

**RESOLUTION 26D-12**

**RESOLUTION AUTHORIZING CHANGE ORDER TO CONSTRUCTION CONTRACT NO. 24 860 043 WITH CARLETON COMPANIES, INC. FOR DEMOLITION OF THE SHOPPER’S RAMP FOR A NEW TOTAL NOT TO EXCEED \$3,045,430.84**

RESOLVED, by the Duluth Economic Development Authority ("DEDA") that the proper DEDA officials are hereby authorized to increase the amount of Contract No. 24 860 043 with Carleton Companies, Inc. for the demolition of the Shopper’s Ramp, located at 18 N 2nd Avenue W, by \$515,016 for a new total not to exceed \$3,045,430.84 payable from Fund 860 (not to exceed \$1,445,430.84) and Fund 865 (not to exceed \$1,600,000).

FURTHER RESOLVED, that DEDA is hereby authorized to accept an amount not to exceed \$400,000 payable to Fund 860 from the City of Duluth for the demolition of the Shopper’s Ramp.

Approved by the Duluth Economic Development Authority this day 22nd of April, 2026.

ATTEST:

\_\_\_\_\_  
Executive Director

STATEMENT OF PURPOSE: This resolution authorizes a change to the existing construction contract with Carleton Companies, Inc. for the demolition of the Shopper’s Ramp. Per Resolution 24D-30, upon acquiring the Shopper’s Ramp, DEDA committed to promptly demolishing the property at 18 N 2nd Avenue W, while also ensuring the shoring and stabilization of the adjacent property at 128 W 1<sup>st</sup> Street. This change order reflects the work required to properly address and dispose of urban fill, which was discovered on the site during the course of demolition. Per state requirements the contractor is required to address the urban fill before completing the project. The City will partner with DEDA to pay a portion of the increased costs due to this change order in an amount up to \$400,000, leaving DEDA to pay an additional amount up to \$115,016.

The Purchasing Agent issued an invitation to bid for the project on November 22, 2024 and received the four responses below. Carleton Companies, Inc. was the lowest responsible and responsive bid.

<u>Contractor</u>	<u>Bid</u>
Carleton Companies Inc.	\$967,000.00
Rachel Contracting, LLC	\$978,789.00
Alliance Steel Construction, Inc.	\$1,789,000.00
Veit & Company, Inc.	\$1,176,940.00