

Council Agenda Item 26-0745R



MEETING DATE: August 24, 2026

SUBJECT/TITLE: RESOLUTION AUTHORIZING AMENDMENT NO. 1 TO AGREEMENT L31043 WITH LHB, INC. FOR ADDITIONAL PROFESSIONAL DESIGN AND CONSTRUCTION SERVICES FOR THE DULUTH LAKEWALK PROJECT

SUBMITTED BY: Kooper Andringa, Project Tech, Property & Facilities Management

RECOMMENDATION: Approve

BOARD/COMMISSION/COMMITTEE RECOMMENDATION:

PREVIOUS COUNCIL ACTION: Approved Resolution 21-0284R – RESOLUTION AUTHORIZING AN AGREEMENT WITH LHB, INC. FOR LANDSCAPE ARCHITECTURAL PRE-DESIGN SERVICES FOR DULUTH LAKEWALK AND BRIGHTON BEACH FOR AN AMOUNT NOT TO EXCEED \$48,023.00.

Approved Resolution 22-0155R – RESOLUTION AUTHORIZING AN AMENDMENT TO AGREEMENT L30521 WITH LHB ENGINEERS & ARCHITECTS FOR LANDSCAPE ARCHITECTURAL AND COASTAL ENGINEERING DESIGN SERVICES FOR DULUTH LAKEWALK AND BRIGHTON BEACH FOR AN INCREASE OF \$299,864.00 AND A NEW TOTAL AMOUNT NOT TO EXCEED \$347,887.00.

Approved Resolution 23-0161R – RESOLUTION AUTHORIZING AN AMENDMENT TO AGREEMENT L30521 WITH LHB, INC. FOR PROFESSIONAL LANDSCAPE ARCHITECTURAL AND COASTAL ENGINEERING SERVICES FOR DULUTH LAKEWALK AND BRIGHTON BEACH, FOR AN INCREASE OF \$98,940.00 AND A NEW TOTAL AMOUNT NOT TO EXCEED \$446,827.00.

Approved Resolution 23-0162R – RESOLUTION AUTHORIZING APPLICATION TO THE UNITED STATES DEPARTMENT OF TRANSPORTATION FOR UP TO \$8,200,000 FOR A REBUILDING AMERICAN INFRASTRUCTURE WITH SUSTAINABILITY AND EQUITY GRANT FOR RESILIENT REHABILITATION OF THE LAKEWALK.

Approved Resolution 23-0494R - RESOLUTION AUTHORIZING APPROVAL AND IMPLEMENTATION OF THE LAKEWALK INTERPRETIVE PLAN.

Approved Resolution 23-0495R – RESOLUTION AUTHORIZING AN AMENDMENT TO AGREEMENT L30521 WITH LHB, INC. FOR PROFESSIONAL LANDSCAPE ARCHITECTURAL AND COASTAL ENGINEERING SERVICES FOR DULUTH LAKEWALK AND BRIGHTON BEACH, FOR AN INCREASE OF \$8,990.00 AND A NEW TOTAL AMOUNT NOT TO EXCEED \$455,817.00

Approved Resolution 23-0787R – RESOLUTION AUTHORIZING APPLICATION TO THE MINNESOTA DEPARTMENT OF TRANSPORTATION FOR UP TO \$2,052,524 FROM THE INFRASTRUCTURE INVESTMENT AND JOBS ACT MATCH PROGRAM FOR RESILIENT REHABILITATION OF THE LAKEWALK.

Approved Resolution 24-0376R – RESOLUTION AUTHORIZING AN AGREEMENT WITH LHB, INC. FOR PROFESSIONAL DESIGN AND CONSTRUCTION SERVICES FOR THE DULUTH LAKEWALK PROJECT FOR A TOTAL AMOUNT NOT TO EXCEED \$1,119,149.00.

Resolution 25-0566R – RESOLUTION AUTHORIZING THE FIRST AMENDMENT TO AGREEMENT 24739 WITH THE MINNESOTA HISTORICAL SOCIETY FOR LAKEWALK INTERPRETATIVE PLAN IMPLEMENTATION.

Approved Resolution 26-0666R – RESOLUTION AUTHORIZING ACCEPTANCE OF A GRANT FROM THE U.S. DEPARTMENT OF TRANSPORTATION FOR THE LAKEWALK AND COASTAL IMPROVEMENTS PROJECT IN AN AMOUNT NOT TO EXCEED \$8,196,234.

