

## MISSOULA REDEVELOPMENT AGENCY

### CONDENSED BOARD MEETING MINUTES

October 31, 2024

FINAL

A Regular meeting of the Board of Commissioners of the Missoula Redevelopment Agency was held on Thursday, October 31, 2024 in the Hal Fraser Conference Room, 140 W. Pine St., and via Microsoft Teams at 12:00 p.m. Those in attendance were as follows:

**Board:** Karl Englund, Tasha Jones, Melanie Brock, Jack Lawson, Mike Nugent  
- City Council Ex-Officio Board Member

**Staff:** Ellen Buchanan, Annie Gorski, Annette Marchesseault, Michael Hicks, Jilayne Dunn, Lesley Pugh

**Public:** City of Missoula: Mayor Andrea Davis, Dale Bickell, Donna Gaukler, Nathan McLeod, Zac Covington, John Adams; Martin Kidston, Missoula Current; Griffen Smith, Missoulian; Mary Chase, Katie Fairbanks, Irene Waara, Arren Kimbel-Sannit, Tracy Worley, Yelena Onnen; Audrey Handelman; MCAT

#### CALL TO ORDER

12:00 p.m.

#### INTRODUCTIONS

#### APPROVAL OF MINUTES

[July 18, 2024 Regular Board Meeting Minutes](#) were approved as submitted.

[October 17, 2024 Special Board Meeting Minutes](#) were approved as submitted.

#### PUBLIC COMMENTS AND ANNOUNCEMENTS

Buchanan announced that the Opportunity Place project on 3<sup>rd</sup> Street received all of the Low Income Housing Tax Credits (LIHTC) money they requested and it was the number one project considered. Englund asked what the timeline is. Marchesseault said the project will be done in phases and the first phase to begin is deconstruction.

#### ACTION ITEMS

##### [Montana Idaho Water & Sidewalk Project – Phase 2 \(URD II / Ward 3\) – Request to Approve Knife River Change Order #1 & Additional TIF \(Dunn\)](#)

Dunn said Phase 2 of this project is wrapping up, but there were some unanticipated items that came up during construction. The project included installation of a water main in Montana Street and curb and sidewalk improvements on Montana and Dakota Streets. IMEG was the engineer and Knife River was the contractor. They encountered several

extenuating circumstances including existing subgrade soils that affected compaction, extension of the water main an additional 11 feet to avoid existing utilities and additional tree removal due to storm damage and safety concerns.

Dunn said the project had a miscellaneous line item of \$40,000 to address any items that could come up during an infrastructure project. In this case, that was expended and they have identified another \$10,340 beyond that needed to address the additional items. IMEG is recommending an additional \$3,660 for a total of \$14,000 to address any additional unknowns that may come up during the final weeks of construction. The staff recommendation is to approve Change Order #1 for Knife River in the amount of an additional \$14,000.

**LAWSON: I MOVE THE MRA BOARD APPROVE KNIFE RIVER CHANGE ORDER #1, AND AN ADDITIONAL \$14,000 FROM THE COMMUNITY INVESTMENT PROGRAM (CIP) BUDGET FOR THE MONTANA IDAHO WATER & SIDEWALK PROJECT, TO ADDRESS IDENTIFIED ITEMS THAT COULD NOT BE ANTICIPATED AND PROVIDE A SMALL CONTINGENCY THAT MAY BE NEEDED TO CLOSE OUT THE PROJECT.**

**Jones seconded the motion.**

**No further discussion. No public comment.**

**Motion passed unanimously (4 ayes, 0 nays).**

**Southgate Crossing Property Purchase – South & West of 3015 Paxson Street (URD III / Ward 4) – TIF Request & Recommendation to City Council for Purchase Approval (Marchesseault)**

Marchesseault said in March the Board approved up to \$75,000 to conduct due diligence on the parcel that is south and west of 3015 Paxson Street (Bob Ward's). The property is in Urban Renewal District (URD) III with Southgate Mall located just to the north. It is owned by the Beach family and Southgate Mall Associates. Part of the property was used as a sawmill back in the 1950s & 1960s and it has been vacant since then. It is a key parcel of property in Midtown and was identified in the Urban Land Institute (ULI) study, as well as various other plans, for redevelopment opportunities. The City did get an easement from Southgate Mall Associates to build the Mary Avenue Connection from Brooks Street across the railroad tracks with a direct connection to Reserve Street. The City and MRA have slowly been trying to put into place pieces that were envisioned in the ULI study.

