

## MISSOULA REDEVELOPMENT AGENCY

### CONDENSED BOARD MEETING MINUTES

February 27, 2025

FINAL

A Regular meeting of the Board of Commissioners of the Missoula Redevelopment Agency was held on Thursday, February 27, 2025 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, Ruth Reineking, Melanie Brock, Jack Lawson, Mike Nugent - City Council Ex-Officio Board Member

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

**Public:** Andy Schultz, Public Works & Mobility; Martin Kidston, Missoula Current; Griffen Smith, Missoulian; MCAT

#### **CALL TO ORDER**

12:00 p.m.

#### **INTRODUCTIONS**

#### **APPROVAL OF MINUTES**

[January 16, 2025 Regular Board Meeting Minutes](#) were approved as submitted.

#### **PUBLIC COMMENTS AND ANNOUNCEMENTS**

##### **North MRL Triangle Property – Open House March 5th**

Warren said MRA launched the public engagement process for the North MRL Triangle redevelopment. The first public workshop is March 5<sup>th</sup> and is open house style so people can drop in. Mayor Davis will be kicking things off with remarks at 5:30 pm. The design team, GGLO, will be collecting input from the public. Warren said there is also a [survey on Engage Missoula](#) that is open thru mid-March and there will also be project updates posted there.

#### **ACTION ITEMS**

##### **Washburn-Idaho-Montana-Catlin (WIMC) Water & Sidewalk Project (URD II / Ward 6) – Request to Award Construction Contract, Amend Professional Services Agreement & TIF Request (Dunn)**

Dunn said the Board previously approved design and engineering for the Washburn-Idaho-Montana-Catlin (WIMC) water & sidewalk project. The project is a partnership between MRA and Public Works & Mobility (PWM). WIMC is located in URD II and the proposed

investment being requested today is \$1,094,621 in tax increment financing (TIF) for construction and construction administration.

Dunn said WIMC went out for bid recently and closed last week. The scope includes sidewalk and water main extensions, including 2,000 linear feet of new water and 600 linear feet of sidewalk on both sides of north Washburn Street. The City received three bids and Western Excavating was the low bidder at \$987,620.25. They are part of the City's Apprenticeship Bidders' Preference program which gives them a 5% reduction in bid price for award determination. Dunn noted the program only applies to projects that have an engineer's estimate over \$500,000.

IMEG is the project consultant. Their consulting scope and cost for construction administration services total \$78,365. Dunn said they have reviewed the bids for responsiveness including unit prices, total bid price and application of Apprenticeship Bidders' Preference. They are recommending MRA award the construction contract to Western Excavating.

MRA has a Memorandum of Understanding (MOU) with PWM for their project management services. MRA has agreed to reimburse PWM 2.5% of the total project costs for their work. On this project, that amount comes to \$28,636. Dunn said that number is recalculated at the end of the project when final costs are known and a journal voucher is executed to move the funds to PWM.

Dunn said staff originally set aside \$800,000 in the Fiscal Year 2025 Community Investment Program (CIP) budget for this project. She said there is a shortfall of \$372,100 required to complete the project and is proposing it come out of URD II uncommitted project funds. Dunn said she and Andy Schultz, PWM, talked about what happened with this project and how they can do better in the future. Schultz said he and Tod Gass, retired MRA Project Manager, came up with the URD II concept of what projects they would initialize and how to spread them out. They estimated \$800,000 on this project and missed the mark a little bit. Schultz said they don't have as much data on water main extension projects versus water main replacement projects. He said they came up with the number three years ago and didn't include inflationary factors even though there has been a significant increase in construction costs, and also may have underestimated what the cost was. Schultz said they also have to bore under an irrigation ditch which adds to the cost, and they only looked at linear footage of infrastructure when putting the number together. He said now that PWM has done more projects and have better data for what the cost is per lineal foot, they will do a better job of updating the numbers.

Buchanan said PWM has different priorities for how they fund projects than MRA does. This water main extension will open up the possibility of three new infill developments in that area, one of which is in the works. There is also discussion about whose CIP the projects should show up in. She said the ones in the URDs that also help incentivize development should go in MRA's CIP so it is clear that PWM isn't violating what they've said their priorities are, which are sometimes different than MRA's.

Dunn said staff is recommending MRA draw the additional funds of \$372,100 from the URD II contingency fund. URD II currently has \$2.6 million in contingency. Schultz noted there is

a development forthcoming on Washburn, as Buchanan stated, and PWM has been coordinating with the developer. The sidewalks and water services will match what they need for the development.

Griffen Smith, Missoulian, asked if wells and septic tanks are currently being used in the area. Schultz said they are on wells and there is certified sewer there. Smith asked if PWM will provide any funding or if it is all funded by MRA. Schultz said it is all MRA. Schultz said one of the main impediments there is that there is no fire protection. In order to develop in the density that makes sense for the area they need fire hydrants available. Schultz said the parcel under planning right now is being developed by Adam Hertz.

