



# 1<sup>st</sup> Preliminary Look at Equipment Costs

June 15<sup>th</sup> – July 7<sup>th</sup> Pope St Project

***This is research. No decisions have been made. Current thinking is to get equipment costs to \$200,000 and construction costs to \$400,000. Construction costs are still under review. 8/14/18***

**\*\*** As movement on this relocation was proceeding rapidly, we needed cost estimates so that we can get a good idea if this was in the realm of possibilities **\*\***

**\*\*** Equipment costs are often the largest expense of a relocation. For grocery stores, refrigeration is generally the largest cost **\*\***

## Fact 1

***We cannot move our current equipment – it is too old and there would be no savings in doing this over getting newer green and energy efficient equipment.***

**\*\* The first estimates for refrigeration came from a top commercial firm in the industry – Bush Refrigeration. They were then modified by actual costs incurred at other Co-ops for similar styles \*\***

**\*\*** With expanding departments, the cost came to a ballpark \$400,000 **\*\***

**\*\*** This was soon followed by a short paper looking at ways to cut this cost in half **\*\***

**\*\*** The Floor and Backroom costs can be cut significantly – at least by \$50,000 and probably more **\*\***

**\*\*** Communications can be trimmed but POS and Phone systems are necessary **\*\***

**\*\*** Soft Costs can be trimmed and a number of different scenarios are being explored **\*\***

**\*\*** All costs are in general. Detail by model supplier and actual costs still awaits further analysis **\*\***

## Fact 2

***Most installers do not want to come to Silver City and will work only with architects and construction firms. Because of the travel, a small independent doesn't want the service/maintenance and possible warranty work issues.***

# Equipment Cost schedule for possible move to College and Pope



		estimate	shipping	tax	total
<b>Refrigeration</b>					
Produce	24 ft 4-5 deck	17,000	2,550	1,662	21,212
	15 x 10 walkin	10,000	1,500	978	12,478
Dairy	12 ft open air	12,000	1,800	1,173	14,973
	5 door walk-in 12x8	15,000	2,250	1,466	18,716
meat	8 ft open air	10,000	1,500	978	12,478
Frozen	18 ft doors	15,000	2,250	1,466	18,716
	8 x 10 walk-in	8,000	1,200	782	9,982
Bulk	15 x 15 walkin	12,000	1,800	1,173	14,973
Grab & Go	8ft open air	9,000	1,350	880	11,230
Drink Cooler	8ft open air	9,000	1,350	880	11,230
condensors, compressors, etc		100,000	15,000	9,775	124,775
installation		100,000	15,000	9,775	124,775
	<b>Total</b>	<b>317,000</b>	<b>47,550</b>	<b>30,987</b>	<b>395,537</b>

## Floor & back room

wire shelving (metro)	varies	5,000	750	489	6,239
gondola shelving	varies	5,000	750	489	6,239
Register stands	4	12,000	1,800	1,173	14,973
stocking carts		2,000	300	196	2,496
pallet jack, elec	1	5,000	750	489	6,239
Member counter	1	4,000	600	391	4,991
office setup & partions		10,000	1,500	978	12,478
Soup and coffee area		10,000	1,500	978	12,478
Produce dry		5,000	750	489	6,239
	<b>Total</b>	<b>58,000</b>	<b>8,700</b>	<b>5,670</b>	<b>72,370</b>

## Communications

POS		30,000	3,000	2,805	35,805
Phones/paging/intercom		8,000	800	748	9,548
Music		3,000	300	281	3,581
Interior Signage		5,000	500	468	5,968
Security system??			0		
Other Computer		2,000	200	187	2,387
	<b>Total</b>	<b>48,000</b>	<b>4,800</b>	<b>4,488</b>	<b>57,288</b>

<b>Total</b>	<b>423,000</b>	<b>61,050</b>	<b>41,144</b>	<b>525,194</b>
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## Soft Costs

Architect	60,000	10% construction cost
Project Manager	40,000	
Member Loan Manager		
Engineering/Mechanical	60,000	
Legal, License, Fees	10,000	
Insurance		
Misc	<u>20,000</u>	
Total	130,000	

### Moving costs

traffic loss - 3 to 4 days	35,000
rental truck & equip	2,000
staffing	<u>10,000</u>
Total	47,000

**Total 177,000**

Inventory increase \$50,000 possible free-fill  
Not a direct cost

# *Refrigeration -- Getting the Price Down.*

*Report to the Board July 2018*

The estimates we received were from big time companies recommended by NCG and UNFI. It was a bit of pulling teeth to get the numbers I did. But that is a baseline – that’s what it would cost if we did it the “normal” way.

