



City of Grand Forks

Staff Report

Special City Council – September 30, 2024

City Council – October 7, 2024

APPROVED & ACCEPTED
by City Council

10/07/2024

Maureen Storstad
Maureen Storstad
City Auditor

Agenda Item: Altru Sports Complex and Children’s Museum

Submitted by: Todd Feland, City Administrator

Staff Recommended Action:

a) Approve Community Based Use Agreement For UND Athletic Facilities, subject to final review and approval of the City Attorney.

b) Approve the Schematic Design Plan.

c) Approve Site Master Plan, Traffic Study, and Support Infrastructure Plan.

d) Approve transfer of title to a 4-5 acre tract of land to the Jobs Development Authority for the Children’s Museum, with the JDA reimbursing the City for the value of such 4-5 acre parcel based on the per acre purchase price paid by the City for the larger tract that contains or adjacent to this 4-5 acre tract and recommend JDA approve long-term ground lease with the Children’s Museum, subject to final review and approval of the City Attorney. Also, direct the City Attorney to revise current agreement relating to contingent based funding by the City for the Children’s Museum.

e) Approve the Altru Sports Complex design development and construction document phases with JLG Architects and corresponding design development and construction document compensation of 6.9% and \$2,144,608.10 and \$1,608,456.07 for design development and construction development respectively, subject to final review and approval of the City Attorney. Approve associated budget amendment in the amount of \$3,753,064.17, subject to final review and approval of the Finance Department.

Committee Recommended Action: N/A

Council Action:

Motion by Sande, second by Osowski to approve a, c and d. Motion carried 6-1 with Osowski dissenting. Motion by Fridolf, second by Berg to approve b and e. Motion carried 4-3, with Osowski, Lunski and Sande dissenting.

BACKGROUND:

The City of Grand Forks (City) solicited interest and qualifications from architectural design firms for project management, design, contract and construction administration of the new Altru Sports Complex.

In 2022, the Grand Forks Park District (Park District), with support from the City, hired BerryDunn, BRS, and WTI to complete an Indoor Sports Facility and Indoor Aquatic Facility Feasibility Study (Feasibility Study). This Feasibility Study was completed in 2023 and led to a proposed city-wide vote for an extension to the existing 0.75% Alerus Center Sales Tax. Funding from the passing of this sales tax extension in November of 2023 will be used to support ongoing capital improvements of the Alerus Center and the capital construction and long-term capital maintenance of the new Altru Sports Complex.

The City and Altru have entered into a complex naming rights agreement for the Altru Sports Complex, which will help support the project funding. The late Jim Fristad donated \$500,000.00 and JR Simplot in Grand Forks donated \$75,000.00 to the Altru Sports Complex. Additional funding, donor and financial support will be explored and considered throughout the project's development.

The Altru Sports Complex will be owned by the City and operations are proposed to be managed by the Park District. The City and the Park District have entered into a memorandum of understanding (MOU) between each party to provide these management and operation services, and the City continues to negotiate with the Park District on a long-term operation and maintenance agreement.

The City administration along with the University of North Dakota (UND), Park District, and Grand Forks Public School District have agreed on a Community Based Use Agreement For UND Athletic Facilities. The UND facilities include the Frederick "Fritz" D. Pollard Jr. Athletic Center, Memorial Stadium Track and Turf Facility, and Albrecht Field – Softball Complex.

The conceptual location of the Altru Sports Complex and Children's Museum are located just south of the existing Alerus Center, west of South 42nd Street, north of 17th Avenue South, and east of Interstate 29. The City recently purchased the remaining 6.28 acres of the site for \$2.12 million. Currently, the proposed Altru Sports Complex project is approximately 224,000 square feet in size and is planned to include the following amenities:

- 50 Meter Indoor Pool
- 25 Yard Instructional Pool
- Deep Diving Well
- Indoor Turf with Sprint Track
- Indoor Pickleball – Eight (8) Courts
- Sports Training Space (Alternate)
- Multi-Use Program Rooms
- Concessions
- Spectator Seating
- Facility & Aquatic Support Spaces
- Administrative Offices
- Site Support Infrastructure

ANALYSIS AND FINDINGS OF FACT:

- The City has accomplished many goals to date to include the following.
 - Voter approved extension of the ¾ percent "Alerus Center" sales tax with a 66 percent approval on November 14, 2023.

- Altru complex naming Letter of Intent of \$10 million – City Council approval December 18, 2023.
- Grand Forks Park District Operations and Maintenance Letter of Intent – City Council approval December 18, 2023.
- City Council approval of Sales Tax Ordinance Amendment on January 2, 2024.
- JLG Architects selected as the Architect of Record in April 2024.
- McGough and Construction Engineers selected as Construction Manager at Risk in May 2024.
- Altru Sports Complex schematic design, stakeholder engagement, and cost estimating, site master planning, traffic study, support infrastructure planning, and Children’s Museum engagement from May to September 2024.
- The AOR Agreement includes the following phases of services with a proposed compensation percentage of 6.90% of total project cost. JLG has agreed to reduce the percentage to 6.90%, which includes reducing the energy modeling and life cycle cost analysis scope and reducing visualization renderings from 8 to 5 renderings. Generally, public projects of the scale and complexity of the AISAC have an anticipated compensation percentage service range of six to eight percent.
 - Schematic Design Phase – 23% of estimated services - \$1,697,661.51 (Based on grand total cost of work estimate of \$106,973,000.00).
 - Design Development – 28% of estimated services - \$2,144,608.10 (Based on grand total cost of work estimate of \$111,004,560.00).
 - Construction Document – 21% of estimated services - \$1,608,456.07 (Based on grand total cost of work estimate of \$111,004,560.00).
 - Bidding Estimate – 3% of estimated services - \$229,779.44 (Based on grand total cost of work estimate of \$111,004,560.00).
 - Construction Contract Administration Estimate – 25% of estimated service - \$1,914,828.66 (Based on grand total cost of work estimate of \$111,004,560.00).
- The City administration conducted further follow-up regarding architect of record design fee percentages and have included the overview in an attachment in the support materials that further justifies the earlier noted fee range of 6 to 8%. Of note, a UND representative noted that in his opinion the UND STEM/National Defense Project with a 7.3% fee is the best example in the comparison of the Altru Sports Complex project.

