



CITY OF GRAND RAPIDS AGENDA ACTION REQUEST

DATE: February 25, 2025

TO: Mark Washington, City Manager

COMMITTEE: Fiscal Committee

LIAISON: Molly Clarin, Chief Financial Officer

FROM: Tim Burkman, P.E., City Engineer

SUBJECT: **Request for Capital Improvement Fund Budget Amendment - Refrigeration System Improvements at Belknap Park Griff's Icehouse**

A handwritten signature in blue ink, appearing to be 'TB'.

On July 16, 2024 (Proceeding No. 93680), the City Commission authorized the sale of bonds for an amount not to exceed \$24M to provide new bond funds to pay all or a portion of the costs for Hockey Arena Improvements, ELC Improvements, and Park Improvements. On September 10, 2024 (Proceeding No. 93895), the City authorized professional design services and additional phase services with Progressive AE, Inc. On November 12, 2024 (Proceeding No. 94073), the City Commission approved an increase and additional services with Progressive AE, Inc. and authorizing expenditures in connection with the above-captioned project.

This project has established a Guaranteed Maximum Price (GMP) for work at the schematic design phase. Progressive can begin bidding and procuring long lead time items such as electrical transformers, rink boards and other considerations to maintain the project schedule. Because it is necessary to establish the GMP earlier in the design process, Progressive is including a higher contingency in their proposal to cover unknowns which will be in addition to the City's typical contingency. Once design is completed and all scope of work has been defined, the project contingencies will be combined and right sized to reflect the final design.

At the time of the sale of bonds, an estimated amount of \$4,000,000 was included and appropriated for this project. City Staff regularly reviews the projects currently planned to be funded with Capital Improvement Series 2024 bonds and has determined the Griff's Icehouse project has now exceeded the original estimate while at the same time the ELC Improvements projects are projecting lower than originally planned.

It is necessary at this time to shift funds within this bond series between departments. Approval of this budget amendment will move previously appropriated amounts in the ELC department 448 to the Engineering department 447 within the Capital Improvement Fund. This movement has no impact on the debt service for these projects.

Please include this request in your next budget amendment.

<u>Sources/Appropriations</u>	<u>Project Description</u>	<u>Amount (From)/To</u>
4018-448-9000-9880-21059- 401821059 (6981-R)	Division-Fulton to Michigan	(\$382,745.46)
4018-448-9000-9880-24057- 401824057 (6981-R)	Cesar Chavez-Stolpe to Hall	(\$312,250.00)
4018-448-9000-9880-24073- 401824073 (6981-R)	Division-Fulton to Mich-Str Ltg	(\$280,000.00)
4018-448-9000-9880-25076- 401825076 (6981-R)	Leonard-Powers to Alpine	(\$437,587.07)
4018-447-9000-9880-24108- 401824108 (6981-R)	Belknap Park Griff's Icehouse	\$1,412,582.53

If you have any questions, please advise. Thank you for your assistance in this matter.

cc:	Kate Berens	Scott Saindon	Tricia Chapman
	Lorrie Freeman	Jacob Carter	Bruce Sweeris
	Tai Verbrugge	Otniel Kish	

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SUMMARY OF ESTIMATED COSTS

for

Refrigeration System Improvements at Belknap Park Griff's Icehouse

Project Funding Source(s)

	<u>Currently Approved</u>	<u>Budget Request(s)</u>	<u>Revised Project Estimate</u>
Capital Improvement Bond Series 2024	\$3,999,482.47	\$1,412,582.53	\$5,412,065
Total Project Sources	<u>\$3,999,482.47</u>	<u>\$1,412,582.53</u>	<u>\$5,412,065</u>

Breakdown of Project Uses

Additional Phase Services by Progressive	\$3,251,486
Soil Borings by PSI	3,549
Construction Inspection Services by Progressive	225,000
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Sub-Total	\$3,480,035
Contingencies	100,505
Prior Authorization (Proceeding No. 93895)	<hr/> 1,831,525
Total Project Uses	<hr/> <u>\$5,412,065</u>