



CITY OF MARSHALL
Public Improvement & Transportation
Committee
A g e n d a
Tuesday, April 25, 2023 at 3:00 PM
344 W. Main St., City Hall

APPROVAL OF AGENDA

APPROVAL OF MINUTES

1. Consider Approval of Minutes of the March 29, 2023 Meeting

NEW BUSINESS

2. Project AP-003: Airport Snow Removal Equipment (SRE) Building - Consider Rejection of Bids
3. Discussion Regarding Status of Broadmoor Valley Grant-Funded Improvements

ADJOURN

CITY OF MARSHALL AGENDA ITEM REPORT

Presenter:	Chair
Meeting Date:	Tuesday, April 25, 2023
Category:	APPROVAL OF MINUTES
Type:	ACTION
Subject:	Consider Approval of the Minutes
Background Information:	Enclosed are the minutes from the previous meeting.
Fiscal Impact:	
Alternative/ Variations:	Staff encourages Members to provide any suggested corrections to the minutes in writing to City Clerk, Steven Anderson, prior to the meeting.
Recommendations:	That the minutes from the meeting held on March 29, 2023, be approved as filed with each member and that the reading of the same be waived.

-UNAPPROVED-

**MINUTES
PUBLIC IMPROVEMENT/TRANSPORTATION COMMITTEE MEETING
March 29, 2023
11:00 AM**

MEMBERS PRESENT: Schafer, Lozinski, Alcorn

MEMBERS ABSENT: None

STAFF PRESENT: Director of Public Works/City Engineer Jason Anderson, City Administrator Sharon Hanson, Director of Administrative Services E.J. Moberg, Parks Superintendent Preston Stensrud

OTHERS PRESENT: None

Call to Order.

Schafer called the meeting to order at 11:08 am.

1. Approval of the Minutes.

MOTION BY LOZINSKI, SECONDED BY ALCORN to approve the minutes of the February 14, 2023 Public Improvement/Transportation Committee meeting. ALL VOTED IN FAVOR. MOTION PASSED 3:0.

2. Review Expenditures for Current 2023 and 2024 / Project ST-009 Scope.

Moberg indicated this would be a bonding discussion. Funding and bonding discussed for various projects with 2024 levy impacts. Schafer commented on the importance of finding ways to fund and finance projects and purchases with resources available and Council discussion versus departmental competition as well as for the benefit of constituents.

Anderson commented on how all street and utility reconstruction projects are in coordination with MMU. MMU is committed to replacing the watermain in our community and comprehensive analyses are done during planning process for all infrastructure.

Scope of N 3rd Street was discussed. String lighting options discussed. Cost of light poles is higher than discussed. Discussion was held regarding this project being a legacy project where it is more than just a reconstruction and is a once in a lifetime project. Schafer and Lozinski indicated the project will be funded as it has already been approved by City Council. Discussion was held regarding removal of string lighting pay item from the contract, but keeping all other plan elements in the contract.

LOZINSKI MADE A MOTION recommending the removal of just the string lighting and the string lighting poles but put the bones in with the foundation for future accommodation if that is possible. Discussion held on allowance of PI/T Committee to make this decision relating to this change of scope because the contractor is open to eliminating the pay item from their approved contract.

SCHAFER SECONDED THE MOTION to remove the posts for the string lighting but to have the foundations put in and to have Engineering work with MMU and to see about getting the bases adaptable to our conventional street lamp posts. Alcorn asked about how to address the one owner's interest in keeping the string lighting in the project, how do we approach that, and the removal of this will take away from the nostalgia part of the

project. Anderson proposed he call the property owner and indicate meeting was held regarding budget and discussion with the Council at a committee level and not completely committed in string lighting being an expense that has public participation. ALL VOTED IN FAVOR. MOTION PASSED 3:0.

