

MISSOULA REDEVELOPMENT AGENCY

CONDENSED BOARD MEETING MINUTES

May 18, 2011

FINAL

A meeting of the Board of Commissioners of the Missoula Redevelopment Agency was held at the MRA Conference Room, 140 West Pine, Missoula, MT 59802 at 12:00 PM. Those in attendance were as follows:

Board: Nancy Moe, Rosalie Cates, Daniel Kemmis

Staff: Ellen Buchanan, Chris Behan, Jilayne Lee , Tod Gass

Public: Alan Bronec, CTA Architect Engineers, Ezra Williams, CTA Architect Engineers, Dave Shaw, Parks & Recreation, Brian Hensel, City Street Division

APPROVAL OF MINUTES

April 20, 2011 Regular Board Meeting Minutes were approved as submitted.

PUBLIC COMMENTS & ANNOUNCEMENTS

Behan gave a brief update on Silver Park. The boat ramp is doing well under high water conditions.

ACTION ITEMS

Milwaukee Trail Lighting – Engineering Contract – URD II TIF Request (Buchanan)

Buchanan said at the September 2010 Board meeting the Board approved funding to the Milwaukee Trail for the portion between Russell Street and Garfield Street in URD II. The request from Parks had been for a fair amount of landscaping and other amenities and the staff and Board felt a more important contribution would be to light the trail. So, the Board approved funding for a base trail and asked Parks to work with the MRA Staff to put out a Request for Qualifications for firms to design and engineer lighting the trail.

Parks did the RFQ for lighting the trail from Garfield to Orange Street. CTA Architects Engineers was selected to do the work. Buchanan said one quirk MRA ran into was the URD II boundary adjustment that was done a few years ago. Although Staff recommended taking it to Orange Street, the City Council only approved it to the railroad tracks. This leaves a gap in the Milwaukee Trail that is unlit and is not currently in an Urban Renewal District (gap is from railroad tracks to Orange Street). Fortunately, State law recognizes that sometimes there are gaps in infrastructure that are not in tax

increment districts and it permits the use of tax increment funds to bridge those gaps. The trail is lit east of Orange Street but it is not lit west of Orange Street. So, under that provision in state law, MRA can use URD II tax increment to light the Milwaukee Trail from Garfield to Orange Street.

We have a proposal from CTA to engineer and design the lighting for the entire Garfield to Orange Street section, understanding that the first phase that might be built depending on funding would be the trail section that is currently under construction between Russell and Garfield.

Buchanan said Parks desires to do a more global evaluation of trail lighting. They want to look at current codes, current technology and get some guidance for trail lighting into the future. Therefore this proposal is a little more expensive than MRA had expected. Buchanan said they have negotiated the price down from where it was originally. She said there is a piece of the proposal that involves the creation of a lighting manual for the cost of \$4,500, which Parks would be funding. Parks is requesting that MRA fund the balance of the contract, which is \$27,700.

Dave Shaw reviewed the PowerPoint presentation that he distributed in hard copy. Shaw said lighting is a high priority for Parks as it makes trails better and safer. Shaw said the CTA proposal is broken into two parts: the main engineering and design work for \$27,700 and the creation of a design guideline manual for \$4,500. He hopes the manual will help streamline and speed up the process for future trail lighting projects. Shaw said the proposal from CTA covers one bid cycle and one construction season. So, if the project needs to be broken up into phases over consecutive years, then additional funds would be needed to pay for CTA services in those out years. Shaw said 1.2 miles of trail would be lit with this lighting project. Some benefits to lighting trails include: safety, CPTED (crime prevention through environmental design), and encouraging active commuting during shoulder seasons. All property involved is either City-owned land or right-of-way or City held easements.

Shaw said CTA teamed up with Riverhaus Design Group and were selected through an RFQ process as the most highly qualified of the respondents that came in. Parks is confident in their ability to perform services for this project.

Moe asked about the add alternate and whether that has to be done first. CTA said they are doing the more global evaluation as part of the design and engineering on the Milwaukee Trail project. Buchanan said MRA is being asked to pay for both the more global evaluation of trail lighting and the more specific design/engineering for the Milwaukee Trail. The \$4,500 from the Parks Department is to take the more global evaluation and create a trail lighting guideline manual.

CATES: I MOVE WE APPROVE THE REQUEST TO AWARD A CONTRACT TO CTA AND RIVERHAUS DESIGN GROUP TO FUND ENGINEERING SERVICES TO DESIGN A TRAIL LIGHTING STANDARD AND TO DESIGN THE TRAIL LIGHTING FROM GARFIELD TO ORANGE IN AN

IN AN AMOUNT NOT TO EXCEED \$27,700, AND TO DIRECT THE MRA STAFF TO WORK WITH THE ENGINEERS AND PARKS ON THE DESIGN OF BOTH PHASES.

Kemmis seconded the motion. Motion passed unanimously.

URD III Residential Curb & Sidewalk Phase 3 - Milling & Paving – URD III TIF Request (Gass)

Gass said in his Staff memo he provided a summary of how MRA has been partnering with the Street division in respect to the URD II and URD III sidewalk projects.

