



# AGENDA ITEM

## Breezy Point City Council

<b>Prepared By:</b> Jerry Bohnsack, Interim City Administrator	<b>Meeting Date:</b> 2/03/2025	<input checked="" type="checkbox"/> <b>Regular Agenda Item</b> <input type="checkbox"/> <b>Consent Agenda Item</b>	<b>Item No.</b> Click or tap here to enter text.
<b>Item Description:</b> Furniture Order for New City Hall Addition		<b>Reviewed By:</b> N/A	

### **ACTION REQUESTED**

Motion to approve Hytech Construction change order number 130196.03 in the amount of negative \$130,000 and payment of invoice from Duet Resource Group for furniture for the city hall addition in the amount of \$89,560.80.

### **BACKGROUND/DISCUSSION**

The cost of the furniture package for the new city hall addition is 179,121.60 with \$130,000 of that cost being part of the Hytech Construction contract and the remaining \$50,000 funded by a Sourcewell grant. It was realized that if the furniture package were to remain a part of Hytech's contract, sales tax would be charged on the product. Since the City is exempt from sales tax, it was decided to remove the furniture package from Hytech's contract and bill the City directly to save on the added expense of sales tax. The furniture needs to be ordered very soon so that it will be delivered by the end of April as planned. The furniture supplier, Duet Resource Group, requires a 50% down payment at the time of ordering.

### **FINANCIAL IMPACT**

The furniture package price of \$130,000 has been removed from the Hytech Construction contract. The \$50,000 Sourcewell grant was received in August 2024. No change in financial impact as the amount is being removed from an approved contract for the City to pay directly.

### **STAFF RECOMMENDATION**

Approve payment of invoice from Duet Resource Group for the purchase of furniture for the new city hall addition in the amount of \$89,560.80

### **ATTACHMENTS**

Hytech Construction Change Order Number 130196.03  
Duet Resource Group Pro Forma Invoice, Order Number 13573