

Council Agenda Item 25-0612R



MEETING DATE: July 28, 2025

SUBJECT/TITLE: RESOLUTION AMENDING CONTRACT L31124 WITH NORTHLAND CONSTRUCTORS OF DULUTH FOR THE UPPER LAKESIDE WATER INTERCONNECT – PHASE 1 PROJECT, TO INCREASE THE AMOUNT BY \$291,593.18, FOR A NEW TOTAL OF \$1,446,773.18

SUBMITTED BY: Aaron Soderlund, Senior Engineer, Public Works and Utilities

RECOMMENDATION: Approve

BOARD/COMMISSION/COMMITTEE RECOMMENDATION: N/A

PREVIOUS COUNCIL ACTION: Council awarded contract with resolution 24-0994R on 12/16/2024.

BACKGROUND: The Upper Lakeside Interconnect project is a multi-phase project that began in the winter of 2025. This phase extended a new 20" water main across the Northland Country Club and from East 3rd Street to 40th Ave East. When the final phase of this project is complete, this watermain will connect two different pressure zones allowing for the decommissioning and removal of the Upper Lakeside water tank and eventual decommissioning of the Upper Lakeside pump station. These improvements will reduce costly infrastructure while continuing to provide consistent water supply to the Lakeside neighborhood. Cost increases to this project were largely due to unplanned rock excavation requiring open trench watermain installation and associated restoration, the installation of a Pressure Reducing Valve (originally planned to be installed in phase 2) and due to other inaccuracies in plan quantities. City council approval is necessary for this increase due to the contract now exceeding 25% of the original contract amount.

BUDGET/FISCAL IMPACT: The increase to contract L31124 is in the 2025 and 2026 capital budget utilizing the Water Infrastructure Surcharge (WIS) Fund 511. Completing this project allows Phase 2 of the project to begin in 2026 as planned.

OPTIONS: Approve or risk the contractor filing a payment claim.

NECESSARY ACTION: Approve the resolution to amend the original contract for the increase amount.

ATTACHMENTS: Location Map