



City of Grand Forks
Staff Report

Committee of the Whole – November 24, 2025
City Council – December 1, 2025

Agenda Item: Bid Award for City Project No. 8707 (District 776) – Paving and Street Lights for Korynta-Lemm 6th Resubdivision

Submitted by: Engineering Department, Edward Liberman, PE (Assistant City Engineer)

Staff Recommended Action: Award contract to Gowan Construction in the amount of \$3,444,332.36 for City Project No. 8707 (District 776) – Paving and Street Lights for Korynta-Lemm 6th Resubdivision, utilizing State Revolving Fund financing, contingent upon NDDEQ bid approval and contingent upon the Developer meeting financial participation requirements of City of Grand Forks Code §18-0908(1)(B).

Committee Recommended Action:

Motion by Osowski, second by Vein, to refer to City Council with a recommendation to approve the staff recommended action. Motion passed unanimously

Council Action:

BACKGROUND:

Bids were opened for City project 8707 on November 13, 2025. A total of five (5) bids were received and opened. The low bid was provided by Gowan Construction in the amount of \$3,444,332.36, which is 33% under the Engineer's estimate.

City projects 8703/8704/8705/8706/8707 consist of constructing sanitary sewer, watermain, storm sewer, stormwater pond/pump station/force main, and paving/streetlights to serve properties in the Korynta-Lemm 6th Resubdivision development. The primary benefitting area consists of approximately 386 acres of land north of U.S. Highway 2, bounded by Interstate 29 on the east and N. 55th Street on the west. These public improvements were initiated at the request of the property

developer, Simonson Station Stores. The Developer requested this public infrastructure be designed and constructed through special assessment, to be accepted by the City for operation and maintenance.

In 2025, projects were bid and are currently under construction for sanitary sewer, watermain, storm sewer, storm pond, pump station and force main. Presently, we are looking forward to the final phase of construction, paving and streetlights (City project # 8707), which is recommended for bid in 2025 with construction in 2026/27. Since State Revolving Fund (SRF) financing was found to be most advantageous for the first two project acquisitions, staff recommends pursuing SRF financing for paving and streetlights as well.

All costs for paving and streetlights will be special assessed to the benefiting properties except for a City cost share. This cost share is determined per the City CIP Cost Share Policy in effect at the time the special assessment districts were established, as follows:

- An 80% City cost share associated with the construction of 17th Ave N. and N. 55th St. for new construction of urban 3-lane streets (without federal aid). The remaining 20% will be assessed to the benefitting properties. The City cost share is estimated to be \$2.60M and will be funded from Fund 4815 (Streets and Infrastructure) where \$3.32M is budgeted in 2025.

According to City of Grand Forks Code §18-0908(1)(B), before the contract for any City-constructed facility in any new subdivision will be awarded, the developer must provide the City cash or a negotiable security in the amount of 50% of the costs expected to be special assessed to their properties. This financing arrangement reduces the financial risk to the City for fronting project costs. City Code provides other alternate arrangements that can be made to satisfy this requirement.

Consideration at previous public meetings includes:

- June 5, 2023 – City Council created a Special Assessment District, approved the Engineer’s Report, approved a task order for design engineering services, and directed Engineering Dept. to prepare plans and specifications for City project 8706
- July 17, 2023 - City Council created Special Assessment Districts, approved Engineer’s Reports, approved a task order for design engineering services, and directed Engineering Dept. to prepare plans and specifications for City projects 8703/8704/8705/8707.
- February 18, 2025 – City Council approved revised Engineer’s Reports and approved Task Order Amendments for additional design and construction engineering services for City projects 8703/8704/8705/8706/8707
- April 7, 2025 – City Council approved plans and specifications and directed Engineering Dept. to advertise for bids for City projects 8703/8704/8705/8706
- May 5, 2025 – City Council approved contract award for City projects 8703/8704/8705 to Meyer Contracting, Inc. utilizing State Revolving Fund (SRF) financing
- May 5, 2025 – City Council approved contract award for City project 8706 to Meyer Contracting, Inc. (General Work) and JDP Electric (Electrical Work) utilizing State Revolving Fund (SRF) financing
- Oct 20, 2025 – City Council approved plans and specifications and directed Engineering Dept. to advertise for construction bids for City project 8707.

ANALYSIS AND FINDINGS OF FACT:

- Estimated total construction cost for public improvement projects is \$11.8M
 - Sanitary sewer (8703): \$928,723
 - Watermain (8704): \$1,019,589
 - Storm sewer (8705): \$2,138,191
 - Stormwater pond, pump station & force main (8706): \$4,293,600
 - Paving & street lighting (8707): \$3,444,332.36
- Land acquisition for the storm pond (9.225 acres): \$240K
- Total of estimated City cost share amounts: \$3.88M.
- Total of current Task Order Agreements for engineering services: \$1,925,300
- A timetable of administrative project milestone dates is attached with this Staff Report.
- The resolution of necessity for project 8707 (Paving) can be protested per State law [Ref: ND Century Code Ch. 40-22]; the protest period is scheduled to expire on November 21, 2025.

