



EXECUTIVE SUMMARY

Community Development

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Golden Valley City Council Meeting

October 20, 2026

Agenda Item

3E.7. Approval of Limited GMP Amendment #1 with Terra General Contractors, for Bid Package #01 - Building Demolition for the East Fire Station Project

Prepared By

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Summary

As part of the East Fire Station project, Terra Construction solicited competitive bids for building demolition of the existing gas station located at 1875 Lilac Drive North. Five bids were received on October 8, 2026.

Following review of the bids, bidder qualifications, and scope completeness, Terra Construction recommends award of the building demolition scope to Rachel Contracting, LLC. Rachel Contracting submitted a base bid of \$23,000.

Approval of Limited GMP Amendment #1 will authorize Terra Construction to proceed with demolition of the existing building at the East Fire Station property and allow this initial phase of construction to move forward.

If approved, demolition of the existing building is planned for the first week of November. More information about the East Fire Station and Lilac Drive Realignment project is found at www.buildingforwardgv.org.

Financial or Budget Considerations

The proposed Limited GMP Amendment #1 total value is \$99,721.05. This amount includes the cost for demolition, general conditions, permits, and fees. Costs are to be reimbursed by the State of Minnesota Capital Bonding Grant administered by the Department of Public Safety.

The limited GMP is intended to authorize early release of Bid Package #01 before execution of the full Guaranteed Maximum Price Amendment for the project.

Legal Considerations

Limited GMP Amendment #1 will be incorporated into the existing AIA A133-2019 Standard Form of Agreement between the City, as Owner, and Terra General Contractors, LLC d/b/a Terra Construction, as Construction Manager at Risk. The amendment establishes the limited Guaranteed Maximum Price for the early-release demolition work.

Equity Considerations

The new fire station will represent a major advancement in equity for the City's firefighters. The new fire station is proposed to include gender-neutral spaces, overnight areas for duty crew staff, and health and wellness areas to reduce cancer-risk in firefighters. The new fire station will also provide greater services for our community, resulting in equitable health outcomes.

Recommended Action

Motion to approve Limited GMP Amendment #1 with Terra General Contractors, LLC d/b/a Terra Construction in the amount of \$99,721.05 for Bid Package #01 - Building Demolition for the East Fire Station project.

Supporting Documents

- [2026-10-13 GMP Amendment #1 \(Limited\) Letter](#)
- [A133 Limited GMP Amendment - Bid Package #1](#)
- [Bid Package #01 - Bid Tabulation](#)