

July 10-11, 2003

ITEM 120-1012-R0703 Proposal to Lease a Small Portion of Property at the Dornblaser Field Location to the Missoula-Ravalli County Transportation Authority; The University of Montana-Missoula

THAT: The Board of Regents of the Montana University System authorizes The University of Montana to lease a portion of property to the Missoula-Ravalli County Transportation Authority for the purpose of constructing a building to house several vanpool vehicles and to house a Mountain Line bus transfer station.

EXPLANATION: In the 2002 Campus Master Plan for The University of Montana-Missoula, future parking development locations were approved for South Campus. The approved areas are currently under consideration for development as a multi-modal parking area and bus transit service center. The partnership for development will be between the Missoula-Ravalli County Transportation Management Association (MR TMA) and The University of Montana.

Funding for this project will be a Federal Transit Authority (FTA) grant in the amount of \$450,000. Once the office complex/transit center and van storage facility are covered, the remaining funds will be used towards construction costs for building two new parking lots. This will help provide an additional 265 parking spaces. That amount is projected to be \$140,000.00. In a recent appraisal provided by Kraig P. Kosena, of Kembel, Kosena & Company, Inc. the land value for the building sites is in the range of \$6.50 a sq ft X 10,000 sq ft = \$65,000--current market value. When you consider the remaining grant amount of \$140,000.00 for parking lot development, the lease period and the value of the University land at \$65,000, the cost benefit analysis reflects a plus for the University.

In exchange for the lease, the University will benefit in the following manner:

1. An additional 265 new parking spaces will be created at this location. As a multi-modal project, the parking will be available for commuters, sporting events and special event requests.

2. Public restrooms will be provided, along with an indoor transit service waiting room. Currently there are no public restroom services at this location.
3. Since there is no area lighting in this location, it will improve safety and security for the students and commuters by providing lighted and safe landscaping.
4. By having the building occupied, we gain additional daytime security for the area. In addition, the MR TMA staff will be able to assist those who want to participate in the vanpool programs. Currently, about fifty percent of the area vanpoolers are members of the campus community.
5. With the addition of the South Transit Center, headway delays, the time required to wait for the next bus, will be less than 15 minutes. This will be a marked improvement of service for students living in family housing, students attending classes at the two Missoula College of Technology campuses and students who use the Park-Ride shuttle bus program.

ATTACHMENT:

Real Property Lease for the site of Missoula-Ravalli County Transportation Management Association vehicle storage and South Side Transportation Demand Management (TDM) Facilities.

**REAL PROPERTY LEASE FOR SITE OF MR TMA VEHICLE
STORAGE AND SOUTH SIDE TRANSPORTATION DEMAND
MANAGEMENT FACILITIES**

I. PARTIES:

This real property lease agreement entered into this 6th day of March, 2004 by and between The University of Montana (UM), a state entity organized pursuant to the laws of the State of Montana, as "Lessor" and the Missoula Ravalli Transportation Management Association (MR TMA), a non-profit corporation organized pursuant to the laws of the State of Montana as "Lessee."

WITNESSETH

Whereas, UM as Lessor is willing to lease real property located in the southern portion of Dornblaser field, situated between the intersections of South Avenue and Pattee Canyon Drive on South Higgins Avenue to Lessee for purposes of MR TMA as Lessee constructing a building and leasing the van storage, TDM facility and park-n-ride portion as a transportation demand management center pursuant to the terms and conditions set forth in this lease as provided herein and hereby agreed to by the parties. This lease is subject to all required approvals, including but not limited to, the of the Board of Regents and The Federal Transit Administration (FTA).

II. PREMISES:

- (A) Lessor, for and in consideration of the terms, conditions, covenants and agreements herein contained agrees to lease the following legally described real property in southern portion of Dornblaser field in the City of Missoula to Lessee:

A tract of land located in the West ½ Southwest ¼ Northwest ¼ of Section 34, Township 13 North, Range 19 West PMM.

- (B) Lessor hereby agrees to allow Lessee to construct on leased premises a transportation demand management center including van storage and park-n-ride facilities, the design of which must be pre-approved by the MR TMA Board of Directors and The University of Montana. Any additional future construction activity by Lessee at the lease site must be pre-approved by the MR TMA Board of Directors and The University of Montana. As consideration for Lessor allowing Lessee to use this real property and construct a building thereon, Lessor shall be entitled to the use of the storage area located in the van storage area.

- (C) Lessor shall ensure that construction project payment and performance bonds exist for any construction project they mutually engage in or commences with respect to the leased premises legally described herein. Lessee shall obtain lien waivers from all contractors, sub-contractors, agents, materialman, etc. prior to final payments being made on the construction project. Lessor shall be solely responsible for defending, removing and satisfying any lien asserted against the leased premises arising out of mutual construction activity, occupation or use of leased premises.
- (D) Lessee shall ensure, with respect to any construction activity that occurs, that any required prevailing wages for the construction project are paid as required by law.
- (E) Once constructed, the TDM center on Lessor's land, all improvements so constructed or installed, including buildings, shall become the property of Lessee.
- (F) Any fixture permanently affixed to either the land or building so that it is not easily removable without damaging or impairing the property it is attached to, shall become the property of Lessee unless Lessee otherwise indicates in writing. Articles or items of personal property attached to the property that are easily detachable or removable without damaging or impairing Lessee's use of the property or the property the article or item is attached to, shall be the property of Lessee and may be removed by Lessee.
- (G) Lessee shall be entitled to the possession, lease and control of the above-mentioned buildings and joint oversight of the park-n-ride improvements for one dollar (\$1) per year for a term of twenty (20) years until September 30, 2025; as long as the property is used by Lessee as a transportation demand management center and Lessee complies with the conditions and provisions of this lease agreed to by the parties as provided herein.
- (H) This lease shall be subject to public utility or other easements of record that may exist on the real property.
- (I) Any building or improvements mutually constructed or installed by Lessor and Lessee on the leased land shall be in compliance with the federal Americans with Disabilities Act.
- (J) Lessee shall be responsible for the payment of any and all utility costs arising out of Lessee's occupation or use of the TDM facility premises.
- (K) Lessor shall be responsible for the payment of any and all utility costs attributable to the park-n-ride.
- (L) Lessee shall be responsible for the administration, management, control and operation of the TDM facilities during the lease period(s).
- (M) Lessor shall maintain oversight responsibilities, to include but not limited to adherence to lease terms, during the lease period(s).
- (N) If Lessee decides to relocate its TDM center site during the twenty (20) year term of the lease, Lessee shall be responsible for the pro rata repayment of any original construction monies to the United States government.
- (O) If Lessor terminates or interferes with Lessee's ability to use the leased property during the initial twenty (20) year term so that Lessor may use the

land for other purposes, Lessor agrees to pay any remaining pro rata repayment monies that would be owed to the United States government arising out of federal monies being used to pay for the original construction of the transfer center.

- (P) Lessor's activities shall not interfere with transit operations anytime during the lease.
- (Q) Lessee will report to Lessor, City of Missoula, Missoula County Commissioners, MR TMA contributors and Federal Transit Administration operating data quarterly including the total number of vehicles served, total number of miles accumulated, total number of days operated, and average number of hours per day. Additional assessment and evaluation of the Transportation Demand Management program will be made annually in a report to the Lessor, MPO, Montana Department of Transportation, Federal Highway Administration, and Federal Transit Administration.
- (R) Lessee, represented by Director of Community Affairs, MR TMA Board Chair and CO-chair and Lessor, represented by Public Safety Director, Facilities Services Director and ASUM Transportation Coordinator, shall meet at least quarterly to discuss all activities pertinent to the facility site. The committee chair shall rotate each quarter between a Lessee and Lessor member. The committee tasks shall also include development and submission of specific proposals regarding site and related activities; and discussion of all site activities.

III. ALTERATIONS & REPAIRS

Neither party may materially alter either the leased premise without the other parties express prior written consent.

IV. TERM AND RESERVATION OF LESSOR'S RIGHT TO TERMINATE

- (A) Lessee shall have the right to have and to hold, control, manage and administer the leased premises for transportation demand management center purposes for a term of twenty (20) years, with the first right to renew the lease for another twenty (20) year term for transportation demand management center purposes at the lease rate of the equivalent of \$1 per year based on a reliable governmental or other nonpartisan publication evaluating the purchasing power of money. Lessee must provide notice of its interest and desire to renew this lease at least 240 days in advance of the expiration of this lease. Lessor and Lessee may agree to revisions to the lease at the time of renewal.
- (B) All Federally funded improvements made on the leased property for which ownership has not previously transferred to Lessor prior to abandonment or expiration of this lease shall revert back to and become the property of Lessor at either abandonment or the expiration of the forty (40) year term of the lease(s).
- (C) Until ownership of any building or improvement transfers to Lessor, Lessee shall be responsible for any property, casualty or liability insurance for any

building or improvement and shall identify Lessor as an additional insured on any property insurance policy and if the premises, building or improvement are rendered untenable by fire or other casualty, Lessee shall immediately take action to ensure the safety of the site and within thirty (30) days present to Lessor a plan for repairing, rehabilitating or removing any unsafe or untenable condition.