**JONES: I MOVE THE MRA BOARD APPROVE:**

- 1. THE AWARD TO THE WASHBURN-IDAHO-MONTANA-CATLIN WATER & SIDEWALK PROJECT CONSTRUCTION CONTRACT TO WESTERN EXCAVATING IN AN AMOUNT NOT TO EXCEED \$987,620.25, AND;**
- 2. AMEND IMEG CONSULTANTS CORP. PROFESSIONAL SERVICES AGREEMENT TO INCLUDE CONSTRUCTION ADMINISTRATION SERVICES FOR AN AMOUNT NOT TO EXCEED \$78,365, AND;**
- 3. REIMBURSE PUBLIC WORKS & MOBILITY FOR PROJECT MANAGEMENT SERVICES IN AN AMOUNT NOT TO EXCEED 2.5% OF THE TOTAL PROJECT COSTS, ESTIMATED AT \$28,636, AND;**
- 4. USE TAX INCREMENT FINANCING FUNDS TO FUND THE PROJECT, AND;**
- 5. AUTHORIZE THE BOARD CHAIR TO SIGN THE RELATED DOCUMENTS.**

Reineking seconded the motion.

No further discussion. No further public comment.

**Motion passed unanimously (5 ayes, 0 nays).**

**Kensington Avenue Water Project (URD III / Ward 3) – Request to Award Construction Contract & TIF Request (Dunn)**

Dunn presented a request to award the construction contract and TIF investment for the Kensington Avenue Water Project (water main extension) in URD III. The Board previously approved design and engineering last summer. Dunn said it is an area that is underserved by water. This project will connect to three existing mains to improve the water service and installing a fire hydrant.

Dunn said the Wasabi restaurant property site has been looked at several times for redevelopment and no one could really move on it because it doesn't have fire suppression capabilities to do any type of development. The building has been demolished and the property has been sitting vacant for at least a year.

The project includes two and a half blocks of new water main extension on Kensington Avenue from Oxford Street to the east. It will bore under Stephens Avenue. If approved today, work will begin this summer. The City received five bids and WGM Group, project consultant, determined all of the bids were responsive. Knife River was the responsive low bidder. The request is to approve a construction contract with Knife River and approve TIF

of \$471,396. \$459,899 will go toward construction and \$11,497 will go to PWM for project management services. Dunn noted this project was in MRA's CIP with a budget amount of \$700,000. There is an anticipated project savings of \$134,483 as outlined in the Budget Summary in her memo.

**LAWSON: I MOVE THE MRA BOARD APPROVE:**

- 1. THE AWARD TO THE KENSINGTON AVENUE WATER PROJECT CONSTRUCTION CONTRACT TO KNIFE RIVER IN AN AMOUNT NOT TO EXCEED \$459,899, AND;**
- 2. REIMBURSE PUBLIC WORKS & MOBILITY FOR PROJECT MANAGEMENT SERVICES IN AN AMOUNT NOT TO EXCEED 2.5% OF THE TOTAL CONSTRUCTION COSTS ESTIMATED AT \$11,497, AND;**
- 3. USE TAX INCREMENT FINANCING FUNDS TO PAY FOR THE PROJECT, AND;**
- 4. AUTHORIZE THE BOARD CHAIR TO SIGN THE RELATED DOCUMENTS.**

Reineking seconded the motion.

No further discussion. No further public comment.

Motion passed unanimously (5 ayes, 0 nays).

**NON-ACTION ITEMS**

**STAFF REPORTS**

**Director's Report**

Buchanan noted she has the Johnson Street Temporary Bathroom Modules reconciled and URD III will see a credit of \$57,000 between what wasn't spent in the donated funding and what wasn't spent in the TIF allocation.

Brock asked about the Brooks Street Bus Rapid Transit project. Buchanan said it is still in flux right now between what is going on at the Federal and State levels.

Dunn reviewed what she and the PWM staff have been looking at for sidewalk and water projects next year. She said they have to engage consultants to come up with a scope to put a number in the CIP. Staff has been working with PWM on the scope of the Maple-Birch-Sherwood project and they will not be constructing it this summer. They want to figure out what work needs to be done on Birch Street to make it a complete street and connect across Broadway at Mullan. It is also challenging to get a safe crossing across Russell Street. She said Sherwood will be left as is because it doesn't rise to the level, it has mature trees and is a pleasant area. They will look more in-depth at Birch Street improvements and some work on Maple Street. After they do more analysis they bring it to the Board.

Dunn said staff met with the River Road Neighborhood. After seeing the WIMC project, they expressed they would really like to see connections on River Road. Staff will do a greater look at the scope and see what can be done to improve the area.

**Ravara Contingency**

Gorski noted there have been no changes since November 2024. The Series A and Series B bonds are still carrying healthy contingencies. She encouraged the Board to drive by the site. The first townhome building is mostly framed and there are a lot of dramatic changes happening.

**FY25 Budget Status Reports**

**COMMITTEE REPORTS**

**OTHER ITEMS**

**ADJOURNMENT**

Adjourned at 12:37 p.m.

Respectfully Submitted,

*Lesley Pugh*

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