

**South Billings Urban Renewal Association
Board Meeting
Tuesday, January 4, 2021
7:00pm
Conducted Via Zoom Conferencing**

Call to Order: Dick Zier, SBURA Board Chair

Courtesies: Welcome Visitors

Meeting Protocol: Visitors wishing to be recognized should raise their hand. Unrecognized outbursts will not be acknowledged. Those wishing to offer public comment will be limited to three minutes.

Attendees: Dick Zier, Mike Mayott, Debbie Keller, Wyeth Friday, Denise Joy, Tom Rupsis, Michael Whitaker, Kevin Nelson, Pam Purington, Danny Choriki, Frank Furman

Agenda Additions/Deletions – Dick Zier

Agenda Items:

1. Approval of Minutes for November 2, 2021 meeting – Dick

Jeff Muri moved and Scott Hanser seconded acceptance of November minutes
APPROVED. (Action)

2. Maximum Bond Issuance for Recreation Center (Information/Action)

Mr. Tevlin presented and explained the SBURA cash flow and bonding computations depending upon certain assumptions.

Public Comment

Kevin Nelson proposes only fund partially of the soccer field. Keep the body shop on south side.

Tom Rupsis – Look at the Library debt structure to build in the financial projections.

Board Discussion

Andrew Houlihan - \$500,00 for projects and \$500,000 for streets seemed to be a good projection.

Jeff Muri asked what the Board's comfort zone for reserves? The Board concurred that \$500,000 to \$1,000,000 for a reserve.

3. Recreation Center Soils Testing (information/Action)

\$13,000 for soils testing that was not included in the \$244,000 contract. The item is urgent.

Public Comment

Board Discussion

4. **Reports – Jim** (Information)

Note: These reports will not be read aloud. Interested parties can view these reports at the Association’s website: www.southbillings.org.

South Billings Recreation Center (Information)
Hallowell/Unimproved Roads
SBURA Board Vacancy
TIF Applications Status
Optimist Park

Public Comment

Kevin Nelson – Wanted information for when and where meeting. Hollowell lights are good. Did street lights get penciled into Optimist Park? Tevlin will check. Mike Whitaker stated they are trying to get the lights added?

Board Discussion

Debbie Keller – What is status of shelter – Mike Whitaker stated COVID has put the project behind schedule and expects it this spring.

5. **Public Comment on Non-Agenda Items**

6. **Adjourn**

Jeff Muri moved to adjourn at 7:59 pm.

Respectfully submitted
Michael Mayott
Secretary.

INTERNAL MEMORANDUM

Date: December 29, 2021
To: SBURA Board
From: Jim Tevlin
Consultant, South Billings Boulevard Urban Renewal District
Subject: Recreation Center Update

The following is a brief update on the Recreation Center project as of December 31, 2021.

In December, the City Council approved a professional services contract for \$244,436 with A&E Design to perform initial design work on the recreation center. Additionally, the SBURA Recreation Center committee met with Dusty Eaton of A&E and Parks & Recreation to discuss A&E's work plan & budget.

I have posted A&E's work plan & budget to our website. I have requested a copy of the contract from the City and Parks & Recreation and will post it to our website.

Key Takeaways

1. The work plan suggests a January 2022 to July 2022 time frame for conducting their work and concludes with a City Council-approved construction and operating plan.
2. A&E will be managing two advisory committees: a "Core" Committee consisting of key stakeholders and user groups and an "Executive" committee consisting of five key representatives from SBURA, Parks & Rec, City of Billings etc.. The Core Committee consists of approximately 15-20 members representing key user groups and stakeholders and will address certain issues (ex. operating entity, phasing options, project budget etc.) at regularly scheduled workshops. The Executive Committee will review the Core Committee's findings and confirm consensus among the two committees.
3. The two most important deliverables are 1.) The estimated cost to construct this facility and 2.) The estimated annual operating revenues and expenses that will help determine the amount of public subsidy needed. These deliverables are in the work plan.
4. We need to look very carefully at our current and future cash flows for purposes of establishing a definitive amount of bonding available for this project.

INTERNAL MEMORANDUM

Date: December 28, 2021
To: SBURA Board
From: Jim Tevlin
Consultant
Subject: Status of Current & Prior Applications for Tax Increment Assistance.

In December 2021, the City Council approved three applications for tax increment assistance.

| <u>Applicant</u> | <u>Amount</u> |
|--------------------------|---------------|
| Jackson Court Apartments | \$547,305 |
| KSKC LLC | \$362,525 |
| Ole Rentals LLC | \$182,191 |

Construction for the Jackson Court and KSKC LLC projects will begin in early 2022. The KSKC LLC (i.e., Tim Compton/Mobile Stor) project requires additionally clarification. Note the following:

- In 2021 we expanded the southeast boundary of the South Billings Boulevard Urban Renewal District to include parcels of land along the South Frontage Road. These parcels consist primarily of lots owned by Torgerson LLC and KSKC LLC.
- At present, there are no water mains along the South Frontage Rd from Washington Ave to approximately 500ft west of Sugar Ave. Note that SBURA removed the cost of installing water mains from KSKC's application and redesignated it as a capital project like that of improving a gravel road.
- In December, SBURA and Public Works modified their FY23-27 Capital Improvement Plans to include \$474,177 and \$371,245, respectively, of FY23 funding for the installation of water mains along the above-mentioned portion of the South Frontage Rd. These funds are not available until July 1, 2022, however.
- In December both Torgerson LLC (via NAI Properties) and KSKC LLC informed me that a developer, TPA Group LLC, was going to purchase portions of Torgerson's and KSKC's properties for purposes of building a \$35 million distribution center. TPA Group, however, could not close on the purchases until the water mains were installed which prompted TPA Group's request for construction to take place as early in 2022 as possible. Since the CIP funding would not be available until July 1st, I called for an "everyone in the room meeting" with Public Works, SBURA, KSKC LLC, TPA Group and Torgerson to discuss how we could proceed.

The following is a portion of an email I sent to the above parties that recaps the agreed-upon plan:

1. TPA Group/Performance Engineering will take the lead in designing and building a water main on South Frontage Rd from Washington Ave to about 500ft west of Sugar Ave. The intent of this is to help ensure that construction begins in early 2022. A portion of the design work has already been completed.
2. Public Works will draft Compensation Agreements with Torgerson and Compton for their portions of the project. In turn, Torgerson and Compton will draft agreements with TPA LLC. For the sake of simplicity, the Compensation Agreements with Torgerson and Compton will include funding from both Public Works and the South Billings Boulevard Tax Increment District ("the District").
3. The City of Billings has estimated \$845,422 for this project for Year FY23 in its FY23-27 Capital Improvement Plan (CIP). The District and Public Works will fund \$474,177 and \$371,245 of this project, respectively. The FY23 CIP amounts will be "rolled" into the City of Billings FY23 budget as part of the City's annual budgeting process that will take place in the Spring of 2022. These funds will become available concurrent with the beginning of the City's 2023 fiscal year (July 1, 2022). If funding becomes urgent prior to July 1, the District and Public Works will make their best efforts to identify available funds to meet this need.

While all the above is essentially "invisible" to BSEDA, the City Council will need to approve the Compensation Agreements.

City Council Regular

Date: 12/20/2021
Title: Multi-Generational Community Recreation Center Concept Design
Phase - Consultant Contract
Presented by: Mark Jarvis
Department: Parks/Rec/Public Lands
Presentation: No

RECOMMENDATION

Staff recommends Council approve the contract with A & E Design for concept design of the Multi-Generational Community Recreation Center.

BACKGROUND (Consistency with Adopted Plans and Policies, if applicable)

In May 2019, A & E Design completed the South Billings Aquatic & Recreation Center Master Plan & Feasibility Study. The focus of the study was to review the feasibility for a future indoor recreation center in the South Billings area. The goal of the plan was to create a framework for a multi-generational facility that best reflects the needs of the community, best practices for programming a recreation center, site visibility, and budget. The Master plan process took place over a nine-month period culminating with the selection of a preferred site and two program options. The primary outcomes of the Master Plan were to:

- Identify recreation programming for the South Billings Aquatic & Recreation Center specific to the City of Billings and the surrounding region based on community feedback.
- Select a site for the future facility.
- Determine a conceptual program layout and capital budget for the project.
- Organize program layout in a manner that allows for potential phasing based on funding available.
- Develop an operation pro forma range to evaluate the potential cost recovery for the program options and phases.

The master plan was presented to Council at the November 15th Work Session. On December 13th Council Business Meeting the master plan was adopted by resolution.

At a previous Work Session, Council directed staff to move forward with this project. A Request For Proposals (RFP) was sent out to solicit qualified consultants to build upon the master plan study and develop a design concept for a Multi-Generational Community Recreation Center. Two firms responded A & E Design of Billings and JLG Architects of Williston North Dakota. On October 13th a Selection Committee comprising representatives from Parks and Recreation, Public Works, Planning, School District 2, and South Billings Urban Renewal Association (SBURA) met to evaluate the proposals. A & E Design was selected as the top-ranked firm. Staff met with A & E Design to develop a scope of work and fee. The purpose of the Design Concept study is to take the information developed in the master plan and build upon it collecting more data and doing more analysis to determine the building configuration and size, the amenities included, construction budget, operating pro forma and cost recovery, potential donation opportunities and project timeline. A critical component of this study will be to solicit public engagement and determine the needs of the community through public meetings, surveys and website access. This study will require 7 to 8 months to complete. The outcome of the study will be presented to Council for approval and further

direction. Upon approval, the consultant will proceed with design development and construction documents with the goal of bidding the project in November of 2023. The fee for this phase of will be \$244,436.00.

ALTERNATIVES

City Council may:

- Approve the contract for concept design with A & E Design for the Multi-Generational Community Recreation Center; or,
- Not Approve the contract and provide staff with additional guidance.

FISCAL EFFECTS

\$250,000 was budgeted in FY 22 through the SBURA for this portion of the project.

South Billings Multi-Generational Community Recreation Center

Concept Design Phase - Scope & Work Plan

November 29, 2021

| Activity/ Timeline | Scope Description (Tasks and Products) | Duration |
|-------------------------|---|----------------|
| 0.0 January 5, 2022 | Executive Team Meeting #1 - Kickoff / Work Plan Review <ul style="list-style-type: none"> • Time frame for work plan • Discuss process ✓ <u>• Core Team Member selection discussion</u> • Dates for Workshops and Meetings ✓ <u>• Review of potential questions for the statistically valid survey to build upon previous master plan survey</u> • A&E/BRS Activities - Preparation for Kickoff Meeting | |
| Task 1 | | 4 weeks |
| 1.0 | Work Period #1 - Data Collection and Analysis, Workshop, and Core Team Meeting Prep <ul style="list-style-type: none"> • Prepare materials for Workshop #1 • Develop and schedule outreach to stakeholder groups, individual engagement as needed • Collect and review all existing data available to include: Past planning efforts, mission statements, budget information and limitations. ✓ <u>• Develop questions for the statistically valid survey to build upon previous master plan survey</u> • Research National Precedents for similar Sports and Recreation Facilities • Begin analyzing the information and develop updated program possibilities from Master Plan • Confirm Core Team and stakeholder input dates • Prepare market, demographic, and alternative provider analysis considerations • Prepare Architectural Visualization Exercise | |
| 1.1 January 27, 2022 | Workshop #1 Core Team - Visioning and Program Introduction <ul style="list-style-type: none"> • Work Plan Timeline / Dates for Workshops and Meetings • Stakeholder and/or greater outreach process ✓ <u>• Review Conditions of Satisfaction</u> • Mission, Vision, Goals, and Design Threads • Market and Demographic Research Findings, National Benchmarks, Comparable Facilities • Review the Master Plan - <i>what works and what needs further exploration</i> • Current and future demands for the community - <i>what may have changed since the master plan</i> • Identify project constraints and parameters • Discuss priorities and phasing options • Discuss community engagement strategies • Project "Wish List" program offerings / Ideal space types and elements • Owner Project Research to Date • Total Project Budget (Building, Site, Etc.) discussion ✓ <u>• Operations and Staffing Discussion</u> • Partnership opportunities ✓ <u>• Questions for the statistically valid survey to build upon previous master plan survey</u> | |
| 1.2 January 27, 2022 | Follow-up With Executive Team <ul style="list-style-type: none"> • Re-Cap of Workshop #1 Outcome • Re-Cap of Visioning Discussion • Re-Cap of Stakeholder Group input ✓ <u>• Finalize questions for the statistically valid survey</u> • Discuss program / budget / schedule, as needed • Review project commitments to date, and next steps | |

