



August 17, 2026

Mr. Jason Anderson
Director of Public Works / City Engineer
344 West Main Street
Marshall, Minnesota, 56258

Re: Southwest Minnesota Regional Airport
Aircraft Fueling Facility Relocation
Contract Award Recommendation
State Project No. A4201-112
TKDA Project No. 23660.000

Dear Mr. Anderson:

Bids on the above-referenced project were received and opened at 2:00 PM on July 16, 2026. Two bidders submitted a bid, as follows:

Minnesota Petroleum Service	\$1,806,829.40
O'Day Equipment	\$2,061,522.53

The Engineer's Estimate for this construction was \$1,300,047.00 for the Base Bid, as shown on the attached bid tabulation. We have reviewed the bids and found no improprieties in the bid proposal from the low bidder, Minnesota Petroleum Services. The two bids were within 12% of each other and the low bid was 38% above the Engineer's Estimate. The engineering team had discussions with the low bidder and determined the bid was higher than estimated due to a few factors, including cost of electrical work and inability to find local suppliers of industrial control panels that meet code requirements for the hazard classification of the facility. Compliance with UL 698A (facility authorized by UL Solutions to build custom electrical control assemblies) is required for this facility to meet the National Electric Code (NEC). Furthermore, the fueling vendor (Titan) requires adherence to ATA (Air Transport Association) standards related to Jet-A fuel being used for charter aircraft services.

The Base Bid provides for the construction of a new Fueling Facility with 15,000 gallon jet fuel tank, 12,000 gallon aviation gas fuel tank, and aircraft fueling system with self-serve card reader. Work also includes removal of the existing fueling facility and site improvements associated with installation of the new facility. The construction will be funded utilizing State Airport Funds (SAF) at a funding rate of 60%. The City's local share of the construction cost will therefore be \$722,731.76.

We therefore recommend that a contract be conditionally awarded to Minnesota Petroleum, Inc., the lowest responsible bidder. A grant is anticipated in the fall of 2026; therefore, the resolution for award should be subject to receipt of state funding agreements.

Please contact us at your convenience with any related questions or comments.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dan Sherer", with a stylized flourish at the end.

Daniel A. Sherer, PE
Project Manager

Enclosures

c: Luke Bourassa, MnDOT Aeronautics, elec. w/encl.