCA Discussion
Background Information:	<p>The Marshall Area YMCA staff and possible Board members would like to discuss with the Council their current situation with their membership, facilities and future needs.</p> <p>Some initial topics:</p> <ul style="list-style-type: none"> Membership data COVID impacts Regional impacts Short and long term capital needs Shared collaboration-both programming and facilities
Fiscal Impact:	Information Only
Alternative/ Variations:	None
Recommendations:	None

CITY OF MARSHALL AGENDA ITEM REPORT

Meeting Date:	Tuesday, February 23, 2021
Category:	NEW BUSINESS
Type:	INFO
Subject:	Pool Funding Options
Background Information:	<p>Terri Heaton with Bakertilly will have a short PowerPoint presentation on the bonding options to fund the pool upgrade project.</p> <p>City staff are looking for which financing tool the council would like to utilize for the pool upgrade project.</p>
Fiscal Impact:	
Alternative/ Variations:	
Recommendations:	

CITY OF MARSHALL AGENDA ITEM REPORT

Meeting Date:	Tuesday, February 23, 2021
Category:	NEW BUSINESS
Type:	INFO
Subject:	Municipal State Aid Street System (MSAS) Update
Background Information:	<p>The Municipal State Aid Street (MSAS) program provides funding to assist municipalities with the construction and maintenance of community-interest streets on their state aid systems. The program is administered by MnDOT's State Aid for Local Transportation (SALT). A street may be designated as a MSAS route if it is projected to carry a relatively heavier traffic volume or is functionally classified as a collector or arterial, if it is connected points of major interest, and if it provides an integrated and coordinated highway and street system.</p> <p>The City of Marshall receives an annual allotment of funds for our designated MSAS network. In calendar year 2019, we received \$794,804. In 2020, we received \$865,128. In 2021, we will receive \$787,027; the reduction is a direct result of the impacts of COVID-19 on transportation revenues.</p> <p>The purpose of this memorandum is to help explain our current MSAS account balance versus our projected MSAS funding need over the next decade-plus. We currently own a balance of (\$3,674,000); this means we have 'advanced' future years funding to complete projects in recent years. In early 2021, our yearly allocation will enter our account and our balance will be approximately (\$2,887,000). SALT will allow MSAS cities to 'advance' funds up to the lesser value of 5 times their annual allotment, or (\$4,000,000). There are currently 51 cities out of the 148 MSAS cities with a negative account balance.</p> <p>City staff is currently working through the approval process with SALT to execute a MSAS street construction plan as outlined in the included spreadsheet. To execute this plan, city staff is proposing to bond locally for MSAS street improvement projects that we've identified and submit to SALT an annual request for MSAS funds to make bond payments. By executing this plan, we can make necessary investments into our MSAS system without impacting the city property tax levy.</p> <p>How to read the spreadsheet:</p> <p>Gray: our projected yearly MSAS allocation. This is a conservative estimation; we are hopeful that we will see yearly increases in allocation.</p> <p>Blue: Running MSAS balance with no projects drawing funds.</p> <p>Green: City staff proposed projects with MSAS advance requests. This requires the city to bond for our projects and make annual bond payments with MSAS funds.</p> <p>Yellow: Project details. Identifies each project's cost and bonding scenario.</p>

	<p>Salmon: Projected annual project payments for each proposed construction project.</p> <p>A brief description of the MSAS projects that are being proposed:</p> <p>2021 MSAS Mill & Overlay: City staff is proposing to mill and overlay numerous routes this summer. Most routes are between 17 and 20 years old and require a surface treatment. A map is included with this memo that lists and visually identifies all routes currently being considered. This project carries an estimated price tag of \$1.9M.</p> <p>2022 SRTS Grant Match (RRFB Project): We have a \$339,840 federal grant project that requires local match. This project will install push button RRFB pedestrian crossings, school zone signage, and radar-indicated speed signage at the new elementary school, the middle school, Parkside school, and True Light school.</p> <p>Channel Parkway PCC: City staff would like to apply for Local Road Improvement Program (LRIP) grant funding for a concrete surfacing project for Channel Parkway. If awarded, the city would need to come up with funds to match the grant and cover project costs in excess of the maximum \$1.25M grant award. This project is on the agenda for the 2-23-2021 meeting; city staff is requesting Council support for a project grant application. This project is grant-dependent.</p> <p>2025 College Drive: The city will be required to cover our end of project costs for the 2025 College Drive project. At this point in time, it is estimated that the city's portion of project costs (street, storm sewer, and sidewalk) may be around \$1.1M. Staff is hopeful that we will receive some federal grant funds for these project costs and our spreadsheet indicates a MSAS expenditure of \$210,000 to cover the difference.</p> <p>2028 N 4th Street Reconstruction: N. 4th Street will require street and utility work and we will need to finance this project with MSAS funding.</p> <p>City staff is not asking for any specific action with this item. We are presenting a MSAS account update and offering our insight into the fund looking forward. It is the intent of city engineering staff to work with our City Council and the MnDOT SALT office to bring our balance up while also meeting the needs for street improvements on our MSAS system. At the 2-23-2021 City Council meeting, we will be asking the City Council for a Resolution of Support for the Channel Parkway concrete paving LRIP grant application. At the 3-9-2021 City Council meeting, city staff will likely bring forward a request for the 2021 MSAS Mill & Overlay project. If it is the will of the Council, we may soon be moving forward with executing this MSAS funding plan to locally bond for State Aid projects while making annual bond payments from our MSAS account.</p>
Fiscal Impact:	
Alternative/ Variations:	
Recommendation:	Informational.

DRAFT - - 2/19/21 AS
Numbers are based on estimates and haven't been updated with bid results
Marshall Projects

2021		BOND REVENUES										Asmt %	Bonding Authority
	Plan-It #	Total Cost	MMU Funding	Wastewater Cash	Surf Water Cash	Net Bonding	MMU	Special Assessmts	Wastewater Fund	Surf Water Mgmt	Tax Levy		
Patriot Park Bathroom & Shelter	Bath 21	\$215,000				\$215,000					\$215,000	0.00%	Abatement
Fire Station Re-Roofing	Fire 44	\$175,000				\$175,000					\$175,000	0.00%	CIP
N 1st Street/W Marshall/W Redwood Reconstruction	SP 20	\$1,922,947	\$429,428	\$543,533		\$949,986		\$251,226		\$447,534	\$251,226	13.06%	Street Recon
Madrid Street Bridge Repair	SP 43	\$50,000				\$50,000					\$50,000	0.00%	Street Recon
James Ave Recon & Storm Outfall Improvement	SP 47	\$1,074,151	\$100,235	\$120,854	\$300,000	\$553,062		\$60,661		\$431,741	\$60,660	5.65%	Street Recon
Front End Loader Snowblower	Streets 31	\$187,500				\$187,500					\$187,500	0.00%	Equipment
Articulating Wheel Loader	Streets 37	\$235,000				\$235,000					\$235,000	0.00%	Equipment
		\$3,859,598	\$529,663	\$664,387	\$300,000	\$2,365,548	\$0	\$311,887	\$0	\$879,275	\$1,174,386		

City of Marshall State Aid Projections

Initial 2021 MSAS Account Balance: - \$3,674,000

3674000

Year	2021	2022 ⁽¹⁾	2023 ⁽¹⁾	2024 ⁽¹⁾	2025 ⁽¹⁾	2026 ⁽¹⁾	2027 ⁽¹⁾	2028 ⁽¹⁾	2029 ⁽¹⁾	2030 ⁽¹⁾
Estimated State Aid Const Allocation	\$787,000	\$865,128	\$865,128	\$865,128	\$865,128	\$865,128	\$865,128	\$865,128	\$865,128	\$865,128

Current Scenario	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Payment for 2020 Const. Advance	\$787,000	\$865,128	\$865,128	\$865,128	\$865,128	\$865,128	\$865,128	\$865,128	\$865,128	\$865,128
MSAS Running Balance at End of Year	- \$2,887,000	- \$2,021,872	- \$1,156,744	- \$291,616	\$573,512	\$1,438,640	\$2,303,768	\$3,168,896	\$4,034,024	\$4,899,152

Proposed Scenario	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Payment for 2020 Const. Advance	\$787,000	\$470,128	\$595,128	\$400,128	\$190,128	\$400,128	\$400,128	\$239,128	\$239,128	\$509,128
Bond Payment (SA Overlays)		\$270,000	\$270,000	\$270,000	\$270,000	\$270,000	\$270,000	\$270,000	\$270,000	
Project Commitments (SRTS Match)		\$125,000								
Bond Payment (Channel Pkwy PCC Overlay)				\$195,000	\$195,000	\$195,000	\$195,000	\$195,000	\$195,000	\$195,000
Project Commitments (TH 19 - College Drive)					\$210,000					
Bond Payment (N. 4th St. Reconst.)								\$161,000	\$161,000	\$161,000
MSAS Running Balance at End of Year	- \$2,887,000	- \$2,416,872	- \$1,821,744	- \$1,421,616	- \$1,231,488	- \$831,360	- \$431,232	- \$192,104	\$47,024	\$556,152