SUPPORT MATERIALS:

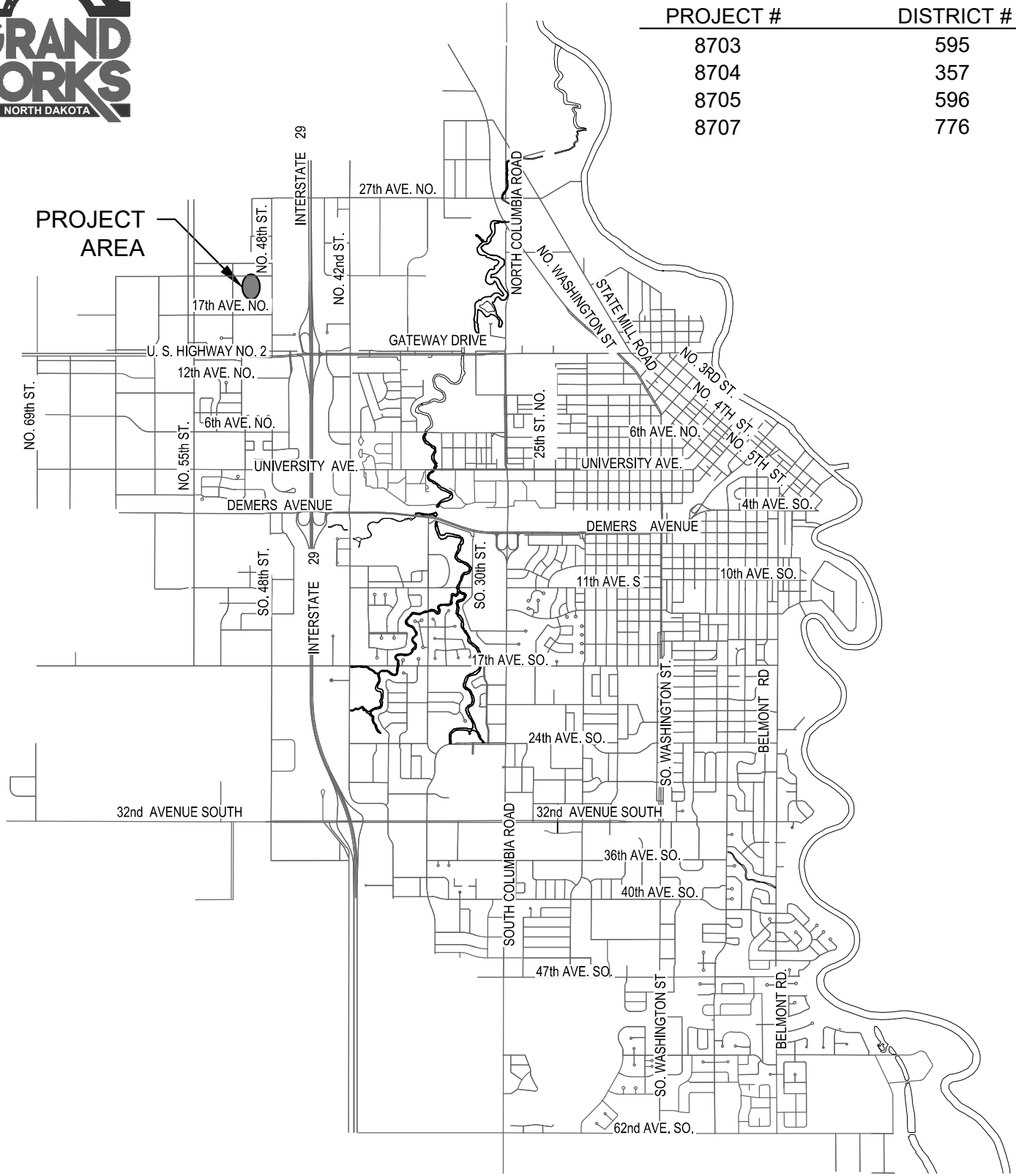
- Project Location Map (1 pg)
- Abstract of Bids (1 pg)
- Engineer's Report and Special Assessment District Map (3 pgs)
- Project Timetable (1 pg)

PROJECT LOCATION MAP GRAND FORKS, NORTH DAKOTA

Sanitary Sewer, Watermain, Storm Sewer, Paving & Streetlights for
Korynta-Lemm 6th Resubdivision