Approved Resolution 26-0667R – RESOLUTION AUTHORIZING ACCEPTANCE OF AN INFRASTRUCTURE AND INVESTMENT JOBS ACT MATCH PROGRAM GRANT FROM THE STATE DEPARTMENT OF TRANSPORTATION FOR THE LAKEWALK AND COASTAL IMPROVEMENTS PROJECT IN AN AMOUNT NOT TO EXCEED \$2,049,752.

Approved Resolution 26-0665R – RESOLUTION AWARDED A CONTRACT FOR THE LAKEWALK AND COASTAL IMPROVEMENT PROJECT TO RACHEL CONTRACTING, LLC IN THE AMOUNT OF \$9,884,980.33.

BACKGROUND: The Duluth Lakewalk has experienced repeated damage from severe Lake Superior storms, resulting in shoreline erosion, trail damage, and vulnerability to additional storm impacts. The City established funding through \$5.5 million of tourism-tax-funded City bonding dedicated in 2020 to support resilient reconstruction of damaged and vulnerable coastal infrastructure along Brighton Beach, the Lakewalk, Canal Park, the Baywalk, and the DECC/Aquarium seawall.

The Lakewalk reconstruction project is supported by an \$8,196,234.00 federal grant and a \$2,049,752.00 state grant, with additional City funds available to address project needs. The project will resiliently reconstruct and enhance the Lakewalk from Canal Park to Water Street and from 23rd Avenue East to 28th Avenue East, including trail alignments and surfaces, pause areas, social and connector trails, accessible reroutes, shoreline stabilization, and other improvements to increase accessibility, safety, and connectivity.

Under Agreement L31043, LHB was retained to provide professional design and construction services, including project management, public engagement, geotechnical evaluation, survey and right-of-way mapping, environmental documentation and agency approvals, bidding assistance, and construction administration.

As the project progressed from preliminary design through final design, additional services became necessary due to changes in project coordination, regulatory requirements, design refinements, and an extended construction schedule.

Scope additions and impacts:

- Project management and coordination efforts increased due to a six-month extension of the design schedule, additional coordination with MnDOT regarding the London Road project, and coordination with the North Shore Scenic Railroad Authority regarding relocation of the trail crossing and signal system.
- Additional survey and right-of-way mapping services were required due to complex property ownership, easement documentation, and coordination among City, MnDOT, and railroad properties throughout the project corridor. LHB prepared 23 easement exhibits and legal descriptions to assist the City with establishing Lakewalk easements.
- Additional environmental documentation and permitting expenses were required, including Shoreland Variance Permit fees, Minnesota Department of Natural Resources review fees, and associated permit documentation expenses.
- Wetland delineation services were added after detailed grading and trail realignment design near London Road identified potential wetland impacts requiring field investigation, documentation, and mapping.
- The London Road trail alignment was redesigned after MnDOT determined the proposed retaining wall could not be

located within MnDOT right-of-way. The redesign required an ADA route adjustment and a MnDOT State Aid design exception.

- A cantilever trail structure near Leif Erikson Park was added late in design to address an existing trail pinch point and improve the trail experience. This structural design was not included in the original scope.
- Additional lighting evaluation and design were required to incorporate amber lighting while maintaining safe lighting levels throughout portions of the project.
- Additional coordination with MnDOT resulted in revisions to the bicycle and pedestrian detection system, changing from the originally planned system to a pole-mounted camera system.
- Additional value engineering and alternative analysis were required to maintain the project within available funding. Six bid alternates were developed and incorporated into the plans, specifications, and bid documents.
- Project specifications required additional revisions due to changes in MnDOT boilerplate requirements resulting from the extended project schedule.
- Bidding assistance and construction administration budgets were updated to reflect current rates, staffing, and the extended construction schedule. Construction is now anticipated to extend approximately 26 weeks and continue into the 2027 construction season, with warranty monitoring extending through June 2028.

This amendment increases Agreement L31043 by \$239,634.00 for a new total contract amount not to exceed \$1,358,783.00 and extends the contract completion date to August 2028. The amendment provides the additional professional services necessary to complete the Duluth Lakewalk Project and ensure the successful delivery of a resilient, accessible, and sustainable shoreline trail system that protects critical public infrastructure from future Lake Superior storm damage.

BUDGET/FISCAL IMPACT: Total contract budget is now \$1,358,783.00 funded by capital funds.

OPTIONS: Approve the resolution and the design and construction administration work can continue. Deny and the project will need to be halted.

NECESSARY ACTION: Approve.

ATTACHMENTS: Exhibit A