MSAS Project Details						
Project	Const. Year	Const. Estimate	Bonded?	1st Bond Payment	Est. Payment Amt.	Comments
State Aid Overlay	2021	\$1,900,000	Yes	2022	\$270,000	
RRFB (SRTS) Project	2022	\$125,000	No	N/A	N/A	
Channel Pkwy PCC Overlay	2023	\$1,200,000	Yes	2024	\$195,000	Contingent on LRIP Grant Funding
College Drive Project	2025	\$210,000	No	N/A	N/A	Estimate based on if \$832,776 LRBP Grant awarded by ATP
North 4th Street Reconstruction	2027	\$1,000,000	Yes	2028	\$161,000	

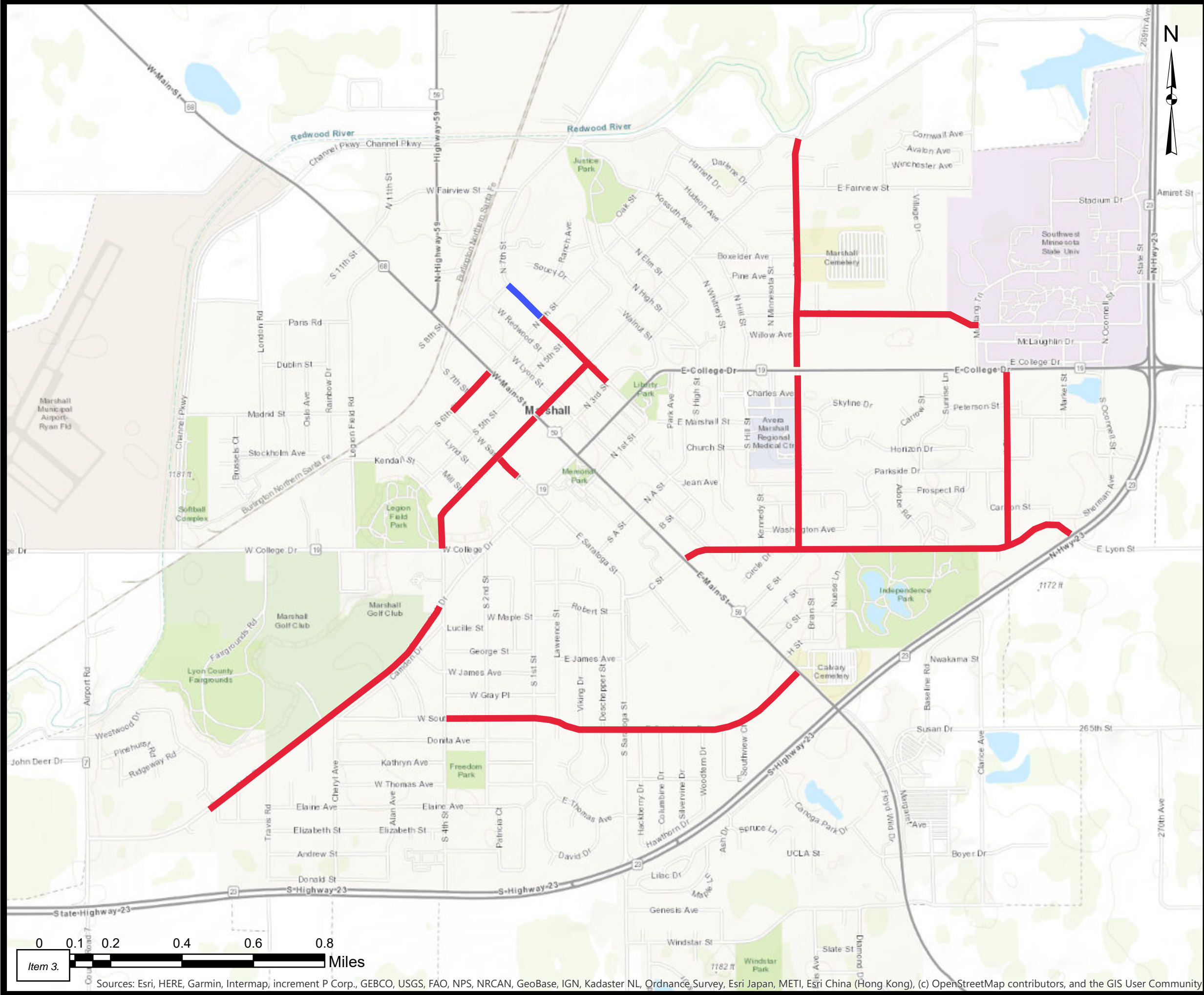
MSAS Project Estimated Payments										
Year	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
State Aid Overlay		\$270,000	\$270,000	\$270,000	\$270,000	\$270,000	\$270,000	\$270,000	\$270,000	
RRFB (SRTS) Project		\$125,000								
Channel Pkwy PCC Overlay				\$195,000	\$195,000	\$195,000	\$195,000	\$195,000	\$195,000	\$195,000
College Drive Project					\$210,000					
North 4th Street Reconstruction								\$161,000	\$161,000	\$161,000
Total Year Payments	\$0	\$395,000	\$270,000	\$465,000	\$675,000	\$465,000	\$465,000	\$626,000	\$626,000	\$356,000

