

Aitkin County Board of Commissioners  
Request for County Board Action/Agenda Item Cover Sheet



To: Chairperson, Aitkin County Board of Commissioners Date: 4-3-2012

Via: Patrick Wussow, County Administrator

From: John Welle

Title of Item:

State of Minnesota Agency Agreement

Requested Meeting Date: 4-10-12 Estimated Presentation Time: 5 minutes

Presenter: John Welle

**Type of Action Requested** (check all that apply)

- ☐ For info only, no action requested ☐ Approve under Routine Business  
☐ For discussion only with possible future action ☐ Adopt Ordinance Revision  
☐ Let/Award Bid or Quote (attach copy of basic bid/quote specs or summary of complex specs, each bid/quote received & bid/quote comparison)  
☐ Approve/adopt proposal by motion ☒ Approve/adopt proposal by resolution (attach draft resolution)  
☐ Authorize filling vacant staff position  
☐ Request to schedule public hearing or sale ☐ Other (please list) \_\_\_\_\_  
☐ Request by member of the public to be heard  
☐ Item should be addressed in closed session under MN Statute \_\_\_\_\_

**Fiscal Impact** (check all that apply)

- Is this item in the current approved budget? ☐ Yes ☐ No (attach explanation)  
What type of expenditure is this? ☐ Operating ☐ Capital ☐ Other (attach explanation)  
Revenue line account # that funds this item is: \_\_\_\_\_  
Expenditure line account # for this item is: \_\_\_\_\_

**Staffing Impact** (Any yes answer requires a review by Human Resources Manager before going to the board)

- Duties of a department employee(s) may be materially affected. ☐ Yes ☐ No  
Applicable job description(s) may require revision. ☐ Yes ☐ No  
Item may impact a bargaining unit agreement or county work policy. ☐ Yes ☐ No  
Item may change the department's authorized staffing level. ☐ Yes ☐ No



**Supporting Attachment(s)**

- ☒ Memorandum Summary of Item  
☐ Copy of applicable county policy and/or ordinance (excerpts acceptable)  
☐ Copy of applicable state/federal statute/regulation (excerpts acceptable)  
☐ Copy of applicable contract and/or agreement  
☐ Original bid spec or quote request (excluding complex construction projects)  
☐ Bids/quotes received (excluding complex construction projects, provide comparison worksheet)  
☐ Bid/quote comparison worksheet  
☒ Draft County Board resolution  
☐ Plat approval check-list and supporting documents  
☐ Copy of previous minutes related to this issue  
☒ Other supporting document(s) (please list) State of Minnesota Agency Agreement

**Date: April 3, 2012**

**Regular Agenda Item:**

State of Minnesota Agency Agreement – S.P. 01-603-12

**Summary:**

On May 7, 2012, bids will be opened for S.P. 01-603-12, which is the project to reconstruct the pavement on CSAH 3 from US Hwy 169 to TH 232 in the City of Palisade. Sidewalks and curb and gutter will also be replaced on CSAH 3 in the City of Palisade as part of this project.

Since this project involves \$700,000 of federal fiscal year 2013 funds that are not yet available, I need to enter into this agreement to allow the project to proceed at this time. The agreement essentially says that since the federal funds are not yet available, we need to provide an alternate funding source until such time as federal funds become available.

**Draft Resolution:**

BE IT RESOLVED, that pursuant to Minnesota Statutes Section 161.36, the Commissioner of Transportation be appointed as Agent of Aitkin County to accept as it's agent, federal aid funds which may be made available for eligible transportation related projects.

BE IT FURTHER RESOLVED, the Aitkin County Engineer is hereby authorized and directed for and on behalf of the County to execute and enter into an agreement with the Commissioner of Transportation prescribing the terms and conditions of said federal aid participation as set forth and contained in "Minnesota Department of Transportation Agency Agreement No. 00894", a copy of which said agreement was before the County Board and which is made of part hereof by reference.

STATE OF MINNESOTA AGENCY AGREEMENT  
BETWEEN  
DEPARTMENT OF TRANSPORTATION  
AND  
AITKIN COUNTY

FOR FEDERAL PARTICIPATION IN ADVANCE CONSTRUCTION  
FOR  
S.P. 001-603-012; M.P. STPX 0112(182)

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This agreement is entered into by and between Aitkin County ("County") and the State of Minnesota acting through its Commissioner of Transportation ("MnDOT"),

Agency Agreement No. 00001 which has been executed between the County and MnDOT, appoints MnDOT as the County's agent to receive and disburse transportation related federal funds, and sets forth duties and responsibilities for letting, payment, and other procedures for a federally funded contract let by the County; and

Pursuant to Minnesota Statutes Section 161.36, the County desires MnDOT to act as the County's agent to accept and disburse federal funds for the construction, improvement, or enhancement of transportation financed in whole or in part by federal funds; and