Marchesseault said MRA has been working with Missoula Economic Partnership (MEP) to identify redevelopment opportunities in Midtown and this is one of the parcels MRA asked MEP to look at. They were instrumental in getting the property owners and the City together to negotiate a deal to sell the property to the City. Due diligence has been ongoing over the last nine months and included title work, Phase I and II Environmental Site Assessment (ESA), preliminary coordination with the Missoula Irrigation Ditch Company and two property appraisals. Staff is pleased to report the due diligence did not uncover any surprising or alarming information. Phase II ESA did identify subsurface wood fill, but it is not contaminated nor was methane detected. It does create geotechnical concerns with regard to building on top of it and unique foundation construction or excavation & replacement with

infill would need to occur if that area is built on. The MRA Board approved up to \$75,000 in TIF funds for due diligence, but because Phase I and II ESA work was covered through Missoula County's Brownfields program, the final cost is expected to be \$35,500.

As outlined in Marchesseault's memo, the two property appraisals included one for vacant property "as is" and one based on the property developing as recommended in previous concept development plans. Prepared by Stevens & Co., the "as is" appraisal is \$16.47/SF, or \$6,500,000 for 394,649 SF. The appraisal for the property developing as recommended in the previous concept development including 14 individual developable lots with streets, curbs, sidewalks and subsurface utilities in place is \$21.03 SF or \$8,300,000 for 394,649 SF. Both sellers have agreed to sell the property to the City at a price of \$15 SF, equating to a total price of \$5,899,735 and excluding \$20,000 of earnest money already paid. There will also be around \$4,000 in closing costs. Marchesseault said staff is recommending MRA use cash from URD III to pay for the purchase. There is currently \$6,000,000 included in the budget for this property acquisition and if it is a cash purchase, URD III will have a remaining balance of \$1,869,411 in uncommitted funds. Staff is also requesting the MRA Board recommend to City Council that the City accept ownership of the property and authorize the Mayor to sign all of the necessary documents to execute the purchase.

Mayor Davis thanked Marchesseault for keeping this moving forward in this calendar year. The sellers have been exceptionally willing to work with the City in the time frame. She said through operations with MEP, the City is finding there is a lot of interest in the parcel. The City is thrilled to have this parcel in the crosshairs of the community in terms of opportunity. Mayor Davis also recognized Buchanan's vision through the ULI work that was done in 2003. It is a large investment to make this purchase and it will be turned around into a catalytic opportunity. Marchesseault noted there will be a very robust public engagement process for redevelopment and visioning for the property.

Jones asked if the infrastructure will wait for the public process. Buchanan said yes. Jones asked how the infrastructure will be paid for. Buchanan said URD III has a great deal of bonding capacity and infrastructure costs will likely require bonding. The property needs to go through a public process so the City can understand how much infrastructure will be paid for through TIF funding and how much might be done other ways. She said it could be the subject of another grant application because it could have a great deal of appeal for federal funding. In that case, URD III funds would be used as a match.

Englund asked if there will be a Request for Proposals (RFP) before the public engagement process or how it will work. Buchanan said there are several options. With the City's recent experience on the Scott Street property where MEP vetted potential development partners and the City formed a partnership with Ravara, Ravara took the lead on public process in that project. It is a model that could be used. With the Former Library Block, MEP identified a number of potential development partners and the City interviewed them and chose one. Buchanan said there is the alternative in state law for the City Council to declare an alternative method of entering into an agreement rather than only the RFP process. Englund asked if the City envisions turning this over to a qualified development group and then having them go through the public process, or will the City go through the public process first. Buchanan said having a qualified development group at the table will keep

everything real. Dale Bickell, Chief Administrative Officer, said the City will be looking for a development partner that is goal-aligned with what they're trying to do.

Brock asked if it is possible there will be multiple developers at the table. Buchanan said everything is on the table. The City and MRA have two major goals: to address housing and shortage of parkland. Brock thanked everyone for getting this to the finish line. She said she has a ton of faith in MEP to get the right people at the table. They have proven they are great at representing the whole needs of the community.