PROJECT #	DISTRICT #
8703	595
8704	357
8705	596
8707	776



Abstract of Bids Received

Paving & Street Lighting for Korynta-Lemm 6th Resubdivision

Grand Forks, North Dakota

City Project No.: 8707

CPS Project No.: 23004

Bid Opening: 10 AM Thursday, November 13, 2025



Bidder	Acknowledge Addendum(s) 2 of 2	Bid Bond Enclosed	Contractor's License Enclosed	Bid
Engineer's Estimate				\$5,182,553.50
Gowan Construction Oslo, MN	X	X	X	\$3,444,332.36
Opp Construction Grand Forks, ND	X	X	X	\$3,567,231.54
Strata Corporation Grand Forks, ND	X	X	X	\$3,687,125.83
Reede Construction, Inc. Aberdeen, SD	X	X	X	\$4,185,307.50
Paras Contracting Fargo, ND	X	X	X	\$4,257,474.70

ENGINEER'S REPORT (Revised)

The following report is submitted to the City Council of Grand Forks regarding the proposed Project No. 8707 benefiting District No. 776

1. Purpose and general nature:

Improvement of the municipal system serving the district by paving streets to serve the properties at Korynta-Lemm, 6th Resubdivision. This project will benefit adjacent property owners by providing paved roadways, thereby reducing vehicle wear and bringing increased traffic to the served properties. The addition of street lighting will improve public safety and property security. It is also expected paved roadways will increase the value of properties served by this system.

2. Location: Described as follows: 17th Ave N., N. 55th St. and N. 52nd St at the Korynta-Lemm 6th Resubdivision.

3. Feasibility and cost:

In the opinion of the undersigned, the improvement is feasible, and the probable cost thereof is estimated to be approximately \$2,528,726 including construction, engineering, financing, contingencies, and other incidental costs.

4. A map of the district is attached.

Date 2/6/25

Allen R. Grasser, PE – City Engineer

Construction Cost	\$6,130,300
Consultant Cost	\$486,600
Land Acquisition	\$ -
Less City Share (*)	(\$ 4,491,920)
<hr/> Assessed Construction Cost	<hr/> \$2,124,980
Project Related Expenses	
City Engineering (5%)	\$106,249
Advertising, Legal & Miscellaneous (2%)	\$42,500
Administration (8%)	\$169,998
Interim Financing (4%)	\$84,999
<hr/> Total Assessment Amount	<hr/> \$2,528,726

* 80% City cost share for consulting and new construction of classified street (without Federal cost share) at 17th Ave N. and N. 55th St. To be paid from Fund 4815 (Streets and Infrastructure)

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2. Location: Described as follows: 17th Ave N., N. 55th St. and N. 52nd St at the Korynta-Lemm 6th Resubdivision.

3. Feasibility and cost:

In the opinion of the undersigned, the improvement is feasible, and the probable cost thereof is estimated to be approximately \$1,818,384 including construction, engineering, financing, contingencies, and other incidental costs.