South Billings Multi-Generational Community Recreation Center

Concept Design Phase - Scope & Work Plan

November 29, 2021

| Activity/ Timeline | Scope Description (Tasks and Products) | Duration |
|---------------------------------|--|----------------|
| Task 2 | | 4 weeks |
| 2.0 | <p>Work Period #2 - Program Development</p> <ul style="list-style-type: none"> • Create meeting minutes and distribute • Prepare materials for Workshop #2 • Confirm mission and vision statements • Craft the preliminary project Design Threads • Review work to date, surveys, program, plans, estimates and all previous data • Create options of proposed program spaces and area (SF) requirements • Create preliminary capital costs for each program • Create conceptual operational expenses and revenue models • Create preliminary project budget model spreadsheet and detailed capital cost estimate for construction based on work to date and "Wish list" program of amenities • Discuss Preliminary phasing alternatives for future development • Prepare operational strategies and benchmarking data | |
| 2.1 February 24, 2022 | <p>Workshop #2 - Program Verification / Operations Philosophy / Card Game</p> <ul style="list-style-type: none"> • Mission, Vision, Goals and Design Threads • <u>Program Card Game Activity - Update from the previous Master Plan</u> • Potential program offering priorities • Program square foot space implications • Accessory or support program spaces • Discuss program areas that may be impacted by partner involvement • Operational considerations / Cost Recovery Goals/ Fee Structure • Site Design implications • <u>Total Project budget and construction costs</u> | |
| 2.2 February 24, 2022 | <p>Follow-up With Executive Team</p> <ul style="list-style-type: none"> • Re-Cap of Workshop #2 Outcome • Discuss program / budget / schedule, as needed • Review project commitments to date, and next steps | |
| Task 3 | | 5 weeks |
| 3.0 | <p>Work Period #3 - Create Space Relationship Diagrams</p> <ul style="list-style-type: none"> • Create meeting minutes and distribute • Prepare presentation materials for Workshop #3 and the Community Meeting • Update program offerings and project budget as necessary • Analyze/refine site design • Refine Operational Analysis / Cost Recovery Model • Update space relationship diagrams and bubble plan options • Develop phasing options for sites and buildings • Create architectural character images based on Design Threads | |