Englund asked what the purpose was for having two appraisals done. Nugent said his assumption is the second appraisal was to show potential value. Buchanan concurred. One showed what it's worth today and one showed what it's worth with some level of infrastructure. Jones wanted to emphasize the ripple effect this will have on the whole corridor including west of Brooks Street and south of the Mall. She said when it goes it is going to be wildfire and a bump for Midtown as well as the City. Nugent said it is a good use of TIF funds to bring the parcels together, get the infrastructure in and make sure the grids connect rather than being individually developed. Jones said it ensures MRA has a seat at the table as to what happens to the area. The debate around TIF is why, and the why is so that they have a say and seat at the table when redevelopment happens, not just an outsider that is reacting to redevelopment. To be able to say they want this area to be developed in line with our goals, culture, needs and wants as a community is a shining example of how important TIF is to our community. Englund said a seat at the table is a good way to put it, but it is more than that because you could do some very strict zoning where the City controls it and has skin in the game. He said it is a more cooperative way of doing things than the other tools. Nugent said without MRA's investment and without the tool of TIF, he doesn't think there is any chance these parcels would be combined and focused inward as a goal. It would not reach its full potential if the City couldn't be a partner.

**JONES: I MOVE THE MRA BOARD APPROVE USING UP TO \$5,899,735 OF TIF FUNDS PLUS THE CITY'S PORTION OF CLOSING COSTS TO PURCHASE 394,649 SF OF REAL PROPERTY KNOWN AS SOUTHGATE CROSSING LOCATED SOUTH AND WEST OF 3015 PAXSON STREET AT A PRICE OF \$15/SF, AND RECOMMEND THAT THE CITY COUNCIL ACCEPT OWNERSHIP OF THE PROPERTY AND AUTHORIZE THE MAYOR TO SIGN ALL NECESSARY DOCUMENTS TO SATISFACTORILY EXECUTE THE PURCHASE.**

Brock seconded the motion.

No further discussion. No public comment.

Motion passed unanimously (4 ayes, 0 nays).

**FY25 TIF Transfer to City General Fund & Remittance Recommendations (All URDs / All Wards) – Request for Approval (Buchanan)**

Buchanan said MRA has known for a while that it needed to look at a remittance again this year and have also offset the total impact of a remittance by picking up debt service on the public safety equipment debt and facilities which is quantified by the number of calls in each

URD. Now that final numbers are in, she and Dunn have determined where to take those monies from. She said while the City is realizing \$1,363,500 from the remittance, the total remittance is \$5,326,035. That is because each taxing jurisdiction is entitled to a share of any TIF remittance proportionate to their mills. The Riverfront Triangle and North Reserve-Scott Street (NRSS) URDs will not have funds taken out of them for the remittance. This is because a large bond was recently taken out of the NRSS URD and there is still a lot of work to do there. Also, MRA is actively working with a developer to try to arrive at terms around a Development Agreement in the Riverfront Triangle URD. Every penny in that URD will be needed to build the infrastructure necessary to put anything there. The bulk of the remittance will come from URD III because it has the most available cash and largest bonding capacity. Buchanan said she tried to leave around \$2 million in any of the districts where there may be development potential over the next fiscal year. With the exception of Hellgate, the URDs are pretty healthy.

As far as the General Fund Transfer, MRA asked the Police and Fire Departments to calculate the number of calls they're received City-wide versus the number of calls in URDs, then delve into the number of calls in each URD. It is a quantifiable number that will be transferred.

Buchanan noted the City Council passed their budget with the assumption these dollars will be there. She said Montana has a broken tax system that is not sustainable. Putting government on the back of urban renewal districts is not sustainable. Missoula is fortunate to have the TIF tool available so that the City can provide the level of service it needs to be providing. She said it doesn't feel good, but thank goodness MRA is here.

Mayor Davis said she appreciates the opportunity to address the reality that the Board just voted on a substantial community achievement goal with the purchase of the Southgate Crossing property. It is a juxtaposition the City is in and it is challenging. She is grateful Missoula has MRA as a resource and will continue to work at the statewide level through the City's lobbyist and with other organizations across the state to work on property tax reform. She said every community across the state is dealing with the same thing in some form or fashion.

