



Council Agenda Item 26-0528R

MEETING DATE: June 15, 2026

SUBJECT/TITLE: RESOLUTION AUTHORIZING AN INCREASE TO THE PURCHASE OF AN INSTALLED ENERGY TRANSFER SKID FOR THE LAKEVIEW PROJECT 333 FROM ALPHA TIER SERVICES IN THE AMOUNT OF \$20,000.00 FOR A NEW TOTAL OF \$169,949.00.

SUBMITTED BY: Cori Helget, Duluth Energy Systems

RECOMMENDATION: Approve

BOARD/COMMISSION/COMMITTEE RECOMMENDATION: N/A

PREVIOUS COUNCIL ACTION: N/A

BACKGROUND: The skids were delivered April 29, 2025, but the building wasn't ready for heat and occupancy until fall. After the building piping was completed and heat and domestic hot water started being provided, it was determined that the control sensors called out in the building plans were not in the correct spot to control the building temperatures. Additional costs were incurred when Alpha Tier Services returned to install cards and reprogram the PLC to read the new temperature sensors. It was also determined that an additional outdoor air temperature sensor also was needed to shut the heating system off at 55° F and allow for cooling.

BUDGET/FISCAL IMPACT: This will increase the purchase order by \$20,000.00 for a new total of \$169,949.00. \$119,959.20 has already been expensed against this PO. All funds on this PO are from 540-920-1499-5530.

OPTIONS: Approve or delay capital improvements.

NECESSARY ACTION: Approve award of contract

ATTACHMENTS: