

MISSOULA REDEVELOPMENT AGENCY

CONDENSED BOARD MEETING MINUTES

October 17, 2012

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, Ruth Reineking, Daniel Kemmis, Nancy Moe

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

Public: Nate Tollefson, Tollefson Construction

CALL TO ORDER

12:05 p.m.

APPROVAL OF MINUTES

August 20, 2012 Special Meeting Minutes were approved as submitted.
September 25, 2012 Regular Meeting Minutes were approved as amended.

PUBLIC COMMENTS & ANNOUNCEMENTS

Behan said MRA is moving forward with the Silver Park Project and trying to come up with money saving ideas. During the methane abatement excavation project performed by Millsite Revitalization Project (MRP), MRA was able to obtain, at no cost, approximately 16,000 cubic yards of material containing dirt, rock, and wood. The two large piles of material (approximately 8,000 cubic yards each) are stock piled near the Civic Stadium and along the Silver Park trail. Behan said the material will need to be screened and sifted to be used as fill material and soil. He said most of the wood waste was hauled to Eco Compost to be made into a growth medium that will be brought back. He said the combination of screened material and the material from Eco Compost will make great top soil for the Park. For additional cost savings, the proposed idea is to utilize Missoula College (MC) students and machinery to move and screen the piles and rough grade the Park. Behan said he was told late last week that the Department of Environmental Quality (DEQ) wants to make sure the material used is well characterized from an environmental hazard point of view. He said MRA and MRP feel that the material has had ample testing but if DEQ requires additional testing the cost could be between \$8,000 and \$12,000.

Behan said MRA issued the Trestle RFP but didn't have time between last meeting and this meeting to interview candidates in order to have a recommendation today. He said MRA received two responses, one from CTA Architects Engineers and one from HDR Engineering. He said the Board is welcome to sit in on the interviews. Behan said the goal is to have the work done before the Osprey Baseball Season.

ACTION ITEMS

38th Street Apartments (Tollefson) (URD III) – TIF Request (Behan)

Behan said a couple years ago Nate Tollefson, Tollefson Construction, built 84 apartment units behind Kmart. Behan said MRA helped with demolition, water, sewer, and sidewalk improvements. Based on the success of that project, Behan said Tollefson purchased property east of the 84 apartment units and plans on building a 15 unit apartment building that will look very similar. Behan said Tollefson is requesting assistance with demolition and clearing of the site, sidewalks on 38th Street, moving a utility pole, and right-of-way irrigation and trees. He said the total request is \$41,983 and the total project cost is a little over \$1.127 million. Behan said Staff feels this project fits well in the existing neighborhood and fulfills the objectives of the Urban Renewal Plan and Urban Land Institute Study that was done a couple years after the District was created.

Tollefson said he purchased an old two-story house near the 84 unit apartment building. He said there's a swimming pool in the backyard that's been filled in so there is a lot of concrete and demolition work that needs to be done.

Kemmis asked about the condition of the sidewalk on 38th Street. Tollefson said the existing curb will need to be removed because the approach is in the wrong area. He said the sidewalk will then need to be replaced.

Moe asked if there are any plans for the Kmart property. Buchanan said a few developers have brought ideas to an internal design and review team made up of OPG and City Public Works staff. She said the ideas are not a model of what MRA wants in the District. She said the developers are aware of MRA's assistance programs and the desire of proper urban design.

KEMMIS: I MOVE THAT THE BOARD APPROVE UP TO \$41,983 IN TIF ASSISTANCE FOR ELIGIBLE ITEMS ENUMERATED IN THE TIF APPLICATION FOR THE 38TH STREET APARTMENTS PROJECT.

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

Silver Park Phase IV – Soil Work by Missoula College – TIF Request (Behan)

Behan said as discussed previously, there are about 16,000 cubic yards of material piled near the Stadium and MRA hopes that 10,000 cubic yards will be usable material. He said the idea is to utilize MC students and machinery and the City Street Division crews and machinery to screen the material for use. Behan said the Street Division has a screen, however the City can not allow others to use the equipment. He said the Street Division has a need for sump rocks to fill in drains, and rocks could be provided through the screening process. He said the extension of the parking lot from Wyoming Street and the Trestle Project will both need a large amount of fill. Behan said the use of MC students and heavy equipment will be a huge cost savings to the project and may allow room to add features or ideas back into the Park that were cut. He said the cost is estimated at \$80,000 which includes a contingency. Behan said the cost savings is between \$150,000 and \$225,000, plus it provides the students with real world experience. Behan said assuming this works out well during the fall semester; MRA could see similar savings by using MC students for work during the following spring semester. He said Staff recommends entering into an agreement with Missoula College for an amount not to exceed \$80,000 to perform the initial earth work on the site.

