



CITY OF MARSHALL AGENDA ITEM REPORT

Meeting Date:	Tuesday, June 14, 2022
Category:	AWARD OF BIDS
Type:	ACTION
Subject:	Award of Quotation for Street Department Cold Storage Building Heating, Insulation and Overhead Garage Doors.
Background Information:	<p>The 2022 Capital Budget included \$75,000 for insulation and heating of the existing cold storage building at the Street Department property, located at 901 Oak Street. The scope of work included furnishing all of the labor, materials, and equipment needed to fully insulate and heat the existing 120' x 70' x 16' cold storage building and install two new, insulated overhead garage doors. The purpose of the project is to provide more climate-controlled storage space for critical City equipment. Maintaining our equipment and some of our temperature-sensitive materials is very important to the success of Street Department operations. On June 6, one quote was received from Sussner Construction, Inc. of Marshall, Minnesota.</p> <p>Cost estimates for the project were completed in 2021. After reviewing our proposed work plan with the Building Department, it was determined that we needed to increase the amount of insulation to meet Minnesota Building Code requirements. The increased insulation need, along with higher construction prices in 2022, resulted in the base bid amount coming in over-budget at \$89,700.</p> <p>In addition to the base bid, the City asked for two add-alternates to this quote. Alternate 1 included the addition of sheet metal around the lower 10-FT of the building to cover and protect the insulation. This alternate would cost an additional \$13,200. Alternate 2 included CO detectors and building ventilation of 0.75 CFM per building square foot. This alternate would cost an additional \$23,000. The Contractor identified a deduction of \$15,725 for the removal of the two, new insulated overhead garage doors. By removing the garage doors, we are able to complete building insulation and heating for a total cost of \$73,975.00.</p>
Fiscal Impact:	The 2022 Capital Budget included \$75,000 for insulation and heating of the existing cold storage building at the Street Department property.
Alternative/Variations:	that the Council remove the garage door installation from the project and award the quotation for heating and insulation to Sussner Construction of Marshall, Minnesota in the amount of \$73,975.00.
Recommendation:	that the Council award the quotation for heating, insulation and overhead garage doors to Sussner Construction of Marshall, Minnesota in the amount of \$89,700.00.