

**PALM BEACH COUNTY
INFRASTRUCTURE SALES TAX TYPE 3 TRANSFER**

| | | | |
|--------------------------|--|-------------------|---|
| PROJECT: | <u>Gramercy Park Expansion</u> | CATEGORY: | <u>Existing Park Redevelopment or Expansion</u> |
| PROJECT NO.: | <u>P945</u> | DISTRICT NO.: | <u>7</u> |
| CONSTRUCTION DEPARTMENT: | <u>Facilities Development & Operations</u> | DEPT. TRANSFER #: | <u>24-01</u> |
| OPERATING DEPARTMENT: | <u>Parks & Recreation</u> | | |

A Type 3 Transfer authorizes a transfer to and from the IST Program Reserves.

Summary of Transfer Details:

Consistent with new park infrastructure in areas of need, the purpose of this transfer is to establish funding for a new project entitled Gramercy Park Expansion. The project scope includes construction of an 11,000 square foot community center within Gramercy Park. The facility will be operated by a non-profit community organization for the benefit of the residents of central Palm Beach County. An additional four acres of undeveloped property to the north of the park will be developed in conjunction with the community center and will include a walking trail, fitness equipment, dry retention areas, and landscaping. Project design and permitting has been funded in part from IST funds for Community Park - New Development (T004). The Department has received funding for project construction in the amount of \$4M from FY 2024 Ad Valorem Capital and is expecting an additional \$5M from a Community Development Block Grant (CDBG) toward a total project amount of \$13M. This request is to transfer \$4M from IST Program Reserves to cover the current construction shortfall.

This Type 3 transfer will: (check all that apply)

- Authorize transfer from IST Program Reserves to an Approved Project Budget.
- Authorize transfer from IST Program Reserves to a new Project Budget.
- Authorize transfer to Program Reserve from Departmental Reserve.
- Authorize transfer to Program Reserve from Approved Project Budget.

FINANCIAL

| | |
|--|---------------|
| Approved Project Budget: | \$0 |
| Amount to be Transferred to Gramercy Park Expansion: | \$4,000,000 |
| Project Budget for Gramercy Park Expansion (P945) after this Transfer: | \$4,000,000 |
| County Reserve before this Transfer: | \$137,584,220 |
| County Reserve after this Transfer: | \$133,584,220 |

Description of Timing Impacts to an Approved Project as a Result of this Transfer: N/A

PALM BEACH COUNTY
Requested by Operating Dept.:

By: Jennifer O'Connell
Title: Director, Park & Recreation Department
Date: 10/31/2023

Recommended by Jacobs Project Management:

By: Nestor Martinez
Title: Project Manager
Date: 10 31 23

Recommended by OFMB:

By: ASDella
Title: Asst. Budget Director
Date: 11/2/23

PALM BEACH COUNTY
Requested by Construction Dept.:

By: John P. Gallahue
Title: FDI Director
Date: 10/31/23

Digitally signed by Michael W. Jones
DN: DC=org, DC=jacobs, OU=Enterprise, OU=CATT, OU=Users, CN=Michael W. Jones, E=MJones@pb.gov, c=US
Reason: I am the author of this document
Location
Date: 2023.10.31 16:32:46-0400
Fossil PDF Reader Version: 12.0.1

Recommended by IST Oversight Committee:

By: Michael W. Jones
Title: Chair
Date: 11/16/23

Recommended by Administration:

By: R. Baker
Title: County Administrator
Date: 11/2/23

24-0212

BOARD OF COUNTY COMMISSIONERS
PALM BEACH COUNTY, FLORIDA
BUDGET TRANSFER

BGEX 581 102523*249

FUND 3950 - Infrastructure SurTax

| ACCT NUMBER | ACCOUNT NAME | ORIGINAL BUDGET | CURRENT BUDGET | INCREASE | DECREASE | ADJUSTED BUDGET | EXPENDED/ ENCUMBERED 10/25/23 | REMAINING BALANCE |
|------------------------------------|-----------------------------|--------------------|--------------------|------------------|------------------|--------------------|-------------------------------|-------------------|
| EXPENDITURES | | | | | | | | |
| 3950-821-9900-9908 | Reserve-New Projects | 137,584,220 | 137,584,220 | | 4,000,000 | 133,584,220 | 0 | 133,584,220 |
| 3950-581-P945-6502 | Building Construction - CIP | 0 | 0 | 4,000,000 | | 4,000,000 | 0 | 4,000,000 |
| Total Receipts and Balances | | 570,496,546 | 552,067,420 | 4,000,000 | 4,000,000 | 552,067,420 | | |
| TOTAL | | | | | | | | |

