

**MISSOULA REDEVELOPMENT AGENCY**  
**CONDENSED SPECIAL BOARD MEETING MINUTES**

**April 18, 2012**

**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:** Karl Englund, Rosalie Cates, Dan Kemmis, Ruth Reineking

**Staff:** Ellen Buchanan, Chris Behan, Jilayne Lee, Tod Gass, Juli Devlin

**Public:** Alan White, Parks Department; Alan Bronec, CTA Architects & Engineers

**CALL TO ORDER**

12:00 p.m.

**APPROVAL OF MINUTES**

February 15, 2012 Regular Meeting Minutes were postponed.  
March 29, 2012 Special Meeting Minutes were approved as submitted.

**PUBLIC COMMENTS & ANNOUNCEMENTS**

Reineking said thanks to Ellen and the Staff for working on the Walnut Street Neighborhood Landscaping Improvement Project. She said she appreciates that MRA took the time to help educate the citizens about Urban Renewal Districts.

**ACTION ITEMS**

**Milwaukee Trail Lighting – Construction Bids (Behan)**

Behan said this item has been presented to the Board several times including a presentation on new design standards for trail lighting. He said the Board approved the Parks Department to hire an engineer to design the lights and in February pledged up to \$205,000 for installation of lights in the first phase of the project, which includes the trail section between Orange Street and California Street. Behan said the section between

Orange Street and the MRL Bridge is not within the district but said Montana State law allows infrastructure extensions that connect districts to existing infrastructure, thereby permitting MRA to provide lights outside of the district to connect the existing trail lights at Orange Street. Prior to the construction bids going out, CTA Architects & Engineers did extensive research to find alternatives for the design and came up with three types of lighting designs that are acceptable. Behan said the bid period was longer than normal to allow time for the contractors to research the materials and design. The Parks Department received six bids and Liberty Electric provided the lowest bid. The base bid plus the alternate 1 (additional conduit) comes to a total amount of \$183,485.65. Behan said separate from the project bid amount is the cost from Northwestern Energy (NWE) to build and activate a meter base which NWE estimates to be \$10,000. He said in addition, the Parks Department is requesting a reserve amount of \$11,500 as a contingency fund. Behan said the contingency funds will be used for unforeseen expenditures during the construction of this project and will be pre-approved by MRA. The total amount recommended for the project is \$204,985.65.

Bronec, CTA, said he thought Behan explained the project very well and felt comfortable working with Liberty Electric. He said CTA has worked with Liberty Electric on a number of projects including trail lighting projects.

Kemmis asked if there was any idea what the reserve might be used for. Bronec said the contingency amounts are typically figured on 5-10% of the total project cost. With this project, Bronec said he felt comfortable using approximately 5-6% of the total project cost for the contingency fund. He said there are unknowns whenever the ground is disturbed. Reineking asked if the \$10,000 needed for the meter base was part of calculating the reserve. Bronec said he did not believe so. He said the meter base would be placed on the west side of Orange Street where they already have electrical access. He anticipated the meter base cost to be quite a bit less than the \$10,000. Behan said MRA estimated the same amount for Silver Park and ended up only paying \$6,000. Englund asked if the cost was below \$10,000, would it be appropriate to add the remaining amount to the contingency fund. Bronec said yes he would recommend that.

**KEMMIS: I MOVE THAT THE BOARD APPROVE THE PARKS DEPARTMENT REQUEST AS SET FORTH IN THE APRIL 13<sup>TH</sup> MEMO FROM CHRIS BEHAN WITH THE CONDITION THAT ANY FUNDS NOT SPENT ON THE NORTHWESTERN ENERGY METER BE ADDED TO THE RESERVE FUND.**

Cates seconded the motion. No discussion. Motion passed unanimously. (4 ayes, 0 nays)

**Capital Improvement Program – Request for Approval (Buchanan)**

Buchanan said the MRA Budget that was discussed at the last meeting goes hand in hand with the Capital Improvement Program (CIP). She said there were several projects listed on the CIP year after year that she removed because no action had taken place. For the past three years the River Bank Restoration and Flood Control Project has been listed on

the CIP but was never funded. She said the Clegg Lane/Wyoming Street Connection Project actually went to congress as part of the spending bill but was defeated in FY11. She said MRA has been rolling over \$100,000 every year for the past five years for improvements to West Broadway which she said most likely will not happen until Russell Street is complete. This project can be added back to the CIP at a later date. Buchanan said there is little bonding capacity for Broadway improvements considering the current projects in progress and the Civic Stadium debt. She said Silver Park has been placed on the FY13 CIP for the final design in the amount of \$2.5M. The final design will include a grading plan, irrigation, entry features, the plaza, and the additional items listed in the Silver Park Master Plan. Buchanan said another CIP item is \$250,000 for URD II Curb and Sidewalk Improvements. West Broadway Island was added as a CIP item for the amount of \$50,000 in FY13 for design of improvements to the island and \$150,000 in FY14 for construction. She said MRA will need to bring in consultants for this project since the island is in the middle of the river and part of the project will involve building a bridge for safety purposes. Buchanan said the challenge is creating a way not to have a permanent abutment on the island. She said another project on the CIP is the URD III Infrastructure Project. MRA is still waiting to hear back from the Montana Department of Transportation (MDT) to see what their timing is on the safety improvements on Brooks Street south of Paxson. Buchanan said the FY13 CIP has \$750,000 budgeted which includes a large amount carried over from FY12. MRA will budget \$500,000 for the FY14 CIP. She said MRA would like to start implementing the safety improvements around Dore Lane and Brooks Street. She said if the timing does not work with MDT's schedule, then funds can be used in other neighborhoods identified by the Needs Assessment Project.