Moberg went over what is still in the plan for bonding: parking lot upgrade for Ralco lot, Parks projects, W Lyon/North 3rd, SRE Building, Legion Field Stormwater project-Phase II. Pulled out Helena and Lyon Circle reconstruction. Based on those projects, it would be an approximate 5.7% levy impact based on the current bonding projections.

Lozinski inquired about overage of estimate of the SRE Building. Anderson indicated increases from the initial phases of the project and Council for authorization of bids. Lozinski asked about delaying the project a year and the impact. Anderson indicated \$150,000 loss in FAA entitlements. We get \$150,000/year, but can only store the money for four years. We have loaned out two years in a row. TKDA/City has worked really hard to work with FAA and MnDOT-Aeronautics regarding grant agreements. Upon receipt of bids, Council has the right to reject any and all bids.

Moberg gave a summary of bonding scenarios and funding sources.

3. Project ST-009 North 3rd Street & West Lyon Street Reconstruction Project - Bolton & Menk Request for Additional Payment.

City staff would like to discuss the request of Bolton & Menk, Inc. for additional payment for engineering and landscape architect services related to design of the project. BMI identifies numerous items where they believe cost fell outside of their original scope of work. Their actual sunk costs into the project work out to roughly \$261,000, which is about \$83,000 over budget. They are seeking an additional \$49,340 above contract amount to cover costs that they incurred that were outside of their original project scope. Staff recommended to pay BMI for services rendered that were outside the scope of the original contract.

Anderson presented the items outside of original bid-streetscaping, surveying and items that were not specifically stated in original request. Original contract was a competitive selection process. Discussion was held regarding the validity of the charges. Committee generally felt that the request was too much and that some of the expenses should have been covered by BMI. Anderson will work with Bolton & Menk to review their request further.

MOTION BY LOZINSKI, SECONDED BY ALCORN that Anderson negotiate with BMI on prices of the change order. ALL VOTED IN FAVOR. MOTION PASSED 3:0.

4. Consider Request from Ralco for ADA Parking Stalls and Marshall Tobacco Shop for 10-minute Parking.

Ralco has requested City Administration to consider the addition of ADA parking stalls on W College Drive adjacent to their new downtown building. They are requesting 2-3 stalls and they indicate that this has been requested by their event space users. City staff believe that MnDOT would approve a request by the City to sign stalls in this manner. Anderson presented the item. Ralco's situation identified two spots-Main/College and MS/College. Both are near a ramp in the sidewalk. On site review not done to determine if there is an existing sign or light pole to mount sign in addition to painting. Anderson noted that if the parking lot is reconstructed across the river and paving and striping on their behalf, they would have required ADA stalls in that lot. Lozinski asked regarding the stalls after E College Drive project. DOT approval would be required also. ADA requirements discussed.

MOTION BY LOZINSKI, SECONDED BY ALCORN to approve the two stalls for Ralco as presented. ALL VOTED IN FAVOR. MOTION PASSED 3:0.

Marshall Tobacco Shop has been informed by MnDOT that they will be losing all parking on the block of E. College Drive next to their business when the reconstruction project is completed in 2025-2026. This is concerning for Marshall Tobacco Shop because their patrons are typically in and out very quickly and the loss of these stalls near them is an issue for them. They requested 10- or 15-minute parking stalls in the Addison Parking Lot. City staff advised that we would discuss the request for dedicated short duration parking in the Addison Lot and/or a 10- or 15-minute parking stall on E. Main Street near their business.

MOTION BY ALCORN, SECONDED BY LOZINSKI to defer the Marshall Tobacco Shop for 10-minute parking as presented for two years until the 2025 College Drive Project takes place and bring before Council at that time.

Other Business.

No other business discussed.

Adjourn.

MOTION BY LOZINSKI, SECONDED BY SCHAFER to adjourn the meeting. ALL VOTED IN FAVOR. MOTION PASSED 3:0. Meeting adjourned at 12:40pm.