Whatever anyone may think of 614 – there is an important lesson that often gets overshadowed. And this is a very positive one. We put together a commercial kitchen on the barest of shoestrings that was efficient for the space and was able to produce and move much more than our grab and go plus it had counter service and many made to order items.

We did it all with equipment that was available on the internet for a lot less than going with the big firms. We even used Ebay for new and used equipment. Not only was all our refrigeration dependable, when we did have problems, the companies helped us out and made it right.

What’s more, when it became time to close down, we were able to sell off most of the items that we did not keep for ourselves.

The place was purposely set up as a “pop-up” store although with some modifications.

I decided to apply this approach to the relocation effort and see what we can do.

All refrigeration at 614 was self-contained which included two 3-door coolers, a deli display case, a refrigerated sandwich table, a commercial refrigerator, and three chest freezers.

Our current fresh/dairy department really needs backloading with storage space for stock hence we would need a walk-in with display doors rather than the type of coolers that we had at 614.

I started my search with the companies I knew and then found this new one that I hadn’t come across before and it seems that this is a great start.

So check this out:

## 10 DOOR COMMERCIAL DISPLAY WALK-IN COOLER - GLASS DOORS



**\$16,922**

Also Available with Optional LED Lighting

Email for  
Freight Info

- 26'5" L x 8' W x 8' H box with 3.5" thick urethane insulation
- 26 gauge natural embossed galvanized finish
- 36" entrance door on right side with right hand hinge
- Entrance door includes lock and light
- All glass doors have standard left side hinging
- 3.25 horsepower HD Russell outdoor refrigeration system with two 2-fan blowers
- 30" W x 79" H glass doors with T-8 Fluorescent lighting and standard black frames
- 401 LED lighting optional
- Floor not included
- Seven 27" deep epoxy coated wire shelves per door
- Requires assembly

Ask Us A Question

Now this WOULD need installation as it is a remote unit but the mechanicals are included.

It can come in different floor plans and different options – figure with shipping and installation and whatever options that may be preferable – we are talking in the \$25,000 to \$30,000 range or so.

This is a ten door and so it has room for some minor expansion of our department and probably 3 doors left for meat. Would have to calculate out shelving needs and our current shelving is VERY tight. I can see this unit not being enough but on a shoestring – it will work and it will duplicate and even improve the fresh/dairy offerings we currently have.

This company also has separate walk-ins similar to vendors we already use and pricing is about the same.

I will repeat that ***I'm figuring this for a shoe string budget and not necessarily desirability*** so just go along with this scenario for comparison purposes.

There are many companies that sell outdoor walk-in coolers. They are common and we can set them under the tin-shed. So the Bulk cooler and frozen freezer can be as so:

# AMERIKOOLER WALK-IN STORAGE COOLER / OUTDOOR / WITH FLOOR / 8'W X 12'L X 7'7"H

\$9,307.00

SKU: QC081277\*\*FBSC-O

Refrigeration Type:

Top Mount Self-Contained Refrigeration (1 Ton HP)

Door Size & Location / Hinge Location:

30" Door / Width Side / Hinge Left

Qty:

1

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View as Virtual

View Product



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- 17" thick AIA-1054 insulation with R-70 value, providing exceptional moisture resistance and long-lasting structural integrity for panels
- 20 gauge Acrylume coated corrosion resistant steel or enameled Galvalume on all interior and exterior surfaces
- 30" W x 76" H or 36" W x 76" H flush mounted self-closing door in your choice of locations on the width or length side
- 2 secure cam bolts on hinge and dead latches
- Handle with key lock
- Interior safety lock release handle
- Spring-assisted door closer
- Digital LED thermometer with on and off illuminated switch, temp display 9F or 3C
- Vapor proof light fixture centered on interior door jamb
- 5 spaced lumens that with 1/2" radius toes to facilitate cleaning. One is rated at 20 lbs. per sq. ft. of uniformly distributed load. (For models with floors)
- Freezer door with temperature regulating thermostat and mounted IFRV
- All to a minimum of 2" clear space around all sides of the walk-in for proper air circulation
- Outdoor walk-in accessories include rain roof membrane, exterior floor angles and door hood