Municipality	Advanced Balance
Alexandria	-\$1,700,845
Andover	-\$1,280,009
Anoka	-\$2,944,045
Arden Hills	-\$1,225,355
Baxter	-\$967,500
Big Lake	-\$339,230
Brainerd	-\$3,088,129
Brooklyn Center	-\$435,859
Chisago City	-\$176,427
Chisholm	-\$437,904
Coon Rapids	-\$3,191,277
Cottage Grove	-\$2,795,762
Crystal	-\$950,079
Dayton	-\$1,352,441
Delano	-\$905,533
Detroit Lakes	-\$1,202,980
Duluth	-\$2,639,467
Eagan	-\$143,265
East Bethel	-\$72,839
Fairmont	-\$1,999,999
Forest Lake	-\$618,722
Glencoe	-\$812,084
Ham Lake	-\$1,403,558
International Falls	-\$296,138
Inver Grove Heights	-\$1,006,783
Isanti	-\$610,065
Lake Elmo	-\$63,048
Lino Lakes	-\$435,645
Litchfield	-\$1,047,132
Little Canada	-\$385,412
Marshall	-\$3,674,883
Monticello	-\$1,812,433
Mound	-\$289,215
New Brighton	-\$450,520
New Hope	-\$1,420,381
North Mankato	-\$2,613,155
North St. Paul	-\$2,196,550
Northfield	-\$3,121,961
Otsego	-\$3,121,961
Prior Lake	-\$584,772
Richfield	-\$2,718,649
Sartell	-\$4,000,000
Sauk Rapids	-\$325,000
Savage	-\$2,699,382
Shoreview	-\$4,000,000
St. Anthony	-\$1,491,225
St. Michael	-\$532,615
Thief River Falls	-\$537,000
Woodbury	-\$4,000,000
Wyoming	-\$150,209
Zimmerman	-\$799,979

Number of Municipalities with Advanced Balance	51
Average Advanced Negative Balance	-\$1,471,910
Highest Advanced Negative Balance	-\$4,000,000

Top 5 Advanced Negative Balances	
Municipality	Amount
Sartell	-\$4,000,000
Shoreview	-\$4,000,000
Woodbury	-\$4,000,000
Marshall	-\$3,674,883
Coon Rapids	-\$3,191,277

	Marshall
	Comparable Cities



MSAS Overlay Map

List of Streets

- N. 4th St. (Main to Marshall)
- S. 4th St. (College to Main)
- S. 6th St. (Saratoga to Main)
- Birch St. (Bruce to Mustang)
- Bruce St. (Lyon to Camden Bike Trail)
- Country Club Dr. (Westwood to 4th)
- Jewett St. (Lyon to College)
- E. Lyon St. (Main to MN 23)
- Marshall St. (3rd to 6th)
- Marshall St. (6th to 7th) - **LOCAL FUNDS**
- Southview Dr. (4th to Main)

2/19/2021

** Disclaimer: The City of Marshall does not guarantee the accuracy of the data included on this map.

This map data is for referencing purposes only.