Last year MRA paid for materials and Streets provided the equipment and labor to pave the streets in Phase I of the URD III Residential sidewalk project. Together MRA and the Street division have effectively reconstructed these streets from back of sidewalk to back of sidewalk in a 10 block area. In URD II, the Board approved \$207,700 to completely mill and overlay the streets in the Catlin/Wyoming sidewalk project. The actual cost was about \$190,000 and we covered about 115,000 square feet, which equates to about \$1.65 per square foot.

The paving conditions in the URD III Residential Sidewalk – Phase 3 project are similar to what MRA found in Phase 1. There is a lack of road structure, poor drainage, and deterioration of the pavement making it difficult to get a clean cut to patch back to. When the contractor chases a clean cut practically back to the sidewalk, it becomes more cost effective to just mill and repave the entire street. As the streets are prepped by the Street division, they are able to create a crown structure in the road so there is positive drainage to the gutters and then to the sumps, making the whole street shed water as it should. Brian Hensel, Street Superintendent, has given MRA a construction estimate of \$243,345, where MRA would pay the full cost of materials, equipment and labor for the milling and paving of 184,300 square feet of surface area. This is about a \$1.32 per square foot.

Gass felt the partnership with the Street division has been a triple win situation. The URD gets new streets and sidewalks, MRA gets an exceptional project at a fair price from the Streets division, and we are easing the strain on the Street division during these tight budgetary times.

The Staff recommendation is to approve a Memorandum of Understanding between MRA and the City Street division in an amount not to exceed \$243,345 for the materials, equipment, and labor to mill and overlay the streets in Phase 3 of the URD III Residential Curb & Sidewalk Project and authorize the Board acting chairperson to sign the MOU.

Moe asked when the work would be done. Hensel responded that he has it scheduled for after July 1st and most likely in August. Hensel said they are dealing with a lot of increased asphalt maintenance projects throughout the City and then will move on to the 5th/6th/Arthur Street reconstruction. The Street division will do their best to mitigate

the impacts of the street being broken up until they can get it totally repaved. Gass said most people were very understanding of the delays and inconveniences last year.

Moe asked about funding. Buchanan said we have adequate funding for this project but we've definitely spent the savings that URD III had accumulated. Buchanan said there are some line items in the budget that will not get spent from FY11 so those monies can be used for this project. MRA has done a lot of sidewalk and street work, and approved three very large projects over the last two years in URD III; the Women's Center, Tremper's and Elbow Room. Discussion ensued.

Kemmis said he appreciated the discussion and assumed the relevant people in City government understand that we are getting close to the bottom of this barrel and should be making plans accordingly. As long as that understanding is in place his is in favor of moving forward with this project.

KEMMIS: I MOVE THAT THE BOARD APPROVE A MEMORANDUM OF UNDERSTANDING BETWEEN THE MRA AND THE CITY STREETS DIVISION IN AN AMOUNT NOT TO EXCEED \$243,345 FOR THE MATERIALS, EQUIPMENT AND LABOR NEEDED TO OVERLAY THE STREETS IN THE PHASE 3 OF THE URD III RESIDENTIAL CURB & SIDEWALK PROJECT AND AUTHORIZE THE BOARD ACTING CHAIRPERSON TO SIGN THE MEMORANDUM OF UNDERSTANDING.

Cates seconded the motion. Motion passed unanimously.

URD III Residential Curb & Sidewalk Phase 3 - Mailboxes – URD III TIF Request (Gass)

As part of the URD III Residential Curb & Sidewalk Project, MRA has been purchasing cluster mailbox units (CBU) for each phase of the sidewalk project, separate from but related to, the project. The CBUs are ordered by MRA and delivered to the main post office. The United States Postal Service (USPS) then installs, manages and maintains those mailboxes. By making the mailbox purchases directly from a supplier, MRA can procure the mailboxes at a lower cost and maintain control over the purchase order from the supplier and delivery of the CBUs to the USPS.

Invitations to Bids were sent out to suppliers but only one bid was received for \$11,313.20. This is a little better unit pricing than MRA got last year and the bid is from a reputable supplier. Staff recommends the Board approve purchasing the CBUs from US Mail Supply Inc.

Cates asked what the dollar limit was for the MRA Director to just approve these items. The MRA Director may approve items up to \$5,000 and Silver Park has a special approval limit of \$10,000.

CATES: I MOVE TO THE APPROVE THE BID THAT TOD DESCRIBED FOR INSTALLATION OF THE MAILBOXES ON THE URD III PROJECT.

Kemmис seconded the motion. Motion passed unanimously.

Façade Improvement Program – Landscaping – Establish Policy for MRA Assistance (Buchanan)

The Board had asked Staff to look at the possibility of using the Façade Improvement Program (FIP) in District III to encourage and facilitate the addition of more landscaping.

Buchanan went back to the URD III Urban Renewal Plan and landscaping is cited as a deficiency. One of the goals of the Plan is to encourage the use of landscaping in all URD private and public facilities. So, the groundwork is there for MRA to address the landscaping deficiencies.