Respectfully submitted,
Lona Rae Konold, Administrative Assistant

PI/T COMMITTEE – 04/25/2023 AGENDA ITEM REPORT

Presenter:	Jason Anderson
Meeting Date:	Tuesday, April 25, 2023
Category:	NEW BUSINESS
Type:	ACTION
Subject:	Project AP-003: Airport Snow Removal Equipment (SRE) Building - Consider Rejection of Bids
Background Information:	<p>The City of Marshall Public Works desires to construct a new Snow Removal Equipment (SRE) and Maintenance Equipment Storage Building at the Southwest Minnesota Regional Airport. The existing building does not adequately accommodate all airport maintenance equipment storage needs. The new facility is planned to be constructed on the East Building Area of the airport, as shown on the recently completed Airport Master Plan. The Project has been identified on the Airport CIP since FFY2011.</p> <p>The following is the most recent timeline received from TKDA, the City's consultant:</p> <ul style="list-style-type: none"> February 21st – TKDA to provide Ad for Bids, Estimate, and Plans and Specifications (99%) to the city for the council packet. February 28th – City Council approves advertising for bids March 1st – Post Plans and Specifications (100%) to QuestCDN April 3rd – Bid Opening April 11th – City Council conditionally accepts bid, and approves application for funding April 14th – Grant application to FAA and MnDOT Aeronautics August 1st – Award Construction Contract (120 days after bid opening) September – November 2023 – site improvements April 2024 – September 2024 – building construction (not to begin before April 1, 2024) October 2024 – final completion and occupancy <p><u>Historical reference for action items relating to the project:</u></p> <p>03/23/2021 - Council authorized the first transfer of Airport Federal Entitlement Funds and authorized execution and filing of FAA Form 5100-110 for the transfer of \$150,000 of MML Airport 2021 Federal Entitlement Funds to Dodge Center, MN (TOB).</p> <p><i>Background: Based on the timeline above, the City's consultant, TKDA, proposed that two entitlement transfers be performed, one in 2021 (Dodge Center, MN-TOB), and one in 2022 (Waseca, MN-ACQ), to ensure that those entitlements do not expire. These entitlement transfers will provide the City and TKDA with enough time to prepare the necessary pre-project planning documents to secure state aeronautics funding while also helping the City to secure enough FAA entitlement funds to facilitate the construction of this improvement in 2023.</i></p> <p>Based on 03/23/2021 Council authorization of the first transfer of Airport Federal Entitlement Funds to Dodge Center, MN, the proposed timeline was presented as follows:</p> <ul style="list-style-type: none"> Phase 1 - 2021: Preliminary Design Study and Funding Plan Phase 2 - 2022: Design and Site Preparation Phase 3 - 2023: Construction