Jones said this coming on the heels of the last motion demonstrates the flexibility of the TIF tool. With opportunity comes obligations that can push us into the need to have a remittance and the beauty of this system is that this tool is flexible enough to participate. She said today is a great demonstration of why this organization and this system is so important.

Englund said the last three remittances have included roughly \$6.7 million in additional City funds coming from MRA at a cost to MRA of roughly \$20.55 million. It is a substantial contribution. He understands it, but thinks those numbers epitomize what Jones was talking about in terms of flexibility. Buchanan said fortunately MRA has been able to do it when needed and hasn't jeopardized any projects. Nugent said he has spoken with City Council members who have a strong desire to not use the funds, but the reality is that the tax system is broken and it's tough.

**MOTION 1**

**LAWSON: I MOVE THE MRA BOARD APPROVE THE PROPOSED FORMULA FOR A ONETIME PAYMENT OF TIF FUNDS FOR PUBLIC SAFETY DEBT SERVICE TO THE CITY GENERAL FUND IN THE AMOUNT OF \$877,702.**

**Jones seconded the motion.**

**No further discussion. No public comment.**

**Motion passed unanimously (4 ayes, 0 nays).**

**MOTION 2**

**LAWSON: I MOVE THE MRA BOARD APPROVE THE PROPOSED FORMULA FOR A ONETIME REMITTANCE OF \$5,326,025 TO THE TAXING JURISDICTIONS.**

**Brock seconded the motion.**

**No further discussion. No public comment.**

**Motion passed unanimously (4 ayes, 0 nays).**

Englund wanted to reflect that if Reineking were present she would have voted against this.

**FY25 MRA Amended Budget (All URDs / All Wards) – Request for Approval (Dunn)**

Dunn said this request is to approve MRA's Fiscal Year 2025 amended budget. MRA does not get its taxable values from the State of Montana until the first Monday in August. Then MRA waits until all of the seven taxing jurisdictions in the URDs set their mill levies for the year. Those mill levies have been set and MRA has received the spreadsheet from Missoula County with those mill levies on it. Dunn said she has adjusted the estimated tax increment revenue for each of the districts for Fiscal Year 2025. In addition, the reports in the packet were prepared with the anticipation that the Board would approve the formula for distribution of the remittance and the allocation for the General Fund transfer. Brock said Dunn does such a good job on the financial reports. She said she hopes members of the public read it because anyone who picks it up would know exactly what MRA is doing.

**BROCK: I MOVE THE MRA BOARD APPROVE THE MRA AMENDED FISCAL YEAR 2025 BUDGET.**

**Jones seconded the motion.**

**No further discussion. No public comment.**

**Motion passed unanimously (4 ayes, 0 nays).**

**New Neighborhood Park on north Scott Street (North Reserve-Scott Street URD / Ward 1) – TIF Request (Gorski)**

Gorski was joined by Donna Gaukler, Zac Covington and Nathan McLeod with the Missoula Parks & Recreation Department to present this item. This item is to discuss acquisition

funding for a new neighborhood park on north Scott Street as well as land for future redevelopment. Missoula Parks & Rec is requesting \$1.6 million from the NRSS URD to acquire 5.4 acres from the Resurrection Cemetery Association (RCA) for a new neighborhood park that will replace White Pine Park and serve the growing west and north side neighborhoods. The parcel is along Scott, Shakespeare and Rodgers Streets. The other component of the request for funding for land for future redevelopment is a 0.55 acre parcel across the street on Shakespeare Street. The 0.55 acre parcel provides a missing link in the City's ownership north of Rodgers Street and in total the property is around 11 acres.

Gorski said the other component to highlight is that Parks & Rec has been in discussions for several years in terms of a location for a new neighborhood park because the west and north side neighborhoods are underserved and don't meet the City's level of service for parks. The area is growing with the development of Villagio Apartments and the currently under construction Ravara development. White Pine Park was 3 acres in size and the City's current standard for a neighborhood park is 5-10 acres.