Signatures

Date

Parks and Recreation Department
INITIATING DEPARTMENT/DIVISION

Administration/Budget Department Approval

OFMB Department - Posted

James E. Cullen 12/18/23
[Signature] 12/18/23
Debra Copria 1/23/24

By Board of County Commissioners
At Meeting of
January 23, 2024

[Signature]
Deputy Clerk to the
Board of County Commissioners
PALM BEACH COUNTY
FLORIDA

241.0

Modified by ewilliams , 12/14/2023

| Expense Budget | | Total Lines: 2 | | | | | | | |
|----------------|------|----------------|-----------|------|--------|----------------|-------------------|------------|--|
| Budget FY | Fund | Department | Appr Unit | Unit | Object | Dollar Amount | Increase/Decrease | Event Type | |
| 2024 | 3950 | 821 | 8219900NG | 9900 | 9908 | \$4,000,000.00 | Decrease | BG06 | |
| 2024 | 3950 | 581 | 581P945CB | P945 | 6502 | \$4,000,000.00 | Increase | BG06 | |

From 1 to 2 Total: 2 Show Lines: 10 Export to CSV

Expense Budget

| | |
|---|--|
| Action: Modify <input type="checkbox"/> | Budget FY: 2024 |
| Event Type: BG06 | Fiscal Year: 2024 |
| Name: <input type="text"/> | Period: 4 |
| Start Date: <input type="text"/> | Fund: 3950 |
| End Date: <input type="text"/> | Department: 821 |
| Dollar Amount: \$4,000,000.00 | Appr Unit: 8219900NG |
| Increase/Decrease: Decrease <input type="checkbox"/> | Unit: 9900 |
| | Object: 9908 Res-New Projects |
| | Contact: <input type="text"/> |
| | Contact Name: <input type="text"/> |
| | Description: Transfer from IST Reserves to Gramercy Park Expansion <11-21-23 BCC meeting> |
| | House Bill Number: 24-0212 |
| | Debt ID: <input type="text"/> |

This agenda item is more than 50 pages and may be viewed in Administration

Agenda Item # **3H-1**

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

**MB/MW 6-0
GW abs
R-2024-0048**

Meeting Date: January 23, 2024

Consent
 Workshop

Regular
 Public Hearing

and

R-2024-0049

Department: Facilities Development & Operations

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve:

- A) Budget transfer in the amount of \$4 Million within the IST Fund from IST Reserves to appropriate funds to the Gramercy Park Expansion project;
- B) Amendment No. 1 to the Construction Manager (CM) at Risk Services Federally funded project contract (R2022-1193) with Hatcher Construction & Development, Inc. (CM), establishing a Guaranteed Maximum Price (GMP) in the amount of \$11,284,247.68 for the Gramercy Park Neighborhood Center project for a period of 380 calendar days from notice to proceed; and
- C) Irrevocable Letter of Direction submitted by the CM dated December 4, 2023 and requested by its surety directing the establishment of an escrow account for the project.

Summary: On October 18, 2022, the Board of County Commissioners (Board) approved the CM at Risk Services Federally funded project contract (R2022-1193) with the CM for the Gramercy Park Neighborhood Center project. The Gramercy Park Neighborhood Center project includes, but is not limited to, the construction of an approximately 11,000 square feet neighborhood center located at the corner of Park Avenue and 45th Street in West Palm Beach. The center includes a large multi-purpose room, classroom, kitchen, offices and building support spaces. Site amenities include a parking lot, landscaping, a mulch-surfaced walking trail and associated site infrastructure work. Amendment No. 1 establishes a GMP in the amount of \$11,284,247.68 for the construction management services necessary for the construction of the Gramercy Park Neighborhood Center. The CM will have 380 calendar days from notice to proceed to substantially complete the project. Liquidated damages for failure to achieve certification of substantial completion within the contract time or approved time extension thereof are \$550 per day. The surety bonding the project, Indemnity National Insurance Company (Surety), has requested that the CM issue an Irrevocable Letter of Direction to the County for the establishment of a project dedicated escrow account, under which the County will issue all payments directly to the escrow which is managed by a third party escrow agent. The Irrevocable Letter of Direction is a funds management tool commonly used by sureties though not commonly seen on County construction projects. Staff recommends approval of the Irrevocable Letter of Direction since it was requested by the CM and the Surety for this project and staff has identified no detrimental impacts to the use of an escrow arrangement on County projects. A similar arrangement is in place on another County project and the process has been working smoothly. **Continued on Page 3**