	<p>10/12/2021 - Council authorized acceptance of the Proposal with TKDA for a Predesign Study in the amount of \$35,000.00.</p> <p>03/08/2022 - Council authorized the second transfer of Airport Federal Entitlement Funds and authorized execution and filing of FAA Form 5100-110 for the transfer of \$150,000 of MML Airport 2022 Federal Entitlement Funds to Waseca, MN (ACQ). (See 03/23/2021 regarding first transfer.)</p> <p>04/26/2022 - Council authorized TKDA submittal of an FAA Grant Application in the amount of \$135,598.00. Total design cost in the request for grant funding was \$297,000.00. This total included \$7,000 in local project costs and \$35,000 reimbursement for the TKDA pre-design study.</p> <p>05/10/2022 - City Council authorized acceptance of the Proposal with TKDA for Design Phase Services in the amount of \$255,000 with services under this proposal, contingent on receipt of the federal and State grant agreements.</p> <p>08/15/2022 - FAA Grant Agreement 3-27-0056-019-2022 received and electronically signed by Mayor and City Attorney.</p> <p>09/13/2022 - City Council acknowledgement of FAA Grant Agreement 3-27-0056-019-2022 for Funding of Site and Building Design in the amount of \$135,598.00.</p> <p>09/27/2022 - Consider Resolution of Authorization to Execute MnDOT Grant Agreement No. 1051776 for funding of Site and Building Design in the amount of \$109,968.00.</p> <p>10/20/2022 - Submission of 2023 Federal Grant Initiation Request to ensure eligible utilization of all Airport entitlements and indicating the project is planned to utilize both the airports AIP and AIG funding available in 2023. At the time of submission of Initiation Request, it was noted that the building design was just beginning, and the funding eligibility and prorates would be revisited prior to the grant application.</p> <p>02/07/2023 – Most recent TKDA presentation of project to the Airport Commission. Commission member Ron Halgerson has served as the Airport Commission representative to the project to help review project plans and offer outside input to the project.</p> <p>02/14/2023 - Project presented to Public Improvement/Transportation Committee for their information.</p> <p>02/28/2023 - City Council authorization to advertise for bids.</p> <p>04/03/2023 - Bids received – One bid was received from Sussner Construction, Inc. in the amount of \$4,346,000, which substantially exceeds the construction cost estimate of \$3,118,023 for construction costs. Total estimated project budget, including construction administration and special testing costs, was \$3,353,023. At the Airport Commission meeting on 04/04/2023, Airport Commission discussed and recommended a re-evaluation of the project scope, bidding requirements and potential cost control measures for the City’s review/consideration.</p> <p>If the Council elects to reject the bid received, it is recommended that City staff work with TKDA and the Airport Commission to re-evaluate the bid package to ensure that the project is economical. Staff would propose to seek City Council authorization to bid a re-evaluated project in late 2023 or early 2024.</p>
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Fiscal Impact:	<p>Current project cost estimate is \$3,353,023, including construction administration and special inspections fees. Local cost participation with this estimate is roughly \$1,059,000.</p> <p>Additional costs over the project estimate will fall largely upon the City of Marshall. A project that is \$1M over budget may result in local costs that are \$1M greater than originally anticipated. Our federal funding allotment is capped due to programmatic limitations placed upon the project by FAA funding policy. State funding is capped at \$1M annually by MnDOT Aeronautics policy. Additional State funding to help offset local costs is possible, but not guaranteed.</p> <p>Further, a recommendation to reject bids will require the City to seek a transfer partner for expiring Federal AIP funds. City staff would work with TKDA to find a suitable airport to transfer \$150,000 in Federal AIP funds to ensure that we do not allow the funds to expire.</p>
Alternative/ Variations:	No alternative actions recommended.
Recommendations:	PI/T Committee recommend to City Council to reject the bid received April 3, 2023 and authorize City staff to work with TKDA and the Airport Commission to re-evaluate the project AP-003 bid package to ensure the project is more economical.