In terms of funding, staff is recommending acquisition of the park parcel and the 0.55 acres for future redevelopment. In the final bond for the Ravara project there is a contingency included in the Series B bond of just over \$1.5 million to address unknowns related to construction and if not needed for construction it could be used for infrastructure, park or transportation-related improvements. Gorski said the majority of improvements are in the ground and the Series B bond funded things like gas and electric utility extensions and contribution towards the workforce housing component, so this will not impact that. Staff is recommending the Board approve \$1,527,343 of the Series B bond contingency and just over \$72,000 in unobligated funding in the NRSS URD to fund the 5.4 acres for the park. If approved by City Council, this will be matched with \$530,000 in open space funding. There are state grants for the acquisition and this is what Parks & Rec has identified as a resource for matching funds. The other request is funding for the acquisition of the 0.55 acres parcel for future redevelopment with \$400,000 in unobligated funds from the NRSS URD. In total, the request from the NRSS URD is \$2 million to match funds for the acquisition of the park as well as to fund the redevelopment parcel across the street.

Gorski said funding for parks with urban renewal dollars is not a new thing. To date, MRA has invested nearly \$15 million in park acquisition improvements in the City's URDs. This includes acquisition to develop Montana Rail Link (MRL) Park, Caras Park, Silver Park and Mobash Skate Park. This acquisition aligns with the City's Strategic Plan and NRSS URD goals as listed in her memo.

If funding for the acquisition is approved, Parks & Rec is expected to acquire the parcel before the end of the year and begin a neighborhood engagement process to solicit input. This is contingent on City Council approving the sale and use of open space dollars for the matching funds for the park. Funding for development of the park is expected to come from the sale of the existing White Pine Park as well as potential state grants. Gorski said Parks & Rec does not intend on requesting TIF for park development at this time.

Gaukler thanked the Board for having Parks & Rec and said they have always enjoyed working with MRA Board and staff. She said Parks & Rec has been in negotiations with

RCA for several years now. The first thing they were able to do was secure a long-term license for the ball diamond near Northside Park, however the City does not own that and will never own it because it is being reserved for future burials. Years ago when MRA adopted the NRSS URD Master Plan it already had in mind that it would be a good idea to relocate White Pine Park with one of sufficient size and location. This is helping to bring that Plan to fruition and recognize the need for more attainable housing at all levels. In areas like this where housing is being built these green spaces are important. Gaukler said it was really important that Parks & Rec not spend open space acquisition dollars twice to buy the same open space, so this is a great partnership to make good things happen in the NRSS URD and better serve the community.

Covington gave a [Power Point presentation](#). He said there will be approximately 1500 new residents in the area with the new housing. That puts the north and west side neighborhood populations at about 10,600 people. The Parks & Rec level of service recommendation is 2.5 acres of neighborhood parks per 1,000 residents. The current level there is 1.2 acres and with the addition of the new park it will be 1.4 acres, making it closer to the City's goals. He said in June, Parks & Rec started working with the Open Space Advisory Committee (OSAC) who vets the open space bond funding and makes recommendations to City Council. City Council then votes on the expenditure of open space bond funds. The OSAC unanimously voted to recommend the project. Covington said that unanimous vote is encouraging considering that most open space bond fund usage has been traditionally for larger, more natural open spaces or trail corridors. The fact that they are looking towards these more urban and community needs is unique and it aligns with the open space plan, but is something they haven't done a lot of yet. Parks & Rec presented to the Climate, Conservation and Parks Committee at the City Council yesterday and shared information with them. It is on the agenda to vote to set a public hearing for November 18<sup>th</sup> and as mentioned earlier, they hope to close on the property by the end of the year.

Covington said White Pine Park is surrounded by more industrial-type uses and is not as accessible as people would like. Scott Street is busy and has a lot of truck traffic. This new acreage will provide the opportunity to have park space in a growing residential area and will be more accessible to the surrounding community. He said there is a multi-use pathway along the south side of Villagio Apartments as well as a planned one on the west side of Scott Street to border the property, creating great access to the park within a 10-12 minute walking distance. Covington reviewed funding and funding sources for the properties.

Lawson asked how they arrived at the valuation for the disposal of White Pine Park. Gaukler said they had it appraised a couple of years ago and are using those numbers as estimates for the acquisition and sale of White Pine Park. Englund asked how saleable it will be. Buchanan said it is a weird time right now with interest rates. Nugent said it will be an attractive parcel to someone, especially with everything else going into that area. He said he has seen the appraisal and is comfortable with it. Buchanan said it could appraise higher than the current estimate.

