

CITY OF MARSHALL
AGENDA ITEM REPORT

Meeting Date:	Tuesday, May 12, 2020
Category:	AWARD OF BIDS
Type:	ACTION
Subject:	Consider Award of Bid for Demolition of Structure at 326 West Main Street.
Background Information:	<p>This project involves the demolition and removal of the building structure and foundation at 326 West Main Street. The bidding package was provided to eight contractors as shown on the attached bid tabulation. Bids for the project were due by 10:00 am on Tuesday, May 5, 2020. One bid was received from LinnCo, Inc. of Sauk Rapids, Minnesota, in the amount of \$523,444.00.</p> <p>The Contractor has submitted a list of cost savings that could be made to help reduce the amount of the contract. Attached please find a summary of those cost savings that the City is able to choose from. The total cost of all cost savings proposed is \$26,332.00.</p> <p>In 2009, the City initiated a process for acquisition of the Marshall Hotel building. At that time, the building was considered a blighted structure within in downtown Marshall. Over the past 11 years, the City has considered many options and worked with multiple developers for the improvement of the building, including redevelopment, demolition, or combinations of those alternatives.</p> <p>During the process of the renovation of City Hall, the existing condition of the adjacent wall of the Marshall Hotel was exposed and found to be in significant disrepair requiring substantial reconstruction costs if the building was to be renovated.</p> <p>Prior to the April 8th City Hall Committee meeting, some of the committee members visited the site and pictures were taken of the existing walls of the adjacent Marshall Hotel building.</p> <p>At the April 8th City Hall Committee meeting, discussion was held concerning alternatives for the hotel. After considerable discussion, a motion was made to recommend to City Council the demolition and removal of the Marshall Hotel building structure, foundation and materials of the building.</p> <p>The ultimate use of the property is unknown at this time but could be reused for open greenspace, parking, or other uses as recommended by a future downtown committee or redevelopment group.</p> <p>The approval of the demolition will necessitate a change to the construction plans of the southeast wall of City Hall, as well as some potential of improvement to the existing wall of the Main Stay Cafe.</p> <p>As you can see, this issue has been a prime topic of dialogue and debate for many years.</p>
Fiscal Impact:	One bid was received from LinnCo, Inc. of Sauk Rapids, Minnesota, in the amount of \$523,444.00. Per Finance, the funding source is not final at this time.
Alternative/ Variations:	<ul style="list-style-type: none"> - Reject the bid and not demo the building. - Reject the bid and rebid the project. <p>Neither alternative is recommended due to impacts to Municipal Building renovation.</p>
Recommendations:	that the Council award the project to LinnCo, Inc. of Sauk Rapids, Minnesota, in the amount of \$523,444.00, less any cost savings measures approved by City Council.