Kemmis said he was pleased with the CIP projects but wondered if the projects that were removed from the CIP in FY13 would be difficult to add in the upcoming years. He said from his prior experience it seemed that if the projects were not kept active on the CIP list, there might be the risk of lowering the priority of the project. Buchanan said this typically is the case if general fund dollars are being used but MRA dollars pay for MRA projects and/or MRA money is used to leverage general fund money. Reineking asked if the FY13 budget for URD III was \$1.2 million. Buchanan said yes but had been spread over FY13 and FY14 so MRA has funding opportunity for unknown future projects. She said recently MRA has seen large project requests in District III such as the Elbow Room and Tremper's. Reineking said she noticed the Silver Park Project wasn't included in the FY13 budget. Buchanan said for the past five years or so, MRA has been carrying over money from year to year but the work is getting done in phases and MRA is currently working on phase four. Reineking asked if the project initially was to be paid out of project bonds or if it was always intended to be paid with URD funds. Buchanan said part of it was to be paid out of project bond proceeds but there was never a project bond issued.

Kemmis asked if the woonerf "dam" could be added to the MRA project list for FY13. He said the area south of the woonerf fills up with water whenever there's a rain storm or melt off and the passageway can't be used. He said he hopes this issue can be resolved maybe with the help of the Engineering Division. Buchanan said the MRA Staff is currently working on this project. Gass said there's been discussion with the Street Department and Public Works and he hopes that everyone will be willing to pitch in with this project. Part of

the conversation included the Street Department paying for and installing a sump. This would cause some damage to the stamped concrete but MRA could pay for its replacement. Buchanan said the project will get done. Reineking asked if contingency funds would be used for this project. Buchanan said yes the woonerf is located near Kiwanis Park in the Front Street District which has contingency available.

**REINEKING: I MOVE TO ACCEPT THE STAFF RECOMMENDATION THAT THE MRA BOARD APPROVE THE FOUR CIP ITEMS AS PROPOSED.**

**Kemmis seconded the motion. No discussion. Motion passed unanimously. (4 ayes, 0 nays)**

**Audit Contract Extension for FY12 & FY13 – Request for Approval (Lee)**

Lee said this was a request to extend the audit contract with Anderson Zurmuehlen, P.C. (AZ). She said MRA along with the City went out to bid five years ago, at which time AZ was the successful bidder. MRA and the City signed a three year contract with AZ and after that, signed a two year extension. She said MRA is requesting Board approval to extend the audit contract for an additional two years in conjunction with the City, not to exceed \$8,750 for FY12 and \$9,050 for FY13. Lee outlined in her memo the reasons provided by the Finance Director, Brentt Ramharter, for extending the City's and MRA's audit contract with AZ versus going out to bid. AZ has provided excellent service to the City.

Cates said she didn't like the idea of extending the contract a second time without going out to bid, although she liked the idea of keeping the same auditor as the City. Lee said that MRA could go out to bid without the City but there are drawbacks in doing that. Buchanan said MRA could recommend City Administration go out to bid once the two year extension was complete. Cates suggested doing a one year extension and then going out to bid. Buchanan said AZ is familiar with the larger MRA projects such as the Millsite Project, the Brownfields Loan, and the Civic Stadium refinance, which is an advantage to MRA. Cates said that AZ has done a wonderful job and she has no complaints about their services, but thought it was bad practice to have the same auditor for seven years without going out to bid. Buchanan said she does agree with Cates to the extent that there should be a new set of eyes reviewing the material. Lee said Ramharter is taking the City's two year extension request to City Council and if it's approved then the MRA Board could decide if they want to do a one year extension and then go out to bid without the City. Cates said that is not her intention but to at least inform Ramharter on what MRA is recommending and the concerns. Buchanan said it might be best for Ramharter to take MRA's recommendation to City Council along with the City's request and see what their feedback is. Kemmis said he appreciates Cates raising the issue and agrees that it's important to send the recommendation to the City although he said he is content with approving the two year extension. Englund said he agreed with Kemmis. Englund said that AZ has good auditors and the cost is reasonable. Reineking said she too agreed with Kemmis.

