

8820.2300 TURNBACK, TOWN BRIDGE, AND TOWN ROAD ACCOUNTS.

Subpart 1. **County and municipal turnback accounts.** A percentage of the net highway user tax distribution fund is set aside in accordance with law and apportioned to separate accounts respectively identified as the county turnback account and the municipal turnback account.

Subp. 1a. **Town bridge account.** Further, a percentage of the net highway user tax distribution fund is set aside and must be used for replacement or reconstruction of town bridges pursuant to the law. This latter account is known as the town bridge account.

Subp. 1b. **Town road account.** Further, a percentage of the net highway user tax distribution fund must be apportioned to the counties for the construction, reconstruction, and maintenance of town roads. This account is known as the town road account.

Subp. 2. **Town bridge fund allocation.** The funds set aside for town bridges must be allocated to the eligible counties.

Subp. 2a. **Town road account allocation.** The amounts to be distributed to the counties from the town road account must be determined according to the formula prescribed by Minnesota Statutes, section 162.081, subdivisions 2 and 4. The funds apportioned to a county from the town road account must be distributed to the treasurer of each eligible town within 30 days of the receipt of the funds by the county treasurer, according to a distribution formula adopted by the county board. The county board must consider each town's population, town road mileage, and other factors considered advisable to the interest of achieving equity among the towns. The county treasurer is the treasurer for eligible unorganized towns. If a county board does not adopt a distribution formula, the funds must be distributed to the town according to items A and B.

A. Fifty percent of the funds apportioned to a county must be distributed to an eligible town based upon the percentage that its population bears to the total population of the eligible towns in the county.

B. Fifty percent of the funds apportioned to a county must be distributed to eligible towns based upon the percentage of the length of town roads of each town to the total length of town roads of eligible towns in the county.

Subp. 3. **Surplus turnback funds.** At any time the commissioner determines that either the county or municipal turnback accounts, notwithstanding the town bridge accounts or the town road accounts, has accumulated a surplus not needed for turnback purposes, the commissioner shall properly notify the commissioner of management and budget requesting the transfer of the surplus to the respective county state-aid highway fund or municipal state-aid street fund for apportionment as provided by law.

Subp. 4. [Repealed by amendment, 8 SR 2146]

Subp. 5. [Repealed by amendment, 8 SR 2146]

Subp. 6. **Release of turnback account funds.** Upon receipt of an abstract of bids and a certification as to the execution of a contract and bond on an eligible project, the commissioner

shall release to a county or urban municipality from turnback account funds up to 95 percent of the turnback share of the contract. The commissioner shall keep the remaining percentage of the turnback share of the contract until the final cost is determined and the project accepted by the district state-aid engineer.

On force account agreements, partial estimates must be accepted on turnback projects approved for construction by local forces, using the agreed unit prices for determining the value of the completed work.

The commissioner shall release from the respective turnback account 95 percent of the value as reported by partial estimates on an eligible turnback project.

Requests for reimbursement of preliminary and construction engineering costs on an eligible turnback project must be submitted and payment must be authorized in accordance with part 8820.1500, subpart 6.

Subp. 6a. In lieu payment. In lieu of contracting work or force account work, the commissioner, with concurrence of the receiving agency, may enter into an agreement to pay a lump sum payment from the turnback account to the receiving agency's road and bridge account, or encumbered within the turnback account to be paid as county or municipal construction, equal to the net value of eligible turnback costs.

Subp. 7. Release of town bridge account funds. Upon receipt of an abstract of bids and a certification as to the execution of a contract and bond on an eligible project, the commissioner shall release to a county, from town bridge account funds, up to 95 percent of the town bridge account share of the contract. The commissioner shall keep the remaining five percent until the final cost is determined and the project is accepted by the district state-aid engineer.

Statutory Authority: *MS s 14.386; 161.082; 161.083; 162.02; 162.09; 162.155; L 1983 c 17*

History: *8 SR 2146; 15 SR 2596; 17 SR 1279; 20 SR 1041; 23 SR 1455; 24 SR 1885; L 2009 c 101 art 2 s 109; 42 SR 485*

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