Buchanan gave the Board two options to consider:

Option 1: allows tax increment funds to pay for landscaping on private property if four conditions are met: a landscaping plan is submitted and approved by Staff or Board, there has to be an adequate irrigation system as part of the plan, the landscaping would have to be in addition to that required by Code and the landscaping would have to be facing the street.

Buchanan included a copy of the FIP guidelines in the Board meeting packet. She highlighted the section she added that would lay out the landscaping provision and said #9 under ineligible items would need to be deleted.

Option 2: adds to the above a clause that says MRA will not consider FIP projects unless there is additional landscaping included and MRA will help pay for that. This would eat into the \$50,000 cap that MRA has for the FIP grants but would certainly incentivize additional landscaping in the area. If the Board chooses this option, then MRA should have a provision that exempts projects that simply cannot put landscaping on the street face.

Discussion ensued. Kemmis said he'd be in favor of Option 1 instead of it being a required element, except in certain cases. He felt it was cleaner to make it an eligible expense and leave it up to the discretion of the Staff in their recommendation as to whether it makes sense in a particular case, or not.

Cates said a hybrid might be to make the maximum FIP grant \$40,000, unless there is landscaping, in which case it could be \$50,000. Kemmis wanted to keep the maximum available as \$50,000 so even projects that don't have landscaping could get up to \$50,000. He felt the simplest way to go forward would be to adopt Option 1. Cates wondered if it was enough to leverage more landscaping on the ground. Discussion ensued. Buchanan felt MRA would see more landscaping requests come in. Behan felt leaving it up to the discretion of the Staff without a dollar value specified would be really helpful.

Moe clarified that the Option 1 proposal is to add the paragraph presented by Buchanan to the FIP guidelines and to delete #9 where it lists landscaping as an ineligible item.

KEMMIS: I MOVE THE FAÇADE IMPROVEMENT PROGRAM BE MODIFIED TO INCLUDE PARAGRAPH 9 ON PAGE TWO OF THE CIRCULATED MEMO AND STRIKE “LANDSCAPING” IN PARAGRAPH EIGHT UNDER INELIGIBLE ITEMS.

Cates seconded the motion. Motion passed unanimously.

URD II Façade Improvement Program – Request for Approval (Buchanan)

Buchanan said she and Behan have been considering extending the current Façade Improvement Program (FIP) in URD III, which is a straight grant program, to URD II. Currently, if a developer wants assistance with façade in District II, the program available is the Façade Section of the Commercial Rehabilitation Loan Program (CRLP). This is an interest write down program and obviously has not been as effective in the last number of years as it was when interest rates were really high. MRA wants to discuss with the Board whether or not to extend the FIP grant program to URD II. Buchanan supports this idea but maybe with an annual cap. There are several items that will be coming to the Board over the next few months that will be significant burdens on District II. Buchanan said if the Board wants to move ahead, she suggested a \$100,000-\$150,000 cap per year for the program.

Cates felt it was a good idea to extend the FIP to URD II. She felt MRA has seen some good projects come in from District III. Discussion ensued.

In light of the new items that will be coming in over the next few months, the Board decided to postpone this request until a later date.

NON-ACTION ITEMS

Silver Park Phase 3 – Report of Construction Contract and Engineering Agreement Changes Approved by Director (Behan)

Behan said two Budget Amendments were approved by the Director for consulting services and reiterated that it's difficult to build a park and trail on an old lumber mill site. Basically, Amendment #5 was to adjust for additional work that TLI did but underestimated their cost. TLI has absorbed a significant amount and the remaining is \$8,164.50 and MRA agrees with that. Amendment #6 is straight forward; TLI has encountered a lot more changes in the project than what they could have foreseen. TLI has submitted a review of their time needed to inspect work, answer formal contractor questions, redesign areas where site conditions were found to prevent the original design from being efficiently constructed, process change orders, etc. on Phase 3. They have estimated a cost increase of \$6,409.50.

Summer Board Meeting Dates

Moe said there was an email request asking for availability for a special meeting on June 9th. Buchanan said she would get back to them regarding this meeting. The regular summer meeting dates are proposed as June 16, July 21 and August 18. The Board was going to put these dates on their calendars.

STAFF REPORTS

Director's Report

Front Street Parking Structure – construction bids came in really high. Concrete, steel and aluminum have all gone up since the process started. There was a called Board meeting of the Missoula Parking Commission (MPC) last Friday. Buchanan gave them four options:

1. Completely eliminate retail space on the street level
2. Modify skin of parking structure
3. Reduce parking by ½ of a level
4. Send back to drawing board to relook at all costs and design

The MPC Board stepped up and decided to put in additional cash to get the retail space, all of the parking and the proposed aluminum panel skin of the building. They decided not to finish the interior of the retail. They charged the Business Improvement District (BID) to look for a tenant to lease or buy the retail space. And, if they wanted it finished out it could be incorporated into the Parking Structure construction if it's timely. Buchanan said they hope to have a contract signed with Gordon Construction Co. by tomorrow with a guaranteed maximum price. Construction should start next week. The Holiday Inn parking lot work is pretty much concluded.

OTHER ITEMS

ADJOURNMENT

Meeting adjourned at 1:05 p.m.

Respectfully Submitted,

Jilayne Lee