South Billings Multi-Generational Community Recreation Center

Concept Design Phase - Scope & Work Plan

November 29, 2021

| Activity/ Timeline | Scope Description (Tasks and Products) | Duration |
|------------------------------|---|----------|
| 3.1 March 24, 2022 | Workshop #3 - Space Relationship Diagrams <ul style="list-style-type: none"> • Building and Site Program • Building relationship diagram options • Site relationship diagram options • Total project budget and construction costs ✓ <u>• Sustainability concepts and goals</u> ✓ <u>• Preliminary Building Massing / Elevations</u> ✓ <u>• Preliminary findings from the statistically valid survey</u> | |
| 3.2 March 24, 2022 | Follow-Up with Executive Team <ul style="list-style-type: none"> • Re-Cap of Workshop #3 Outcome • Discuss program / budget / schedule, as needed ✓ <u>• Review project commitments to date, and next steps</u> ✓ <u>• Review discussion with the Core Team regarding preliminary findings from the statistically valid survey</u> | |
| 3.3 March 24, 2022 | Community Meeting <ul style="list-style-type: none"> • Facilitate community meeting to gather input on program, spaces, and site design • Update the community on the current direction of the project | |
| 3.4 April 4, 2022 | Council Update City Council Work Session <ul style="list-style-type: none"> ✓ <u>• Present findings from information gathering, operations assessments, community meeting, and preliminary results from the statistically valid survey</u> ✓ <u>• Present a recommended program configuration and phasing from the Core Team, Executive Team, and Design Consultants for Council consideration based on the findings</u> • Request a direction forward from Council based on the findings and recommendations | |
| Task 4 | | |
| 4.0 | Work Period #4 - Operations/ Space Diagrams / Architectural Character / Site Strategy <ul style="list-style-type: none"> • Create meeting minutes and distribute • Prepare presentation materials for Workshop #4 • Update Operational Analysis / Cost Recovery Model • Create building plan options based on preferences from previous Workshop • Create site plan options based on preferences from previous Workshop • Refine architectural character / building design options • Refinement of project budget model spreadsheet and detailed capital cost estimate for construction based on work to date and selected program of amenities | |
| 4.1 May 5, 2022 | Workshop #4 - Floor Plans / Site Plan / Architectural Character <ul style="list-style-type: none"> • Design Threads • Building Design / Architectural Character • Operations Analysis / Cost Recovery Model • Preliminary Floor Plan(s) and Site Plans • Findings of Total Project Budget, Operating Cost Estimate, Operational Cost Recovery Models and Findings, Rate Structure Findings, and Alternatives for future phases | |
| 4.2 May 5, 2022 | Follow-Up with Executive Team <ul style="list-style-type: none"> • Re-Cap of Workshop #4 - Discuss possible realignments if required | |

South Billings Multi-Generational Community Recreation Center

Concept Design Phase - Scope & Work Plan

November 29, 2021

| Activity/ Timeline | Scope Description (Tasks and Products) | Duration |
|---------------------|--|----------------|
| Task 5 | | 4 weeks |
| 5.0 | <p>Work Period #5 - Conceptual Design</p> <ul style="list-style-type: none"> • Create meeting minutes and distribute • Prepare presentation materials for Workshop #5 • Conduct an initial code review to understand constraints re: building code • Refine Building Massing • Design Conceptual Primary Building Elevation / Massing • Refine preferred site plan and floor plan • Refinement of project model spreadsheet and detailed capital cost estimate for construction based on work to date and selected program of amenities <p>No Core Team Meeting During Task 5</p> | |
| 5.2 June 9, 2022 | <p>Follow-Up with Executive Team</p> <ul style="list-style-type: none"> • Review the initial final design concepts for next Core Team Meeting | |
| Task 6 | | 7 weeks |
| 6.0 | <p>Work Period #6a - Finalization of the Conceptual Building Design</p> <ul style="list-style-type: none"> • Finalize Conceptual design based on feedback from the Executive Team • <u>Finalize the Project Budget, Operating Cost Estimate, Operational Cost Recovery Models and Findings, Rate Structure Findings, and Alternatives for future phases based on outcomes developed throughout the concept design process</u> • Create initial draft version of the Concept Design Report content to present at Workshop #6 | |
| 6.1 July 7, 2022 | <p>Workshop #6 - Conceptual Building Design</p> <ul style="list-style-type: none"> • Final Conceptual Floor Plan and Site Plan • Final Conceptual Building Massing / Elevations • <u>Total Project Budget, Operating Cost Estimate, Operational Cost Recovery Models and Findings, Rate Structure Findings, and Alternatives for future phases</u> • Concept Design Report and Outcomes | |
| 6.2 July 7, 2022 | <p>Follow-Up with Executive Team</p> <ul style="list-style-type: none"> • Re-Cap of Workshop #6 • Receive final Concept Design comments | |
| July 29, 2022 | <p>Work Period #6b - Produce Final Concept Design Report and Graphics</p> <ul style="list-style-type: none"> • Create meeting minutes and distribute • Finalize the Concept Design Report based on input received in Workshop #6 and from the Executive Team <p>Deliver Draft Concept Design Report</p> <ul style="list-style-type: none"> • Concept Design Report Review <p>Deliver Final Concept Design Report</p> | |