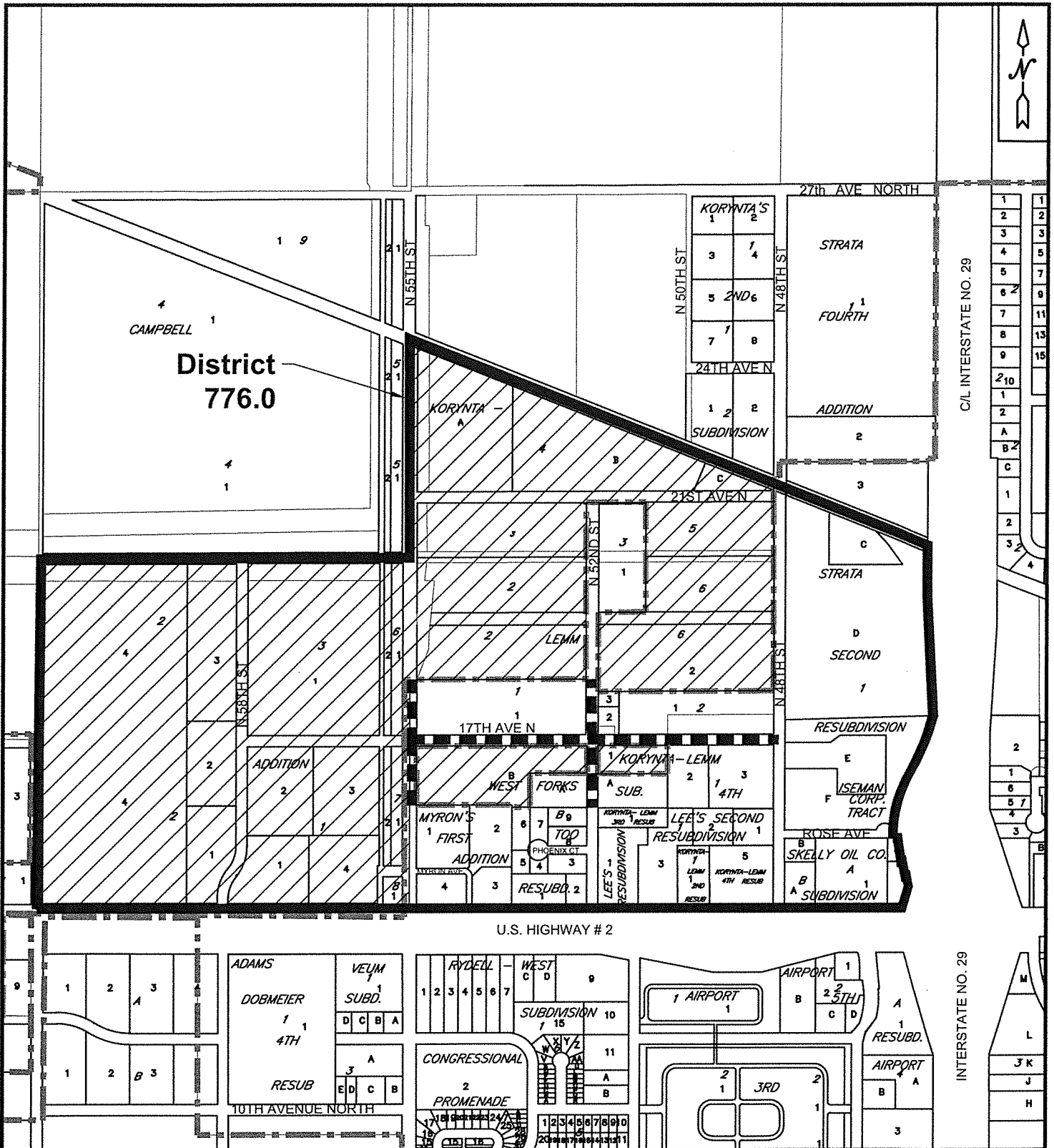
4. A map of the district is attached.

7/5/23
Date


Allen R. Grasser, PE – City Engineer

Construction Cost	\$4,399,300
Consultant Cost	\$274,400
Land Acquisition	\$ -
Less City Share (*)	(\$ 3,158,380)
<hr/>	
Assessed Construction Cost	\$1,515,320
Project Related Expenses	
City Engineering (6%)	\$90,919
Advertising, Legal & Miscellaneous (2%)	\$30,306
Administration (8%)	\$121,226
Interim Financing (4%)	\$60,613
<hr/>	
Total Assessment Amount	\$1,818,384




* 80% City cost share for consulting and new construction of classified street (without Federal cost share) at 17th Ave N. and N. 55th St. To be paid from Fund 4815 (Streets and Infrastructure)



PAVING & STREET LIGHTS FOR KORYNTA-LEMM 6TH RESUBDIVISION

LEGEND

PROJECT # 8707
DISTRICT # 776.0

-  ASSESSMENT DISTRICT BOUNDARY
-  PROJECT LIMITS
-  CITY LIMITS

-  FUTURE ASSESSMENT DISTRICT

TIMETABLE FOR SPECIAL ASSESSMENT PROJECTS

Project Name: Paving and Street Lights for Korynta-Lemm, 6th Resubdivision

Project Number: 8707

District No.: 776

- Water
- Sanitary Sewer
- Storm Sewer
- Paving and Street Lights

This timetable prepared by EJL
 Revised by: EJL

Date: 08/15/2025
 Date: 11/14/2025

Action	Date of Action			Approved
	Other	Committee	Council	
Approval of Engineers Report including estimate. Resolution creating assessment district. Direct engineering to prepare plans & specifications and advertise for construction bids.		7/10/23	7/17/23	
*Special Assessment Commission to meet to determine preliminary distribution of benefits.	7/20/23			
*Notices sent to property owners.	Week of 7/24/23			
Approval of plans & specs.		10/13/25	10/20/25	
**Advertisement for bids prepared.	10/16/25			
*Advertisement for bids published.	10/22/25			
*Resolution of Necessity published.	10/22/25			
Discuss Project. (Optional)		11/10/25		
***Bids received, opened & tabulated.	11/13/25			
Expiration of protest period.	11/21/25			
***Certificate as to sufficiency.	11/24/25			
Recommend award of contract.		11/24/25	12/1/25	We are here

*Responsibility of Finance & Administrative Services Office

**Responsibility of Engineering Department.

***Responsibility of Finance & Administrative Service Office & Engineering Department.