Englund asked about the 0.55 acre parcel. Buchanan said RCA doesn't want to keep it and it will help the City consolidate its property. It is opportunistic for the City to purchase it. Englund asked if it makes sense to make it into a park area. Gaukler said part of what they are trying to do is consider long-term costs and costs of development. In reality, if they can

get a park within a 10-12 minute walking distance from a super majority of the residents and the parks are larger in size, it reduces their overall cost to maintain and allows them to provide multiple features in one park. One parcel in one location for a park will be ideal. The small parcel across the street will be so much more valuable for redevelopment than it would be for a park. Jones asked if there is a plan for the 0.55 acre parcel. Buchanan said ultimately it will be for finding a partner for redevelopment.

Englund asked if City Council has already looked at this. Gaukler said it was in Committee yesterday and on Monday City Council will set the public hearing for November 18<sup>th</sup>. Their hearing is specifically for use of 2018 Open Space Bonds to leverage a match. Nugent said he's been in meetings regarding this since he has been on City Council so they are aware of it. Jones asked if the development costs will be dependent on the plan developed after public engagement. Gaukler said yes, and the sale of White Pine Park. Their goal is to not ask for additional TIF funds and are hopeful the sale and access to park impact fees will cover the development costs. She said a lot of it will depend on the plan developed by the neighborhood. There is a lot of interest in a water feature and those cost about \$500,000. She said they were very successful developing the Westside Park by Lowell School and the kids there designed their own \$1.5 million playground. She said when kids have a vision, adults come to the table. Jones wanted to be clear that any motion will not be contingent upon there not being a future ask because in her view there are too many variables. She doesn't want there to be a thought that they can't come back if the necessity arises.

**MOTION 1**

**BROCK: I MOVE THE MRA BOARD APPROVE THE CITY'S \$1,600,000 REQUEST TO ACQUIRE 5.4 ACRES OF LAND FOR A NEW NEIGHBORHOOD PARK LOCATED NEAR THE CORNER OF OTIS AND SHAKESPEARE STREETS AND UTILIZE \$1,527,343 IN SERIES 2024B BOND CONTINGENCY AS WELL AS \$72,657 IN UNOBLIGATED FUNDS IN THE NRSS URD FY2025 BUDGET TO FUND THE REQUEST AND FURTHER TO RECOMMEND THAT THE DIRECTOR EXECUTE A MEMORANDUM OF UNDERSTANDING WITH THE CITY'S PARKS AND RECREATION DEPARTMENT. THIS FUNDING APPROVAL IS CONTINGENT UPON THE CITY COUNCIL APPROVING \$530,000 IN 2018 OPEN SPACE BOND FUNDS FOR THE ACQUISITION AND AUTHORIZING THE MAYOR TO EXECUTE A PURCHASE AND SALE AGREEMENT WITH RESURRECTION CEMETERY ASSOCIATION.**

Lawson seconded the motion.

No further discussion. No public comment.

Motion passed unanimously (4 ayes, 0 nays).

**MOTION 2**

**LAWSON: I MOVE THE MRA BOARD APPROVE THE CITY'S \$400,000 REQUEST TO ACQUIRE 0.555 ACRES NEAR THE CORNER OF OTIS AND SHAKESPEARE STREETS FOR FUTURE REDEVELOPMENT AND UTILIZE \$400,000 IN UNOBLIGATED FUNDS IN THE NRSS URD FY2025 BUDGET TO FUND THIS REQUEST.**

Brock seconded the motion.

**No further discussion. No public comment.**

**Motion passed unanimously (4 ayes, 0 nays).**

**Transform Brooks-Connect Midtown Planning Study (URD III / Wards 3, 4 & 5) – Request to Amend Professional Services Agreement with HDR (Marchesseault)**

Marchesseault said this request is to close the loop on a technical omission from staff's request two weeks ago at the [Special MRA Board Meeting](#). At that meeting, additional funding was requested to study side-running Bus Rapid Transit (BRT) along Brooks Street. Marchesseault said the motion neglected to explicitly request amending HDR's contract and authorizing the Board Chair to sign that amendment. It did not give MRA the validity that is comfortable for audit purposes. Englund asked if this request is to amend the contract to accomplish what was left out of the motion on October 17<sup>th</sup>. Marchesseault said that is correct. No more money is being requested. As an update, Marchesseault said Jordan Hess, Director of Mountain Line, has up to \$20,000 in spending authorization. He approved that amount and expects the Mountain Line board to approve an additional \$10,000.

