

MISSOULA REDEVELOPMENT AGENCY

CONDENSED BOARD MEETING MINUTES

June 17, 2014

FINAL

A **Regular** 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, Daniel Kemmis, Nancy Moe, Ruth Reineking

Staff: Chris Behan, Jilayne Lee, Tod Gass, Juli Devlin

Public: Peter Walker-Keleher, DJ&A; Jill Galle, Anderson Zurmuehlen & Co., P.C. (AZ); Paul Sepp, Anderson Zurmuehlen & Co., P.C. (AZ)

CALL TO ORDER

12:00 p.m.

APPROVAL OF MINUTES

May 14, 2014 Regular Meeting Minutes approved as amended.
May 28, 2014 Special Meeting Minutes approved as submitted.

PUBLIC COMMENTS & ANNOUNCEMENTS

Reineking thanked Jilayne Lee and Juli Devlin for putting together the ribbon cutting for Silver Park and Wyoming Street. Kemmis thanked Chris Behan for emceeing the Silver Park ribbon cutting.

ACTION ITEMS

FY13 Audit Report – Request for Acceptance (Lee)

Lee introduced Paul Sepp and Jill Galle with Anderson Zurmuehlen & Co., P.C. (AZ). Sepp thanked the staff for all their hard work. Sepp and Galle reviewed the high points of the FY13 Audit Report. Sepp said there were no adjusting entries in FY13. He complimented Buchanan and Lee for their work done on the Management's Discussion and Analysis (MD&A) section and said it's one of the best governmental MD&A's he has seen.

Galle briefly reviewed the Financial Statements. Moe asked about the tax increment committed to MRA's bond debt and if there is an ultimate fund goal that has to be reached in a district before the excess tax increment money can be used for other projects within the district. Lee asked Moe if she was referring to the three large exempt properties: Intermountain site, Millsite, and the Saint Patrick Hospital site. Moe said yes. Lee said the taxable value of those parcels is tracked individually because the tax increment revenue for the entire district is received in one lump sum. The appropriate amount of tax increment pertaining to those parcels is then transferred annually to separate funds to service the debt associated with those parcels and projects. Lee said the figures shown for the districts in the Financial Statement are the actual amounts of tax increment available because the transfers have already been completed.

Moe asked if MRA benefits from the City's investment pool described on page 35 and 36 of the FY13 Audit Report. Sepp said the City maintains the investment pool and the interest returns are allocated based on each department's or fund's cash balance. He said the City is restricted by state law in regards to investments so the majority of the City's investment pool is interest bearing funds e.g. major US Government Agency Securities.

Moe asked if the Mountain Water Company payments described on page 36, note 4 is current. Lee said yes. Galle continued to review the audit report. Moe had a question on the post employment benefits described on pages 48 through 50. She asked for clarification on the "unfunded accrued actuarial liability of \$88,430". Sepp said per the Governmental Accounting Standards Board (GASB), government agencies are required to show the liability for retiree health benefits based on current and future retirees.

Sepp said GASB has also approved a requirement for disclosure on FY15 financial statements related to pension liability. This will require local governments to show their proportionate share of the unfunded liability with the Montana Public Employees' Retirement System (MPERS).

Kemmis said the MD&A section is outstanding and would like to see it available to City Council and other venues so people are aware of the MRA projects. He asked if the public would have the opportunity to review the audit reports sooner if the Board could approve them earlier. Lee said the FY13 audit was completed in late December 2013, and even though the FY13 Audit Report is being presented to the Board today, it has been available on the City's website since January 2014.

[MOTION: TO ACCEPT THE FY13 AUDIT REPORT AS PRESENTED.]

MOE: SO MOVED.

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

Milwaukee Trail Lighting Project – Phase 3 (URD II) – Request to Award Bid for Construction (Behan)

Behan said in 2011 the Board approved a plan to provide lighting along the Milwaukee Trail between Orange and Garfield Streets. To minimize the impact to the URD II budget, the project was divided into segments and phases. Behan said the final phase presented today is to light the section between Russell and California Streets (segment 4) and between Garfield and Catlin Streets (segment 6). Behan provided a project area map with his memo. He said in 2013, the Board and City Council approved the use of \$200,000 in federal Community Transportation Enhancement Program (CTEP) funds to accelerate the process of lighting the Milwaukee Trail. Behan said the CTEP eligible costs are shared with a 13.42% MRA match. A construction bid was advertised and four bids were received. Behan said the bid documents included an add-alternate for additional conduit to be buried along the lighting route for future trail use projects using power or communication lines rather than excavating and repairing the trail and landscaping at that time. The add-alternate cost is not eligible for CTEP assistance so, if accepted, the cost of the alternate would be MRA's. Behan said **staff recommends the Board approve MRA enter into a contract with Paulson Electric, Inc. in the amount of \$168,600 for construction of the third phase of the Milwaukee Trail Lighting Project and approve Add-Alternate No. 1 in the amount of \$4,100 to install additional conduit for future uses. He said staff further recommends the Board authorize all necessary official signatures needed to execute the contract documents.**

Reineking said she noticed Paulson Electric, Inc. didn't provide a business license number on the bid opening document. Behan said Paulson Electric, Inc. provided their business license number after their application was submitted which was approved by the City Clerk. Reineking asked if the bids included a contingency fund. Behan said a contingency amount was not added to the bid documents and felt confident a contingency would not be needed unless there were unforeseen irrigation issues. Reineking asked if the completed segments included the additional conduit. Behan said yes.