Based on a third-party architectural opinion, the indoor sports portion of the portion of the project most closely relates to a 7% fee and the aquatics portion most closely relates to an 8% fee.

- JLG includes the following team of subconsultants.
 - AE2S (Grand Forks)– Structural/Civil Engineering
 - Martin Mechanical (Grand Forks) – Mechanical Engineering
 - CMTA (Grand Forks) – Electrical Engineering
 - BRS Architects (Denver) - Architectural Recreation Interior Designer
 - Bolton & Menk (Grand Forks) - Landscape Designer
 - Water Technology, Inc. (Beaver Dam, WI) - Aquatics Engineer
- The City will independently contract with firms regarding the CMAR, Land Surveying, and Geotechnical Engineering.
- The first phase of the design process is schematic design and occurred over the months of April to August 2024. Schematic design is estimated as 23 percent of the design in the up to amount of \$1,697,661.51. The schematic design included the following elements.
 - CMAR selection, agreement, and integration into the AISAC design team.
 - Facility program/scope confirmation.
 - Stakeholder input.
 - Space planning/floor plans.
 - Space volume/building sections.
 - Interior design concepts.
 - Interior wayfinding concepts.
 - Aquatic center design.

- Schematic design narratives.
- Site planning/site concepts.
- Exterior building design/massing.
- Preliminary code review.
- Review options for building systems.
- Project schedule and budget.
- The Altru Sports Complex Grand Total Estimated Cost of Work includes the following:
 - Building Base Scope - \$91,750,000.00 (Indoor Turf with Sprint Track, 50 Meter Pool, Eight (8) Pickleball Courts, Multi-Use Program Rooms, Concessions, Facility and Aquatic Support Spaces, Second Floor Mezzanine and Spectator Seating, and Administrative Offices)
 - 25-Yard Instructional Pool - \$6,864,000.00
 - Deep Diving Well - \$1,153,000.00
 - Sports Training Additive Alternative - \$1,590,000.00 (75% of the cost of work value)
 - Building Grand Total Cost of \$101,357,00 (Includes 3% Construction Contingency, CMAR General Conditions, and CMAR Construction Fee)
 - Site Support Infrastructure Grand Total Cost of Work of \$9,647,560.00 (Excludes 17th Avenue South Scope, Includes 8% Contingencies, and Includes CMAR General Conditions.
- The CMAR was approved as the best way forward to deliver the construction of the Altru Sports Complex due to the following reasons.
 - Integrating the CMAR proactively into the early design process to benefit an efficient and cost-effective design and to provide an early and reliable construction cost estimate.
 - The CMAR delivery method will provide the best opportunity to strategically phase and stage construction on the Altru Sports Complex.
 - The CMAR delivery method best provides for phasing bids to maximize the number of bid packages and bidders to maximize the best bidding environment for the most competitive and best bids.
- The Design Development Phase is scheduled to commence on 10/14/24 and conclude on 2/14/25. A Guaranteed Maximum Price (GMP) Package #1 deliverable is scheduled for 1/21/25 with City Council approval in March 2025. GMP Package #1 will generally consist of earthwork, site work, foundations, structural steel, and precast assemblies.
- The Construction Document Phase is scheduled to commence on 1/6/25 and construction contract finalization in August 2025. GMP Package #2 deliverable is scheduled for 5/30/25 with City Council approval in August 2025. GMP Package #2 will generally consist of core and shell, mechanical/electrical, and interior fit-out.
- The estimated construction schedule is as follows.
 - Commencement of Construction Activities – May 2025
 - Substantial Completion – April 2027
 - Certificate of Occupancy – May 2027
 - Grand Opening – August 2027
- In working through the design development over the next few months, the City administration will be working in parallel on and brief the City Council and to receive approval on the following.
 - Altru Sports Complex capital bonding strategy.
 - Altru Sports Complex Park District Operation/Maintenance Agreement.
 - Altru Sports Complex sponsorships.
- The Children’s Museum made the determination that the site south of Alerus Center near the Altru Sports Complex is their preferred location. The previous preferred location was near the Choice Health and Fitness Center on Altru owned land. The current and estimated land requirement for the Children’s Museum is between four (4) to five (5) acres on the south of the Alerus Center site and in the southeast corner of the site. The land is currently owned by the City of Grand Forks (City) and was purchased using City Alerus Center sales tax funds. The intent is to transfer the noted Children’s Museum parcel from the City to the Jobs Development Authority (JDA), and the JDA

transfer funds to the reimburse the City for the value of such 4-5 acre parcel based on the per acre purchase price paid by the City for the larger tract that contains or adjacent to this 4-5 acre tract. Upon this transfer, the JDA then enter into a long-term ground lease agreement with the Children's Museum for this 4-5 acre parcel.

SUPPORT MATERIALS:

- Community Based Use Agreement For UND Athletic Facilities
- Altru Sports Complex Schematic Design Plans and Presentations.
- Site Master Planning, Traffic Study, and Support Infrastructure Plan and Presentations.
- Children's Museum Approved Agreement with Exhibits and Redlined Agreement for Location by Alerus Center.
- Altru Sports Complex and Site Support Infrastructure - JLG Agreement and Exhibit A – Initial Project Information and Basic Services Compensation Proposal.