## Refrigeration System Information

- Top Mount Self-Contained Refrigeration: 1.5 horsepower
- Remote Refrigeration: 1 horsepower
- Top Mount Self-Contained Refrigeration: 14.4 amps
- Remote Refrigeration: 15 Amps
- Top Mount Self-Contained Refrigeration is rated at 90°F ambient temperature based on normal holding
- Ambient temperature based on normal holding usage
- Refrigeration Evaporator coil: 80 micron
- 50 year thermal warranty on insulation
- 10 year original panel warranty
- 1 year original parts warranty
- Refrigeration system components will be covered per original equipment manufacturer's warranty terms and conditions

Ask Us A Question Now



View all

# AMERIKOOLER WALK-IN STORAGE FREEZER / OUTDOOR / WITH FLOOR / 8'W X 12'L X 7'7"H



\$9,066.00

SKU: QF081277\*\*FBRM-O

Refrigeration Type

-10°F Remote Outdoor Refrigeration (2.5 HP) ▼

Door Location/Hinge Location

Length Side/Hinge Left ▼

Qty

1

Add to Cart



← Previous Product

Next Product →

- 4" thick AK XPS4 insulation with R-29 value, providing exceptional moisture resistance and long-lasting structural integrity for panels.
- 26 gauge Actylone coated corrosion resistant stucco embossed Galvalume on all interior and exterior surfaces.
- 30" W x 76" H or 36" W x 76" H flush mounted self-closing door in your choice of locations: on the width or length side.
- 2 super cam-ride spring assisted hinges.
- Handle with key lock.
- Interior safety lock release handle.
- Spring actuated door closer.
- Digital LED thermometer with on/off pilot lighted switch, temp display °F or °C.
- Vapor proof light fixture centered on interior door jamb.
- Smooth aluminum floor with 1/2" radius cover to facilitate cleaning; floor is rated at 600 lbs per sq ft for uniformly distributed load.
- Freezer door with temperature regulating thermostat and insulated HW.
- Allow a minimum of 2" clearance around all sides of the walk-in for proper air circulation.
- Outdoor walk-in accessories include: rain roof membrane, center or floor angles and door hood.

## Refrigeration System Information:

- Top Mount Self-Contained Refrigeration -10°F, 2.5 horsepower / 28.2 Amps.
- Remote Refrigeration -10°F, 2.5 horsepower / 29 Amps.
- Remote Refrigeration 0°F, 1.5 horsepower / 20 Amps.
- Top Mount Self-Contained Refrigeration is sized at 90°F ambient temperature based on normal holding.
- Ambient temperature based on normal holding usage.
- Refrigeration Evaporator with LC motor.
- 50 year thermal warranty on insulation.
- 15 year original panel warranty.
- 1 year original parts warranty.
- Refrigeration system components will be covered per original equipment manufacturer's warranty terms and conditions.

Standard outdoor units do not ship to Florida. For Florida destinations, call 866-929-1781 or [sales@amerikooler.com](mailto:sales@amerikooler.com) for pricing.

Ask Us A Question Now!

These are about the biggest I can find that are self-contained - - or we can get them as remote units but then we are talking about installation costs. This stuff still has to be assembled though.

And actually – we can get another cooler and put the produce cooler outside. These coolers are designed to face the elements but we would have them covered by the tin shed. Also – this is not unusual to have outside walk-ins. Mountain View has them. We would need to pour a slab for them - \$1,000 to \$4,000 depending on materials used. Concrete is less expensive than cement.

There will be more on the outside coolers in the forthcoming document, “Getting in and Out of the Building”.

Now when we look at display freezers – we can certainly get standalones. I don’t believe I’ve ever seen more than 3 doors on a standalone. They hold less so we would probably need 3 (nine doors) to cover just what we have now (seven doors). But to also maximize efficiencies of stocking – we would want a total of 4 of these (12 doors). 5 would be better but the positive part of doing this in this manner is that we can always add more later.

## MIGALI TRIPLE GLASS DOOR MERCHANDISER FREEZER C-72FM - 82" X 31.5" X 81"



\$3,770.00

Shipping

17' Gate Service

Qty:

1

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Currently our Drink cooler has three doors of drinks and one door of bread/bakery product. They are crammed and we run into the stocking issue. So we certainly need at least 3 three door coolers – two for drinks and one for bread (bread includes tortillas and muffins, etc. – with no preservatives, this stuff molds in a couple of days or so).

## MIGALI TRIPLE GLASS DOOR REFRIGERATOR C-72RM - 82"X31.5"X81"



\$3,159.00

SKU: C-72RM

Shipping

Lift Gate Service

Qty

1

Add to Cart

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Ask Us A Question Now!

Same as the freezers but a few hundred less expensive per unit.