**KEMMIS: I MOVE THAT THE BOARD APPROVE A TWO YEAR EXTENSION TO THE AUDIT CONTRACT BETWEEN MRA AND AZ NOT TO EXCEED \$8,750 FOR FY12 AND \$9,050 FOR FY13 WITH THE UNDERSTANDING THAT WE WILL ASK THE CITY TO PUT THE CONTRACT OUT FOR BID AFTER THESE TWO YEARS.**

Reineking seconded the motion. No Discussion. Motion passed. (3 ayes, 1 nay)

**Funding for Downtown Building & Business Inventory – Request for Approval**  
**(Buchanan)**

Buchanan said in November 2010 the MRA Board approved funding for an intern to gather information and create a necessary database of Downtown Building & Businesses. Information has been compiled and is being used to assist existing businesses. Buchanan said the gathering of information is being done by the Missoula Downtown Association (MDA) and is primarily funded by the Downtown Business Improvement District (BID). Buchanan said the BID Board approved \$8,500 for continuation of the project at its April 17th Board meeting. The majority of these funds will be used for marketing purposes that will be the basis for advertising downtown. MDA will continue to contribute Jessica Daniels time on this project. Buchanan said both MDA and BID will help pay Cedar Mountain Software Co. for the software and programing needed to manage the data. MDA is also providing Cedar Mountain Software with various sponsorships at Caras Park events in exchange for the cost of these services. Buchanan said MRA received a request to fund an intern to continue gathering information and provide additional analysis. Staff recommends the MRA Board approve the expenditure of \$2,875 to hire an intern to continue this work.

Discussion ensued regarding the MRA Director's \$5,000 expenditure limit without approval by the MRA Board.

Reineking asked if this inventory project included the Riverfront Triangle District. Buchanan said yes it includes the hip strip and areas where there are commercial businesses. She said it does not include the residential area. Discussion ensued.

**CATES: I MOVE TO APPROVE THE EXPENDITURE OF \$2,875 TO HIRE AN INTERN TO CONTINUE WORK ON THE DOWNTOWN BUILDING & BUSINESS INVENTORY.**

Kemmis seconded the motion.

**NON-ACTION ITEMS**

Englund's term expires the end of April 2012. Lee asked if Englund had re-committed to the MRA Board and Englund answered yes.

Kemmis said he would like an update on the Missoula Economic Partnership (MEP) sometime in the future. Englund suggested they discuss it now and asked Buchanan how much MRA had contributed to this project. Buchanan said approximately \$35,000 to get

the program started but MRA is not an on-going contributor. She said the Mayor is a member of the MEP Board and represents the City. Buchanan said the MEP has not named a director yet but they hope to within the next couple of weeks. Buchanan suggested the new MEP Director, if they have one at that time, or one of the founding board members attend the next MRA Board meeting in May. The Mayor has already attended a MRA Board meeting to discuss this program so Buchanan hoped that someone else could attend and provide additional information. Buchanan said MEP has a new webpage that provides statistics, programs, upcoming events and seminars, etc. She said James Grunke, Interim Director, and Brigitta Miranda-Freer, Director of Business Development, have done a great job these last several months. Buchanan said she meets with James and Brigitta regularly and said there will be a strong relationship between MRA and MEP. Englund said he would like the new MEP Director to attend the next MRA Board meeting.

Cates said she has heard unfavorable comments about the hiring process and would like some clarification especially since MRA has contributed to the MEP program. Buchanan said this could be discussed at the next meeting. She said she has not heard anything regarding the hiring process but said many people view MEP as a public body and it's not. She said some of the money going into MEP is public money but the vast majority of the funding is private. Discussion ensued.

Cates asked for an update on the Millsite Project. Buchanan said Helena Maclay, Attorney for MRP, has made some comments on the Brownfields RLF agreements drafted by Erin McCrady, Dorsey & Whitney, LLP. Buchanan and Behan will be meeting with McCrady tomorrow.

Kemmis asked if MRA Staff could send a request for summer meeting dates since "Out to Lunch" is every Wednesday during the months of June, July, and August. It was suggested that the poll include the third Tuesday and Thursday of all three months. Kemmis said occasionally Board members call into the board meetings and asked if being able to Skype was an option in the Hal Fraser Conference Room. He said it enhances the meeting compared to a regular conference call since people can view one another. Gass was going to research a laptop with a webcam.

Behan said the Staff plans on getting together with the Fox Working Group soon. The Hotel Fox developers are finalizing the second phase of their market study.

Behan said MRA is entering into an extension of the agreement with TLI for engineering services on Silver Park. It should be within \$2,600.

Behan said MRA will be engaging the services of Paul Callahan to set some parameters as to what can and can't be done on the West Broadway Island.

Cates said she would like a presentation from a third party to explain the boundaries and the definition of what "clean-up" means when discussing the Millsite Project. Buchanan said she had planned on scheduling the meeting with AMEC/Geometrics when the

Brownfields RLF Agreements come back to the board. Cates asked that it be scheduled for the next meeting in May even if the agreements weren't ready.

**STAFF REPORTS**

**BUDGET REPORTS** – URD II, URD III, Front Street URD, Riverfront Triangle URD

**STAFF ACTIVITY REPORTS** – January 28, 2012; February 25, 2012; March 24, 2012

**ADJOURNMENT**

Meeting adjourned at approximately 1:05 p.m.

Respectfully Submitted,

Juli Devlin