The County is proposing a federal aid project to reconstruct County State Aid Highway 3 from Trunk Highway 169 to Trunk Highway 232, hereinafter referred to as the "Project"; and

The Project has been determined to be eligible for the expenditure of federal aid funds and is programmed in the approved federally approved STIP for the fiscal year 2013; and the project is identified in MnDOT records as State Project 001-603-012, and in Federal Highway Administration ("FHWA") records as Minnesota Project STPX 0112(182); and

The County desires to proceed with the construction of the project in advance of the year it is programmed for the federal funds; and

It is permissible under Federal Highway Administration procedures to perform advance construction of eligible projects with non-federal funds, with the intent to request federal funding for the federally eligible costs in a subsequent federal fiscal year, if sufficient funding and obligation authority are available; and

The County desires to temporarily provide County State Aid and/or other local funds in lieu of the federal funds so that the project may proceed prior to the fiscal year designated in the STIP; and

MnDOT requires that the terms and conditions of this agency be set forth in an agreement:

THE PARTIES AGREE AS FOLLOWS:

I. DUTIES OF THE COUNTY.

- A. The County will let a contract and construct the Project in accordance with Agency Agreement No. 00001. Payment provisions for federally eligible costs will be as stated herein.
- B. It is estimated that the total cost of the Project is \$ 1,857,857 and that the anticipated federal funding will be \$ 700,000. The remaining share will be paid by the County.
- C. The County will pay any part of the cost or expense of the Project that is not paid by federal funds.
- D. Request for reimbursement of the federal aid share of the federally eligible costs will be made after October 1, 2012, or earlier if funding and obligation authority are available (subject to the Area Transportation Partnership (ATP) policy).
- E. If the project is converted to federal funding before completion and final acceptance, requests for reimbursement will occur as partial estimates in accordance with Agency Agreement No. 00001:
- F. Under Minnesota Statutes § 16C.05, subd. 5, the (Governmental Unit's) books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by the State and the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years.

II. DUTIES OF MnDOT.

- A. MnDOT will make the necessary requests to the FHWA for authorization to use federal funds for the Project and designation as an Advance Construction project.
- B. MnDOT will request the conversion of the Project to federal funding of eligible costs, when funding and obligation authority are available.
- C. At such time that the project is converted to federal funding and such funding is received by MnDOT, MnDOT will reimburse to the County the federal aid share of the federally eligible costs, previously provided by the County. Reimbursement for County State Aid funds used in lieu of federal funds, will be deposited in the County's State Aid Account. Reimbursement for other County funds used in lieu of federal funds will be forwarded to the County.

III. AUTHORIZED REPRESENTATIVES. Each authorized representative will have responsibility to administer this agreement and to ensure that all payments due to the other party are paid pursuant to the terms of this agreement.

- A. The County authorized representative is John Welle, Aitkin County Engineer, 1211 Airpark Drive, Aitkin, Minnesota 56431 or his successor.

- B. MnDOT's authorized representative is Lynnette Roshell, Minnesota Department of Transportation, State Aid for Local Transportation, 395 John Ireland Boulevard, Mail Stop 500, St Paul, MN 55155, phone 651-366-3822, or her successor.
- IV. TORT LIABILITY. Each party is responsible for its own acts and omissions and the results thereof to the extent authorized by law and will not be responsible for the acts and omissions of any others and the results thereof. The Minnesota Tort Claims Act, Minnesota Statutes Section 3.736, governs MnDOT liability.
- V. ASSIGNMENT. Neither party will assign or transfer any rights or obligations under this agreement without prior written approval of the other party.
- VI. AMENDMENTS. Any amendments/supplements to this Agreement must be in writing and be executed by the same parties who executed the original agreement, or their successors in office.
- VII. TERM OF AGREEMENT. This agreement will be effective upon execution by the County and by appropriate State officials, pursuant to Minnesota Statutes Section 16C.05, and will remain in effect for five (5) years from the effective date or until all obligations set forth in this agreement have been satisfactorily fulfilled, whichever occurs first.
- VIII. TERMINATION. This agreement may be terminated by the County or MnDOT at any time, with or without cause, upon ninety (90) days written notice to the other party. Such termination will not remove any unfulfilled financial obligations of the County as set forth in this Agreement. In the event of such a termination the County will be entitled to reimbursement for MnDOT-approved federally eligible expenses incurred for work satisfactorily performed on the Project to the date of termination subject to the terms of this agreement.

**Remainder of this page left intentionally blank**

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed  
intending to be bound thereby.

COUNTY

County certifies that the appropriate person(s)  
have executed the contract on its behalf as required  
by applicable resolutions, ordinances, or charter  
provisions

By: \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_

DEPARTMENT OF TRANSPORTATION

By: \_\_\_\_\_

Title: Director  
State Aid for Local Transportation

Date: \_\_\_\_\_

COMMISSIONER OF ADMINISTRATION

By: \_\_\_\_\_

Date: \_\_\_\_\_