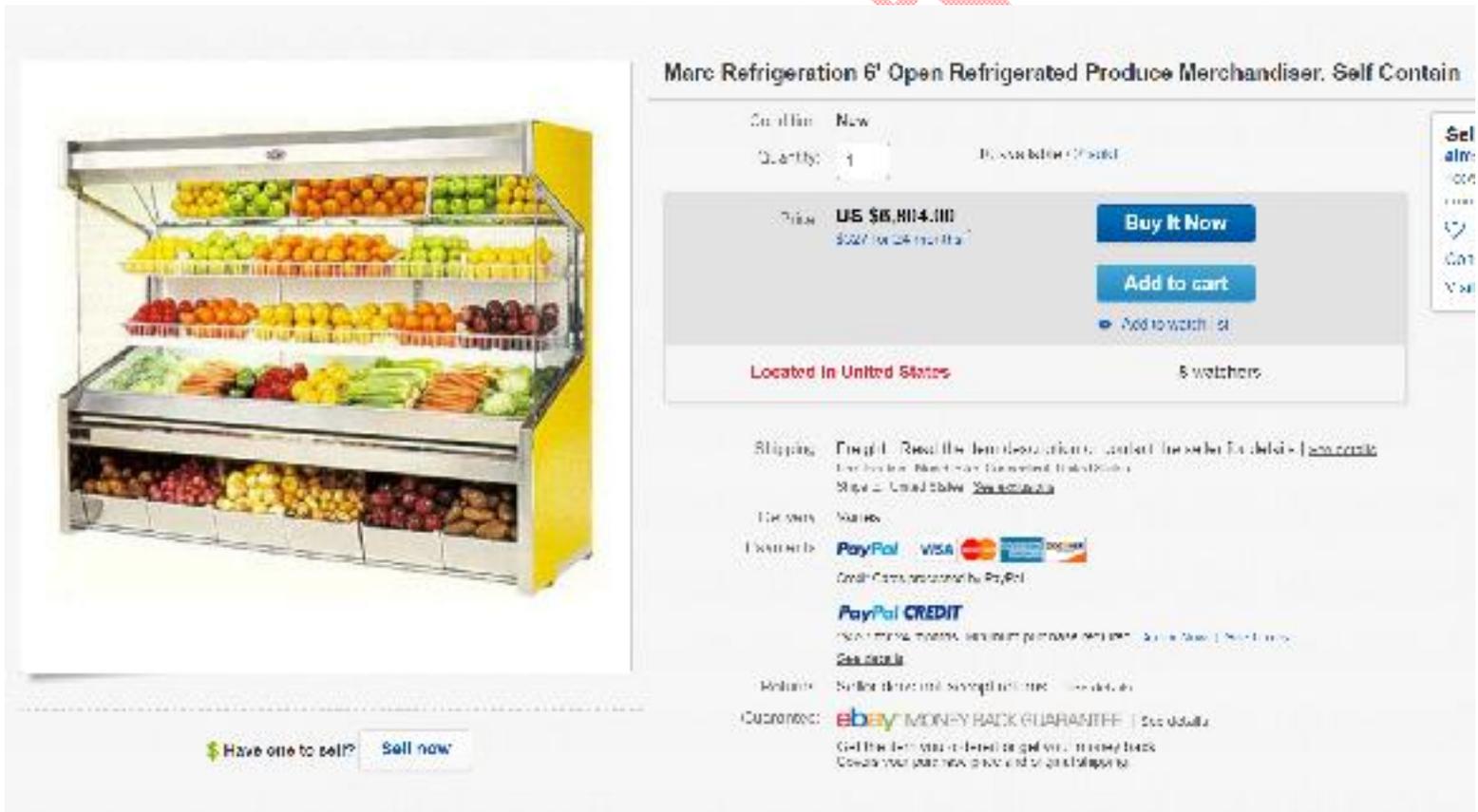
We also want to increase our lunch grab and go offerings so another 3 door is certainly wise – or an open air as this tends to stimulate sales.

But wait. I am now thinking that another walk-in identical to the Dairy one would be able to accommodate Grab and Go, Breads/bakery and Drinks. This would allow behind stocking as well as storage. The increase in efficiency and having product always available will certainly maximize the bottom line.

I'm not crazy about everything behind doors but we are looking at all this through the most economical lens right now. We can also have spot open airs to highlight product down the line if we wish.

This leaves Produce. We already put the walk-in outside but we still need around 24 ft of display space (we currently have 18 ft) and now – with open air – we run into limitations with standalones.