Moe asked who estimated the \$80,000. Behan said Rod Frost, Program Director, MC Heavy Equipment Operation, estimated the time needed on the site, the cost of rental equipment needed (although MC has most of their own equipment), fuel costs, and an additional amount for contingency. Behan said Frost is very experienced and has helped with other projects with the State, County, and City.

Moe asked how soon DEQ would respond and if they did require additional testing, what would the procedure and timeline be. Behan said a new local company called Newfields is reviewing the work, compiling historical material and will provide a professional opinion based on old data. MRA will receive this information by this Friday and will subsequently forward on to DEQ. Behan said he was told by DEQ that a response could be made within a week to ten days. Moe asked if the response was negative, would there be a proposal for additional testing. Behan said yes, the MRA Staff would then come back to the Board with a new request. Reineking asked if this were the case, then would the work be pushed out to the spring semester. Behan said yes there is the possibility of moving some of the work to the spring semester, but he hoped most of the work would be completed during the fall semester.

Englund asked if MRA had ever used MC before. Behan said no but the City Parks Department has as well as the Street Division and the County. He said this is a pretty large project, possibly larger than what MC is used to, but he has been told the students and College do an excellent job plus the students are well supervised and they're safe.

Reineking asked if this will change the agreement with Territorial Landworks, Inc. (TLI). Behan said TLI will be doing similar work with the College as they would have with a contractor. He said there may be a timing difference since the students may take a little longer to finish the job.

Englund said the memo mentions the final grading wouldn't be done by the students but by a bonded contractor and asked if there was a concern about the quality of the students' work. Behan said the project engineer will be involved with the screening phase to make sure the product on the ground is ready to bid. Buchanan said TLI will be supervising the MC students just as if they were supervising a general contractor. Behan said MRA Staff wants to see how well the students do with screening and moving the dirt this fall semester and then assuming they do well the students will continue with the rough grading in the spring semester.

Moe asked when construction bids will go out for a project construction contractor. Behan said Staff hoped to have bids out in January 2013.

Buchanan said she's worked with Job Corps in the past and they did a great job. She said utilizing the MC students is really a win-win situation. The students are able to gain experience through real life projects within the community.

Kemmis said this is a creative and sound way to save money on a project. He said maybe something can be learned from working with the College students that would be beneficial for future projects. Behan mentioned that Alan White with the Parks Department came up with this great idea.

MOE: I MOVE THAT THE BOARD APPROVE AND THAT IT ENTER INTO AN AGREEMENT WITH MISSOULA COLLEGE FOR A HEAVY CONSTRUCTION EQUIPMENT PROJECT AT SILVER PARK PHASE IV IN AN AMOUNT NOT TO EXCEED \$80,000; PAYMENTS BASED ON INVOICES DESCRIBING EQUIPMENT RENTAL, FUEL USAGE, AND OTHER RELATED EXPENSES; DESIGN AND OVERSIGHT BY THE SILVER PARK PROJECT ENGINEER WHICH IS TERRITORIAL LANDWORKS.

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

NON-ACTION ITEMS - None

BUDGET REPORTS – URD II, URD III

Lee handed out FY13 budget reports for URD II and URD III that show estimated figures that were submitted during the City budget process in March 2012. She mentioned the City auditors would be on-site in the next couple of weeks. Lee said she needs to obtain final fund balances from FY12 before she can update FY13 budget figures. Moe asked for clarification on the \$300,000 that was in URD III under Programs. Lee said these are funds that were set aside for façade projects that may come in throughout the year. Kemmis asked how the Public Works contingency amount was so precise. Buchanan said the Public Works contingency is the amount left over after other contingencies are figured.

STAFF REPORTS

Director's Report

Front Street Parking Structure

Buchanan mentioned there was no Director's report but she did want to give an update on the Front Street Parking Structure. She said the steel that attaches to the skin of the building is starting to come in. She said the goal is to open the Parking Structure early December 2012.

Mercantile Building

Buchanan said securing permanent construction financing for the Mercantile Building is still underway. She said this is difficult to do when spaces need to be leased out, but yet future tenants are hesitant to lease a space when space isn't available until an unknown time in the future; which again is dependent on the construction financing. She said this isn't unusual when a project like the Mercantile Building depends on tenants. Buchanan said Jeff Crouch, CTA Architects Engineers is available to schedule a tour of the building for those who are interested. He is available on October 29 or the week of November 5.

Kemmis asked if the prospective tenant was still interested in the retail space in the Parking Structure. Buchanan said yes but the tenant won't close until the space is enclosed.

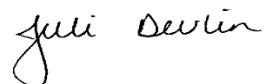
Discussion ensued.

Reineking asked for an update on the St. Patrick Hospital Parking Study. Behan said the Study was finished and provided information on ways to quantify different types of projects. He said the Study has helped the Hospital understand their parking needs and to also think about factors that can affect their existing parking as well as the need to create new parking areas in Riverfront Triangle.

STAFF ACTIVITY REPORTS – None

ADJOURNMENT

Respectfully Submitted,



Juli Devlin