**South Billings Aquatic and Recreation Center
Concept Design Phase**

Proposal
11/29/2021

| | Cost |
|--|------------------|
| Task 1 - Initial Site Understanding, Program, and Criteria | |
| Exec Team Meeting #1 - Kickoff | |
| 1.0 Work Period #1 - Program Review, Site Analysis / Data, Meeting Schedule | |
| 1.1 Core Team Meeting #1 | |
| 1.2 Exec Team Meeting #2 | |
| Subtotal Task 1 | \$20,540 |
| Task 2 - Program Development and Site Evaluations | |
| 2.0 Work Period #2 - Program Development and Site Design | |
| 2.1 Core Team Meeting #2 | |
| 2.2 Exec Team Meeting #3 | |
| Subtotal Task 2 | \$18,290 |
| Task 3 - Program and Site Criteria Refinement | |
| 3.0 Work Period #3 - Program and Site Criteria Refinement / Building Massing | |
| 3.1 Core Team Meeting #3 | |
| 3.2 Exec Team Meeting #4 | |
| 3.3 Community Workshop #1 | |
| Subtotal Task 3 | \$37,595 |
| Task 4 - Program Completion and Building/Site Concept Design | |
| 4.0 Work Period #4 - Program Completion and Building/Site Concept Design | |
| 4.1 Core Team Meeting #4 | |
| 4.2 Exec Team Meeting #5 | |
| Subtotal Task 4 | \$34,420 |
| Task 5 - Development of Final Concept Report | |
| 5.0 Work Period #5 - Prepare Draft of Final Concept | |
| 5.1 Design Team Work - No Core Team Meeting | |
| 5.2 Exec Team Meeting #6 - Design Progress Check-in | |
| Subtotal Task 5 | \$24,790 |
| Task 6 - Completion of Final Concept Report | |
| 6.0 Work Period #6 Produce Final Concept Design & Report | |
| 6.1 Core Team Meeting #5 | |
| 6.2 Exec Team Meeting #7 | |
| 6.3 City Council Presentation - Final Concept Design | |
| Subtotal Task 6 | 18,060 |
| Subtotals | \$153,695 |
| Consultants | |
| Civil Engineer - Sanderson Stewart | \$10,000 |
| Ballard*King | \$24,000 |
| Councilman Hunsaker (Aquatics) | \$8,000 |
| B32 Engineering (Ice) | \$6,000 |
| Website Development / Outreach Graphics | \$10,000 |
| Cost Estimating (Blundall Associates) | \$9,000 |
| ETC Survey Consulting | \$15,000 |
| Reimbursable Expenses | |
| Document Printing | \$1,500 |
| Travel for Ballard King | \$2,500 |
| Travel for BRS | \$4,741 |
| Total Project Fee | \$244,436 |

Additional Site Evaluation Recommendations - Out of Project Scope

| | |
|-----------------------|-----------------------|
| Geotechnical Engineer | \$5,000 Estimate Only |
| Survey | \$8,000 Estimate Only |