This hideous unit is the best I've been able to find in standalones:



Marc Refrigeration 6' Open Refrigerated Produce Merchandiser, Self Contain

Condition: New

Quantity: 1

Price: **US \$5,914.100**  
\$227 for 24 months

[Buy It Now](#)

[Add to cart](#)

[Add to watch list](#)

Located in United States

5 watchers

Shipping: Freight. Read the item description to understand the seller's details. International buyers from the United States: Estimated duties, taxes and fees to be collected by you. See details.

Payment: Various

Accepted: **PayPal**, **Visa**, **MasterCard**, **Discover**  
Credit Cards processed by PayPal

**PayPal CREDIT**  
Now with 0% APR. Minimum purchase required. See details. See details.

Returns: Seller does not accept returns. See details.

Guaranteed: **ebay** MONEY BACK GUARANTEE. See details.  
Get the item you ordered or get your money back. Cover your purchases, price and shipping.

[Have one to sell?](#) [Sell now](#)

We would need 4 of these so we are looking at around \$30,000. We would also need to add a misting system so that's an extra \$5,000.

I would not recommend going this route with the produce display. This is an area that I think would benefit us greatly by investing in remote cases and mechanics.

This is what we should be looking at for produce:



1st P





818

1st Preliminary Co



**WINTER**    **DECEMBER**    **JANUARY**    **FEBRUARY**    **SPRING**    **MARCH**    **APRIL**

WARMER WEATHER ALLOWS MORE TENDER AND FRAGILE FRUITS AND VEGETABLES TO GROW. THESE INCLUDE THIN SKINNED, LIKE CUCUMBERS, GREEN BELL PEPPERS, GREEN STONE FRUIT AND BALL LETTUCE. IT'S NO SURPRISE THAT WE EAT LIGHTER IN SPRING.

**LEAFY GREENS**  
 Kale  
 Collard Greens  
 Spinach  
 Swiss Chard  
 Turnip Greens

**CITRUS**  
 Blood Oranges  
 Grapefruit  
 Lemons  
 Limes

**BULBS**  
 Onions  
 Shallots  
 Green Onions  
 Spring Onions

**LETUCE & GREENS**  
 Lettuce  
 Spinach  
 Swiss Chard  
 Kale

**STONE FRUIT**  
 Peaches  
 Nectarines  
 Plums  
 Apricots  
 Cherries

ALMOST ANYTHING CAN BE GROWN HERE IN THE SUMMER! THE TEMPERATURE, SUNLIGHT AND EARTH PROVIDE PERFECT CONDITIONS FOR ALL TYPES OF PRODUCE. BE SURE TO GET ITEMS LIKE BERRIES, EGGPLANT, TOMATOES, MELONS, PEPPERS AND STONE FRUIT BECAUSE BY FALL OUR LOCAL FARMS GENERALLY STOP GROWING THEM.

**BERRIES**  
 Strawberries  
 Raspberries  
 Blueberries  
 Grapes

**SQUASH**  
 Zucchini  
 Yellow Squash  
 Sunburst Squash

**Eggplant**  
 Cucumbers





Produce is our number 1 draw and I feel that we really need to highlight it. Getting standalones will not really cut it but if we need to, we can do it.

The point of this exercise is to show that it CAN be done at a lower cost than what we were quoted. Whether this is a good idea is a different story.

The second 10 door walk-in should be better energy-wise and it would be fantastic stocking-wise. The advantage of 3-4 stand alones would be that they are easily moveable and can fit multiple scenarios as we grow further.

The numbers are as follows:

dept	qty	what	cost	qty	alt cost
Dairy	1	walk-in	30,000	1	30,000
bulk	1	walk-in	10,000	1	10,000
freezer	1	walk-in 3 door	10,000	1	10,000
freezer	4	display	16,000	4	16,000
produce	1	walk-in	10,000	1	10,000
produce	4	open	35,000	4	35,000
bread	1	3-door	3,500	0	-
drink	2	3-door	7,000	0	-
grab and go	1	6 ft open	7,000	0	-
bread/drink	0	walk-in		1	30,000
		<b>TOTAL</b>	<b>128,500</b>		<b>141,000</b>

The difference in the two totals is putting in a second walk-in instead of the bread, drink and grab and go coolers.

I may be mistaken but I do not think you will get these types of options from the “experienced” folks. They just don’t deal in this realm and generally are not interested in doing so.