TKDA OPINION OF PROBABLE CONSTRUCTION COSTS



Southwest Minnesota Regional Airport - City of Marshall, MN Snow Removal Equipment Facility Opinion of Probable Costs - "Cost Reduction Alternative" Construction Estimate		Date:	February 21, 2023	Prepared By:	ADG
		PROJECT:	Marshall SRE	Project No.:	18338.001
		Sections are classified according to the CSI MasterFormat system.			
SUMMARY		Subtotal Square Feet	7,495		
		Total Square Feet	7,495		
		Construction Cost	\$3,118,023		
		Construction Contingency	\$312,000		
		Const. Cost / Sq. Ft.:	\$410.18	without contingency	
		Const. Cost / Sq. Ft.:	\$446.03	including contingency	
		Estimated Construction Cost	\$3,430,023	including contingency	
DIVISION 1 - GENERAL REQUIREMENTS			\$479,000	15.36%	63.91
DIVISION 2 - EXISTING CONDITIONS			\$12,000	0.38%	1.60
DIVISION 3 - CONCRETE			\$198,796	6.38%	26.52
DIVISION 4 - MASONRY			\$15,360	0.49%	2.05
DIVISION 5 - METALS			\$73,400	2.35%	9.79
DIVISION 6 - WOOD, PLASTICS, AND COMPOSITS			\$33,600	1.08%	4.48
DIVISION 7 - THERMAL AND MOISTURE PROTECTION			\$30,900	0.99%	4.12
DIVISION 8 - OPENINGS			\$110,240	3.54%	14.71
DIVISION 9 - FINISHES			\$47,481	1.52%	6.33
DIVISION 10 - SPECIALTIES			\$3,200	0.10%	0.43
DIVISION 11 - EQUIPMENT			\$0	0.00%	0.00
DIVISION 12 - SPECIALTIES			\$0	0.00%	0.00
DIVISION 13 - SPECIAL CONSTRUCTION			\$1,087,500	34.88%	145.10
DIVISION 21 - FIRE SUPPRESSION			\$38,500	1.23%	5.14
DIVISION 22 - PLUMBING			\$68,963	2.21%	9.20
DIVISION 23 - HVAC			\$247,065	6.52%	27.13
DIVISION 26 - ELECTRICAL			\$145,450	4.56%	19.41
DIVISION 27 - COMMUNICATIONS			\$11,400	0.37%	1.52
DIVISION 28 - ELECTRONIC SAFETY & SECURITY			\$57,000	1.83%	7.61
DIVISION 31 - EARTHWORK			\$45,000	1.44%	6.00
DIVISION 32 - EXTERIOR IMPROVEMENTS			\$313,168	10.04%	41.78
DIVISION 33 - UTILITIES			\$100,000	3.21%	13.34
TOTAL CONSTRUCTION COST			\$3,118,023	100.00%	\$410.18

Const. & Escalation Contingency

10.00%

\$312,000

Anticipated Construction Administration Fees
Construction Special Inspection Fees
SRE Building Furnishings

Total Base Bid **\$3,118,023**
\$165,000
\$50,000
\$10,000
Total Opinion of Probable Project Costs **\$3,343,023**

Total Construction Cost / Sq.Ft.

\$446.03

Including site improvements and contingency

PROJECT COST BREAKDOWN
SRE BUILDING CONSTRUCTION AND SITE PREPARATION
SOUTHWEST MINNESOTA REGIONAL AIRPORT - MARSHALL (MML)
FEDERAL FISCAL YEAR 2023 GRANT INITIATION REQUEST

ID	UNIT OF WORK	COST	FAA AIP FUNDING				FAA AIG (BIL) FUNDING				STATE FUNDING		SPONSOR
			AIP ELIGIBLE PERCENTAGE*	AIP ELIGIBLE COST	FAA AIP 90.0%		AIG ELIGIBLE PERCENTAGE*	AIG ELIGIBLE COST	FAA AIG 90.0%		STATE AIP MATCH 0.0%	STATE 70.0%	
1	ADMINISTRATIVE												
	Independent Fee Review	\$ 6,000.00	0.00%	\$ -	\$ -	-	100.00%	\$ 6,000.00	\$ 5,400.00	\$ -	\$ -	\$ -	\$ 600.00
	City Administration	\$ 4,000.00	0.00%	\$ -	\$ -	-	100.00%	\$ 4,000.00	\$ 3,600.00	\$ -	\$ -	\$ -	\$ 400.00
	Subtotal Administrative	\$ 10,000.00	0.00%	\$ -	\$ -	-	100.00%	\$ 10,000.00	\$ 9,000.00	\$ -	\$ -	\$ -	\$ 1,000.00
2	ENGINEERING												
	Construction Phase Engineering (Building)	\$ 50,000.00	33.50%	\$ 16,750.00	\$ 15,075.00	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ 23,275.00	\$ 11,650.00
	Construction Phase Engineering (Site)	\$ 165,000.00	0.00%	\$ -	\$ -	-	100.00%	\$ 165,000.00	\$ 148,500.00	\$ -	\$ -	\$ -	\$ 16,500.00
	Subtotal Engineering	\$ 215,000.00	7.79%	\$ 16,750.00	\$ 15,075.00	-	76.74%	\$ 165,000.00	\$ 148,500.00	\$ -	\$ -	\$ 23,275.00	\$ 28,150.00
3	CONSTRUCTION												
	Building Construction	\$ 2,659,855.00	33.50%	\$ 892,051.43	\$ 801,946.28	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ 1,238,162.50	\$ 619,746.22
	Site Preparation/Utility Construction	\$ 468,168.00	0.00%	\$ -	\$ -	-	100.00%	\$ 468,168.00	\$ 421,351.20	\$ -	\$ -	\$ -	\$ 46,816.80
	Subtotal Construction	\$ 3,128,023.00	28.49%	\$ 892,051.43	\$ 801,946.28	-	14.97%	\$ 468,168.00	\$ 421,351.20	\$ -	\$ -	\$ 1,238,162.50	\$ 666,563.02
	TOTAL COST	\$ 3,353,023.00	27.07%	\$ 907,801.43	\$ 817,021.28	-	19.18%	\$ 643,168.00	\$ 578,851.20	\$ -	\$ -	\$ 1,261,437.50	\$ 695,713.02
	Project Funding Shares				24.37%				17.26%		0.00%	37.62%	20.75%
	Maximum Funding Amounts				\$ 764,402.00				\$ 587,000.00			\$ 1,000,000.00	
	Overage to Local Share				\$ 52,619.28				\$ -			\$ 261,437.50	
	Local Share from Overage												\$ 314,056.79
	Total Project Costs by Source				\$ 764,402.00				\$ 578,851.20			\$ 1,000,000.00	\$ 1,009,769.80

