

MEMORANDUM

TO: MRA Board

FROM: Tod Gass, Project Manager

DATE: March 8, 2023

SUBJECT: URD III (Ward 6) North Avenue Water Main Project Authorization to Enter Into an MOU with Missoula Water

At the June 2022 MRA Board meeting, the Board approved an URD III Water Network Program in the MRA CIP and FY23 Budget. The goal of the Water Network Program is to remove barriers to redevelopment including physical access to City municipal water and providing adequate fire flows in the water delivery system to support higher density mixeduse development in underutilized areas within the URD. Fortunately, URD III has matured to a level where it generates adequate tax increment to support such an infrastructure program - similar to the MRA Sidewalk Programs. Staff has been working with Missoula Water to identify deficiencies in the URD III municipal water delivery system and prioritizing the build out of the City water network within the URD through the Water Network Program.

The focus of the Water Network Program in 2023 is the installation of a water main in North Avenue between the railroad tracks and Johnson Street on the north edge of the City owned Johnson Street property acquired from MRL. The construction of the North Avenue water main helps set the stage for redevelopment of the City property by providing access to municipal water and enhancing fire flows to the site. MRA's investment in this public infrastructure also advances the Agency's efforts to support affordable housing by reducing a development cost that would be borne by a developer and passed on to owners or tenants as higher housing costs. Timing wise, the water main project works well with the City Street's paving schedule to mill and over lay this section of North Avenue that is badly deteriorating.

The Project will be managed by Missoula Water with MRA providing the funding for design, engineering, and construction. Missoula Water selected IMEG as the Project Engineer from their prequalified list of engineering firms generated from a public solicitation for Statements of Qualifications and ranked in accordance with City procurement policy. IMEG submitted a Scope of Services and Budget to Missoula Water for design, engineering, and construction administration at a cost not to exceed \$68,665. Subject to Board authorization for MRA to enter into an MOU with Missoula Water for TIF funding of the IMEG Scope of Services, Missoula Water will enter into an Agreement with IMEG for the professional services related to the North Avenue Water Main Project.

RECOMMENDATION: Staff recommends that the Board move to authorize MRA to enter into a Memorandum of Understanding with Missoula Water to provide TIF funding for the IMEG Professional Services related to the North Avenue Water Main Project as described in this memo in an amount not to exceed \$68,665 and authorize the MRA Director to sign the MOU.