So now we have a low estimate. As I said – it CAN be done if we want to go this path. And we still haven’t looked into the possibilities of used (cases only – used mechanicals can be very problematic).

# APPENDIX A

When considering the commercial refrigeration available, you will likely see units noted as self-contained and remote. While the remote units might seem tempting due to their lower prices, there is a good explanation for why they're so much cheaper: They don't have a condenser.

In reality, this type of commercial refrigeration does have a condenser, it's just not in the box itself as it is in self-contained refrigeration. The two are not interchangeable, and there are some pros and cons to consider about purchasing either. Below, we take a look at these two types of commercial refrigeration and examine what situations each is preferable for.

## **Self-Contained Refrigeration**

Most commercial coolers have self-contained refrigeration systems, which means the entire system, from condenser to evaporator, is built into the cabinet. The condenser can be located on the top, the bottom, or even the sides or back of a commercial cooler, but the evaporator is always on top of the unit. The two are connected by tubes carrying coolant that enables the system to ensure proper holding temperatures for food storage.

Self-contained refrigerators are convenient and suitable for almost any application, offering simple "plug and play" operation.

Self-contained refrigeration is convenient and suitable for almost any application, offering simple "plug and play" operation that shouldn't require any technical work. Manufacturers prefer to produce this type of commercial refrigeration system because they have fewer warranty calls from them. With remote refrigeration, there is an involved process to setting up the cooling system that, if not performed properly, can make the commercial refrigerator or freezer fail.

### **Pros of Self-Contained Refrigeration:**

- Includes the entire system, which means you only have to make one purchase.
- All components are in one place, which makes service and maintenance easier.
- No need to run or maintain lines to an external condensing system.
- Simple installation that likely will not need a technician.
- Can easily be relocated if it becomes necessary to move them.

### **Cons of Self-Contained Refrigeration:**

- This type of commercial refrigeration can heat up a kitchen, since its hot operating parts are all in the cabinet.
- Self-contained refrigeration is likely to have slightly less interior space than comparable remote refrigeration because the manufacturer has to fit the entire works into a similarly sized box.
- Noise of both condenser and evaporator operations is inside your facility.
- Can drive up electric bills by producing hot air from condensers that the air conditioning system must work to cancel out.

## **Remote Commercial Refrigeration**

More than 90 percent of the commercial refrigerator and commercial freezer models sold in the United States will be self-contained refrigeration, but there are certain applications where a remote unit is preferable. Those include kitchens with limited ventilation that tend to get very hot. Additionally, facilities with low ceilings may be best served by remote refrigeration because a self-contained unit may not be able to draw in adequate air for operation, which can mean it works harder and is less efficient. Finally, grocery stores and other facilities that house large banks of multiple

commercial coolers typically choose these units to keep the heat and noise that could be created by so many self-contained systems out of the customer space.

Remote refrigeration is preferable in kitchens with limited ventilation, issues with heat, and/or low ceilings.

A remote refrigeration system consists of an insulated cabinet for cold food storage that has the evaporator and ductwork built in. The condenser and compressor, meanwhile, are located in a separate unit connected to the box by a pair of lines that transport coolant between the two. Typically that part of the system is located outside the building, usually on the roof, though it can also be placed in an interior "plant room."

There is some misconception about remote refrigeration that multiple units can operate with a single condenser/compressor unit. Though multiple refrigeration units can be tied on to a rack system that looks like a single cooling tower, inside there is actually a single condensing and compressing unit for each connected commercial cooler.

### **Pros of Remote Refrigeration:**

- Moves hottest parts of the commercial refrigerator or commercial freezer outside the customer or kitchen area, cutting interior temperatures and slashing air conditioning costs.
- Removes noise of condenser and compressor from interior, which can make a significant difference in facilities with multiple commercial refrigerators.
- The commercial cooler itself typically offers more interior space with remote units, since a large part of the refrigeration system is not in the box.
- Remote refrigerators can be more efficient, especially if outside temperatures are cooler than those inside. However, this is heavily dependent upon your area's climate.

### **Cons of Remote Refrigeration:**

- Despite the last pro item above, remote units can consume more energy than their self-contained counterparts because they have to be oversized to battle outdoor heat and efficiently move coolant through a longer system. They also require more refrigerant to fill those long lines.
- Require more work at install because of necessary drains, trenches or other means of running the lines, and a separate condensing unit that often has to be lifted onto the roof.
- Are harder to service in part because the system is broken up and also because there may be an issue with connecting lines that might not be readily accessible.
- This type of commercial refrigeration cannot be moved without great effort and expense.