Background and Justification: Continued on Page 3

Attachments:

- 1. Location Map
- 2. Budget Availability Statement
- 3. Budget Transfer
- 4. Amendment No. 1
- 5. CM at Risk Services History Sheet
- 6. Irrevocable Letter of Direction

Recommended by: *[Signature]* Department Director 12/8/23 Date

Approved by: *[Signature]* County Administrator 1/12/24 Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

| Fiscal Years | 2024 | 2025 | 2026 | 2027 | 2028 |
|---|--------------------|------------|------------|------------|------------|
| Capital Expenditures | \$11,284,248 | _____ | _____ | _____ | _____ |
| Operating Costs | _____ | _____ | _____ | _____ | _____ |
| External Revenues | (\$5,000,000) | _____ | _____ | _____ | _____ |
| Program Income (County) | _____ | _____ | _____ | _____ | _____ |
| In-Kind Match (County) | _____ | _____ | _____ | _____ | _____ |
| NET FISCAL IMPACT | \$6,284,248 | -0- | -0- | -0- | -0- |
| # ADDITIONAL FTE POSITIONS (Cumulative) | _____ | _____ | _____ | _____ | _____ |

Is Item Included in Current Budget: Yes X No _____
 Is this item using Federal Funds? Yes X No _____
 Is this item using State Funds? Yes _____ No X

Budget Account No: Fund 3950 Dept 581 Unit P945 Object 6502
 Fund 3600 Dept 582 Unit P945 Object 6502
 Fund 3600 Dept 581 Unit P945 Object 6502

| | |
|--------------|-----------------|
| CONSTRUCTION | \$11,284,247.68 |
| STAFF COSTS | \$ 0.00 |
| CONTINGENCY | \$ 0.00 |
| TOTAL | \$11,284,247.68 |


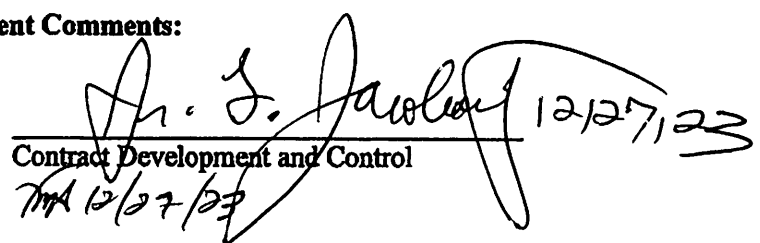
B. Recommended Sources of Funds/Summary of Fiscal Impact:

Funding for this project is from the infrastructure sales tax, CDBG and ad valorem funds.

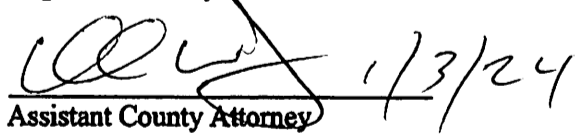
C. Departmental Fiscal Review: 

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development Comments:

 12/19/23
 OFMB 12/14/23 QA 12/13
 12/27/23
 Contract Development and Control
 MA 12/27/23

B. Legal Sufficiency:

 1/3/24
 Assistant County Attorney

C. Other Department Review:


 Department Director

This summary is not to be used as a basis for payment.

Summary: The CM was selected through a competitive solicitation in accordance with the Federal requirements provided by the Department of Housing and Economic Development (DHED). Under the Federal requirements, this project has a 22.4% minority and 6.9% female Equal Employment Opportunity (EEO) participation goal. The CM anticipates EEO utilization of 22.4% Minority and 6.9% Female participation in the construction phase. **Funding for this project is from the Infrastructure Sales Tax, CDBG, and Ad Valorem Funds. (Capital Improvements Division) District 7 (MWJ)**

Background and Justification: CM at Risk is a project delivery method in which the CM provides design phase assistance, evaluation of cost, schedule and implications of alternate designs, systems and materials, and serves as the general contractor bidding the subcontracts for construction. Amendment No. 1 authorizes the construction management services necessary for the construction of the Gramercy Park Neighborhood Center project, which will benefit the residents of the Gramercy Park Neighborhood.