



City of Grand Forks

Staff Report

Committee of the Whole- May 11, 2026

City Council – May 18, 2026

**APPROVED & ACCEPTED**

*by City Council*

05/18/2026

*Maureen Storstad*  
Maureen Storstad  
City Auditor

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**Agenda Item: Wastewater Treatment Plant (WWTP) Phase II Project Number 8569 - Time Extension Request and Associated Amendments**

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**Submitted by:** Melanie Parvey, Water Works Director

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**Staff Recommended Action:** 1) Approve project extension timeline with Phase II of WWTP Improvements Project Number 8569 Construction Manager at Risk (CMAR), PKG, to final completion date of June 3, 2027. 2) Authorize amendments Number 2 (Instrument & Control (I&C) Services) and Number 3 (Engineering Construction Services) for Project Number 8569, with review and approval by the City Attorney. 3) Authorize required budget amendments associated with WWTP Phase II Project Number 8569 funding program.

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**Committee Recommended Action:** Motion by Berg, second by Osowski to move agenda item to City Council with a recommendation to approve. Motion carried unanimously.

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**Council Action:** Motion by Berg, second by Fridolfs to approve on consent agenda. Motion passed unanimously.

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**BACKGROUND:**

The WWTP Phase II Project Guaranteed Maximum Price (GMP) was approved by City Council on March 4, 2024 for \$80,664,291.00.

Regarding the CMAR's requested time extension, to June 3, 2027, City of Grand Forks (City) administrative staff met with PKG on 2/26/26 and requested the breakdown of general condition items, which are included in the attachment. This time extension does include additional costs of \$504,774 for PKG for jobsite safety, necessary project management, field offices, utilities, and jobsite maintenance and labor. This additional cost is included within the CMAR's contractor contingency in the project budget and will not cause an increase in project cost. See attached contingency log for an overview of these costs.

PKG also noted in their letter to City Administrator Todd Feland that savings in the agreement between City and PKG are stated to be split between owner and contractor but PKG intends to return all remaining project contingency as savings to the City.. The estimated project contingency is anticipated to be approximately \$ 1,359,128 million.

The cost for additional AE2S construction services is \$195,940.00 and are in the attached amendment number 3 for the project.

Amendment No 2 is for the I&C services for the project. These costs were projected in the initial cost estimates as well.

The delay is due to crane operations, which altered PKG's construction production in late 2024 and early 2025. The crane activity included setting of wall forms, rebar placement, unloading of major deliveries, and placement of large diameter piping.

The WWTP Facility Plan that was amended and approved in September of 2024 includes parallel MBR facility will be rated 2.5 MGD for City capacity assuming standard growth with 2.5 MGD in additional capacity for future industrial growth for a total capacity of 5 MGD. The WWTP facility will be readily expandable to 7.5 MGD in the future.

#### ANALYSIS AND FINDINGS OF FACT:

- Related to the needed construction time extension, PKG filed for the required construction crane permits with the Federal Aviation Administration (FAA) on 2/1/2024. In this response, crane activity at the jobsite was restricted to 170' and PKG confirmed that 170' was feasible with anticipated construction activities.
- A week after the original determination and decision were received from FAA, PKG and City staff began receiving calls from the Grand Forks Airport's (GFK) FAA Air Traffic Control (ATC) requiring the crane to be lowered.
- The GFK FAA ATC provided that despite the crane permit being issued, they had the ability to shut down crane activity if the construction crane was impeding their air traffic operations.
- The GFK FAA ATC informed PKG that whenever the east-west runway was needed, they would need to halt construction crane operations.
- PKG construction staff logged and shared information with City staff at biweekly construction coordination meetings, which is included in the attachment

#### ATTACHMENTS:

- March 4, 2026 letter to City of Grand Forks Attn: Todd Feland regarding City Project No. 8569-Grand Forks Wastewater Facility Phase 2- Improvements.
- Contingency Log WWTP Phase II.
- Amendments 2 and 3 from AE2S for I&C Services and Additional Engineering Construction Services.