KEMMIS: I MOVE ADOPTION OF THE STAFF RECOMMENDED

Moe seconded the motion. Motion passed unanimously. (4 ayes, 0 nays) Cates absent.

Englund asked what the lead time is between ordering the lighting poles and fixtures to delivery. Behan answered seven to eight weeks.

South Reserve Street Trail Crossing (URD III) – 30% Design Scope of Work – Request to Award Professional Services Contract (Behan)

Behan said the memo was prepared by Buchanan and he added the cost of the 30% design scope of work in her absence.

Englund said the Board had agreed at the May 28, 2014 meeting that a low range bridge was not a consideration so DJ&A was advised to provide a 30% design for a mid range and high range bridge. He asked if the Board has an obligation to at least review a 30% design for a low range model.

Peter Walker-Keleher, DJ&A, said the primary cost distinction is based on aesthetic treatments and cost enhancements. Walker-Keleher said costs are associated with different elements of the mid range or high range and could be eliminated or broken down to produce a lower cost scenario. Englund said it was his understanding then, that DJ&A could provide MRA with a bridge concept that includes different amenities and features, and the staff and Board could then discuss what items or amenities could be eliminated. Walker-Keleher said Englund's comment was correct and suggested the idea of having DJ&A develop two alternative bridge concepts where the Board and staff could discuss possible elements to eliminate.

Moe asked if only two land owners (Stockman Bank and Larchmont Golf Course) would be affected by right-of-way (ROW) acquisition. Walker-Keleher said there could be a third land owner to consider negotiations for land acquisition depending on whether the bridge crosses South Reserve Street diagonally or perpendicular. The properties on the east side of Reserve that could potentially be affected for land acquisition in these scenarios would either be the Stockman Bank property or University Motors property.

Moe said under task six it reads "cost estimates will be prepared with enough detail to be used for design and construction budgeting purposes" and asked if there would be enough detail for bidding purposes. Walker-Keleher answered no. He said the overhead trail crossing could go out for bid once the design and construction documents are complete. Walker-Keleher said the goal is to have the design and construction documents ready and available so the project can go out to bid either January or February 2015.

Moe said she likes the idea of presenting the bridge design options and renderings at public events such as Out to Lunch in Caras Park. These were outlined under task seven, Public Displays and Public Outreach.

Englund said based on the last Board meeting, it sounds like Stockman Bank is on board with having the trail crossing on their property. He said University Motors may not share the same enthusiasm. Englund said University Motors may not want that type and volume of traffic on their property with their expensive car inventory. Englund asked if the conversation with these two property owners would influence the design of the bridge. Walker-Keleher said the University Motors idea didn't surface until further into the feasibility study. He said he recognizes the need to understand the possible impacts to their business and property but feels the conversation could be explored.

[MOTION: STAFF RECOMMENDS THAT THE MRA BOARD APPROVE THE AWARD OF A CONTRACT TO DJ&A FOR THE PROPOSED SCOPE OF WORK FOR A 30% DESIGN OF TWO CONCEPTS FOR A BICYCLE/PEDESTRIAN OVERPASS OVER SOUTH RESERVE STREET AT OLD US 93 IN AN AMOUNT NOT TO EXCEED \$127,805 AND AUTHORIZE THE CHAIR TO SIGN THE CONTRACT.]

REINEKING: I MOVE TO ACCEPT THE STAFF RECOMMENDATION.

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

NON-ACTION ITEMS

Lee asked as a housekeeping item, if during a meeting a Board member makes a motion such as "so moved" or "accept staff recommendation", whether the Board would like the minutes to reflect the actual motion found in the memo. The answer was yes.

STAFF REPORTS

Budget Reports

Lee said the May taxes were just received in June so the revenue does not show on the budget reports yet. She reviewed the budget reports and said the projects that have been approved by the Board have been added.

Gass said he had hoped to have a request to award a contract for the Cedar Street Sidewalk project, but the agenda item will be delayed until July's meeting. He said bids were opened a couple of weeks ago but staff felt it was necessary to redo the bidding process due to an error on the bid form.

Moe commented on the January 2014 Staff Activities report provided in the packet and requested these reports be provided to the Board in a timely fashion.

Kemmis commented on the 2014 Missoula Art Revolution magazine and said it looked outstanding. He asked when MRA's logo was last updated and wondered if it was time to look at updating the MRA logo. Lee said the logo was updated shortly after Buchanan became Director.

ADJOURNMENT

Meeting adjourned at approximately 1:15 p.m.

Respectfully Submitted,



Juli Devlin