*FAA funding eligibility subject to change

Notes:

- 1) AIP Eligible Percentage capped at percentage shown to keep AIP share within the available entitlement amount.
- 2) No State AIP Match shown since state amount exceeds \$400,000 on AIP Ineligible, in accordance with the Airport Funding Rates Letter for State FY 2023.
- 3) City may request an exemption to the \$1.0M state limit on project funding, in accordance with the Airport Funding Rates Letter for State FY 2023.

2/28/2023
 Council authority
 [Signature]

**CITY OF MARSHALL
PI/T AGENDA ITEM REPORT**

Presenter:	Jason Anderson
Meeting Date:	Tuesday, April 25, 2023
Category:	NEW BUSINESS
Type:	ACTION
Subject:	Discussion Regarding Status of Broadmoor Valley Grant-Funded Improvements
Background Information:	<p>Bolton & Menk (BMI) has been working with Broadmoor Valley ownership to design a roadway improvement project to be completed using remaining MN Housing grant funds. City staff has been informed that Broadmoor has roughly \$350,000 in grant funds to use for making park improvements. Park ownership has elected to use the funds to improve the condition of their streets. BMI staff has indicated that park ownership would like to minimize street width that is paved to help ensure that they are able to maximize the amount of street paving. Currently, they are proposing to remove the 3-FT sidewalks that are located on both sides of the streets and to reconstruct their park roads to be 20-FT bituminous paving with an inverted crown to manage stormwater runoff. In addition, they are proposing gravel shoulders to help provide a wider hard surface.</p> <p>City Ordinance currently requires 28-FT of roadway width for private roads. In addition, our manufactured home park ordinance requires sidewalk. Park ownership is adamant that they are not required to follow city zoning ordinance requirements in the portion of their park that pre-dated our zoning ordinance. While city staff does not agree with this as it relates to reconstructed road and sidewalk areas, that is the contention of park ownership.</p> <p>City staff is looking for discussion with the PI/T Committee regarding the City's position on paved roadway width and sidewalks in manufactured home parks. If it is the desire of the Council to accommodate the narrower paved road width for park roads, staff believes that the City Council should consider some ordinance amendments to allow for the narrower paved width.</p>
Fiscal Impact:	None at this time.
Alternative/ Variations:	No alternative actions recommended.
Recommendations:	Staff is looking for a recommendation from PI/T Committee regarding minimum street width and sidewalks in our manufactured home parks.