

7. Resolution approving an Agreement for Construction Management Services with Clark Construction Company for Construction of Fire Department Training Facility at 850 Pannell Street NW in the amount of \$20,678,692 with total amount not-to-exceed \$26,856,892

Item Number: 7



# CITY OF GRAND RAPIDS AGENDA ACTION REQUEST

**DATE:** March 25, 2025

**TO:** Mark Washington, City Manager

**COMMITTEE:** Community Development Committee

**LIAISON:** Mary Kate Berens, Deputy City Manager

**FROM:** Tim Burkman, City Engineer  
Engineering

**SUBJECT:** **Resolution approving an Agreement for Construction Management Services with Clark Construction Company for Construction of Fire Department Training Facility at 850 Pannell Street NW in the amount of \$20,678,692 with total amount not-to-exceed \$26,856,892**

This project consists of a new Fire Training Facility, to be located at 850 Pannell Street, which will consolidate a training facility and fire operations from across the City onto a single campus.

A Qualification Based Selection (QBS) process was used to solicit and evaluate respondents for the performance of Construction Management services. The evaluation team, consisting of City staff, selected Clark Construction Company, Inc. (Clark) as the highest-ranked, qualified firm from shortlisted respondents and on March 19, 2024 (Proceeding No. 93386) the City Commission approved a Professional Services Agreement for pre-construction services for Clark. Having completed those services, through Design Development with an estimated total project cost of \$46,000,000, they are now prepared to move into the first phase of bidding. The first portion will include two bid packages containing: pre-engineered metal buildings, concrete, steel, site utilities, and earthwork. After the subsequent bid packages are received, staff will return to the City Commission to approve and authorize additional expenditures covering the final guaranteed maximum price for the project.

The attached resolution provides entering into an agreement for construction management services with Clark as well as the authorization of expenditures in the amount of \$20,678,692 with total expenditures not to exceed \$26,856,892. This amount includes the costs for construction management agreement, testing, administration previously authorized design services by Prein & Newhof, Inc. (P&N), and contingencies.

This project is being financed by the Capital Improvement Fund. A budget request in the

Capital Improvement Fund is necessary to finance this project and will be presented to the Fiscal Committee for consideration and approval at a future date.

cc: Brad Brown  
Amaad Hardy  
Tricia Chapman  
Molly Clarin

Reviewed by O.E.E.

#23054

Your COMMUNITY DEVELOPMENT COMMITTEE recommends the adoption of the following resolution approving an agreement with Clark Construction Company and authorizing expenditures in connection with the Construction of Fire Department Training Facility At 850 Pannell Street NW

WHEREAS, a proposal was received on March 10, 2025 for the following project:

Construction of Fire Department Training Facility At 850 Pannell Street NW  
(hereinafter referred to as the "Project")

and Clark Construction Company (Clark) submitted a cost of \$20,678,692; therefore

RESOLVED:

1. That the proposal of Clark be accepted and that, upon approval as to form by the City Attorney, the Mayor and City Clerk be authorized to execute the agreement for the Project on behalf of the City.
2. That total expenditures for the Project be authorized in an amount not to exceed \$26,856,892 which includes the costs of the construction management agreement, testing, administration, previously authorized design services by Prein & Newhof, Inc. (P&N), and contingencies. Said amount of \$26,856,892 to be charged to the applicable Capital Improvement Fund codes.
3. That the City Comptroller is hereby authorized and directed to make payment, in amounts and to said payees, as the City Engineer or his designee requests in connection with the Project.
4. That the City of Grand Rapids, pursuant to Section 1.150-2 of the Treasury Regulations promulgated pursuant to the Internal Revenue Code of 1986, as amended, declares its intent to reimburse itself the costs of the Project and other related costs in an amount not to exceed \$26,856,892 (Capital Improvement Fund) through the issuance of tax-exempt bonds.
5. That a copy of this resolution be available for inspection at the City Clerk's Office, 2nd Floor, City Hall, 300 Monroe Avenue N.W., Grand Rapids, Michigan 49503.

CORRECT IN FORM  
  
DEPARTMENT OF LAW

Item Number: 7



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2. That total expenditures for the Project be authorized in an amount not to exceed \$26,856,892 which includes the costs of the construction management agreement, testing, administration, previously authorized design services by Prein & Newhof, Inc. (P&N), and contingencies. Said amount of \$26,856,892 to be charged to the applicable Capital Improvement Fund codes.
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CORRECT IN FORM  
  
DEPARTMENT OF LAW

## SUMMARY OF ESTIMATED COSTS

for

### Construction of Fire Department Training Facility at 850 Pannell Street NW

#### Project Funding Source(s)

	<u>Currently Approved</u>	<u>Budget Request(s)</u>	<u>Revised Project Estimate</u>
Capital Improvement Fund	\$3,396,089	\$23,460,803	\$26,856,892
Total Project Sources	<u>\$3,396,089</u>	<u>\$23,460,803</u>	<u>\$26,856,892</u>

#### Breakdown of Project Uses

Agreement for Construction Management Services	\$20,678,692
Testing	109,600
Administration	207,883
Previously Authorized Services by (P&N)	<u>20,000</u>
Sub-Total	21,016,175
Contingencies	<u>2,444,628</u>
Prior Authorizations (Proceeding No. 93029, 93386, and 94139)	<u>\$3,396,089</u>
Total Project Uses	<u>\$26,856,892</u>



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