**JONES: I MOVE THE MRA BOARD APPROVE ITS REQUEST TO AMEND HDR'S PROFESSIONAL SERVICES AGREEMENT WITH AMENDMENT 01 IN THE AMOUNT OF \$68,446.64, WITH AN ADDITIONAL PROJECT CONTINGENCY AMOUNT OF UP TO \$26,553.36, CONTINGENT UPON MOUNTAIN LINE APPROVING AN ADDITIONAL \$10,000 IN CONTINGENCY FUNDS, AND AUTHORIZE THE BOARD CHAIR TO SIGN AMENDMENT 01, WITH THE UNDERSTANDING THAT FUNDING IS BEING PROVIDED BY MRA, MOUNTAIN LINE AND RAISE GRANT FUNDING AS OUTLINED IN THE STAFF MEMO DATED OCTOBER 17, 2024, AND EXPENDITURE OF ANY CONTINGENCY MAY BE APPROVED BY THE PROJECT TEAM OF MRA, MOUNTAIN LINE AND PUBLIC WORKS & MOBILITY STAFF.**

Lawson seconded the motion.

**No further discussion. No public comment.**

**Motion passed unanimously (4 ayes, 0 nays).**

**MRA Audit Contract for Fiscal Years Ending 2024-2026 – Request for Approval (Dunn)**

Dunn said MRA and the Missoula Parking Commission (MPC) have their own audit separate from the City's. MRA used Anderson Zurmuehlen, PC (AZ) for many years for the fiscal year audit. AZ was purchased by Pinion a couple of years ago. They have moved away from government audits, so it was necessary for the City, MRA and MPC to go out for a RFP for services. They received five responses that were reviewed by a committee including Leigh Griffing, Finance Director, Jessie Hoag, Assistant Finance Director, Jodi Pilgrim, Director of the MPC and Dunn. It was narrowed to two finalists and they held Teams interviews. The recommendation is to go with the firm Eide Bailly, LLP out of Denver, CO for the audit. Dunn reviewed their proposal for completing MRA's audit. She pulled the audit costs from the prior contract with AZ/Pinion and the numbers are comparable considering MRA received a discount for years on the audit. She said there

was a comment from Pinion that the component units might see a large jump in the audit services because they were providing a discount to MPC and MRA.

Jones asked why the contract number varies the way it does. Buchanan said it is higher the first year because it's year one. Dunn said there are two sections of MRA's audit including the financial statements and the notes/Management's Discussion and Analysis section which is the additional amount on the front end. Dunn noted Eide Bailly, LLP does have a local representative working out of an office in Billings and she lives in Missoula.

**LAWSON: I MOVE THE BOARD APPROVE THE PROPOSAL FROM EIDE BAILLY, LLP TO PROVIDE AUDIT SERVICES FOR THE AGENCY FOR FISCAL YEARS ENDING JUNE 30, 2024, JUNE 30, 2025 AND JUNE 30, 2026 FOR \$27,900, \$25,200 AND \$26,450 RESPECTIVELY.**

Jones seconded the motion.

No further discussion. No public comment.

Motion passed unanimously (4 ayes, 0 nays).

### **NON-ACTION ITEMS**

#### **STAFF REPORTS**

##### **Director's Report**

[\*\*FY24 Budget Status Reports\*\*](#) | [\*\*FY25 Budget Status Reports\*\*](#)

[\*\*FY24 Staff Activities Reports \(5/4/24 – 6/29/24\)\*\*](#) | [\*\*FY25 Budget Status Reports \(7/27/24 – 9/21/24\)\*\*](#)

### **COMMITTEE REPORTS**

#### **OTHER ITEMS**

#### **ADJOURNMENT**

Adjourned at 1:48 p.m.

Respectfully Submitted,



Lesley Pugh