- (D) Lessee agrees that the insurance proceeds from any insured loss with respect to any portion of any construction of the premises will be used to restore, rebuild, or clear the land unless otherwise indicated in writing by Lessor.
- (E) Lessor and Lessee shall be responsible for public liability insurance for personal injury including death in the amount of and Seven Hundred Fifty Thousand and no/100 dollars (\$750,000) for each occurrence with One million Five Hundred Thousand and no/100 dollars (\$1,500,000) umbrella coverage, and shall be named as additional insured on the respective policies. Lessor will add-on facilities to current insurance policy, invoicing annually Lessee for appropriate premium.

V. MAINTENANCE OF PREMISES:

- (A) Lessee agrees that it will keep the van storage and TDM center facilities in good repair and in a safe and healthy condition for public use of the property during the term of the lease and upon abandonment or termination of this lease will yield up the premises to Lessor in good condition and repair, ordinary wear excepted.
- (B) Lessor agrees that it will keep the park-n-ride facility in good repair and in a safe and healthy condition for public use of the property during the term of the lease. Lessor maintenance responsibility shall include ice and snow removal of the park-n-ride facility and keeping facility maintained and in good repair, ordinary wear excepted.

VI. PARKING:

Lessor and Lessee shall provide nonexclusive parking for the benefit of the general public to include University students and faculty, vanpoolers, carpoolers, Mountain Line riders and any other alternative transportation users. If the community, for example The Missoula Downtown Association, wishes to use the entire lot for non-conflicting special events they must request approval by providing all other parties written notice at least fifteen (15) days prior to the event.

VII. SIGNS AND ADVERTISING

All signs are to be in conformity with city and county of Missoula Sign Regulations. Lessor and Lessee will jointly be responsible for all informational signage, directing the public as to facilities and usage. Lessor and Lessee will jointly determine the development of any commercial advertising that directly supports or benefits the facility or service provided.

VIII. SUBLETTING OR ASSIGNMENT OF LEASE:

- (A) Parties shall neither sublet nor assign any of their respective interest or rights in this lease or the premises to any person, corporation or other entity for retail purposes without the written consent and approval of the other party.
- (B) Parties shall neither sublet nor assign any of their respective interest or rights in this lease or the premises to any person, corporation or other entity for park-n-ride purposes without the written consent and approval of the other party.

IX. COMPLIANCE WITH LAWS, REGULATIONS, AND RESTRICTIONS

Lessee shall comply with all laws, ordinances, orders, rules, and regulations (state, federal, municipal and other agencies, or bodies having any jurisdiction thereof) relating to the use, condition, or occupancy of the Leased Premises. Lessor and Lessee will comply with provisions of all appropriate federal laws, including Title VI and Title VII of the Civil Rights Act of 1964. Parties agree that the hiring of persons to perform work will be made on the basis of merit and qualifications without discrimination on the basis of race, religion, sex, age, creed, marital status, political belief, physical or developmental disabilities, or national origin. Lessee shall indemnify and save and hold Lessor harmless from Lessee's violation of any laws and ordinances. Lessee will operate a drug-free workplace.

X. LESSEE TO INDEMNIFY, HOLD HARMLESS AND DEFEND LESSOR

Lessee agrees to indemnify, hold harmless and defend Lessor against any and all actions, liabilities, judgments, costs, damages and expenses which may arise out of Lessee's use of the premises or which may accrue against, be charged to or recovered from Lessor by reason or on account of damage to the leased premises or operations conducted at the leased premises including acts of Lessee's agents, contractors and subcontractors. Any final judgments rendered against Lessor for any cause, which Lessee is liable with respect to the leased premises, shall be conclusive against Lessee as to Lessee liability and amount. All property of Lessee or stored on the Leased Premises shall be so kept or stored at the risk of Lessee, and Lessee shall hold Lessor harmless from any claims arising out of damage to the same, including subrogation claims by Lessee's insurance carrier.

XI. LESSEE RESPONSIBLE FOR ASSESSMENTS

Lessee and Lessor shall be equally responsible for paying any special improvement district street lighting, sidewalk or other special assessment assessed during the lease period

XII. LEASE PROVISIONS BINDING ON SUCCESSORS IN INTEREST.

Lessor and Lessee agree that the provisions and covenants of this lease shall be binding upon, apply and inure to any successors in interest or assigns of the respective parties.

XIII. TERMINATION OF LEASE PURSUANT TO LESSEE'S DEFAULT OR ABANDONMENT.

- (A) If Lessee ceases using the leased premises as a transportation demand management center, Lessor may deem Lessee's abandonment as Lessee's termination of this lease.
- (B) If Lessee otherwise desires to terminate this lease, Lessee may do so upon one hundred and twenty (120) days written notice to Lessor.
- (C) In the event of any breach of any provision, term, covenant or condition contained in this lease by Lessee, Lessor reserves the right to terminate this lease immediately upon giving notice by certified or registered mail to Lessee and Lessee's failure to correct the breach within thirty (30) days of the date of notice. Failure or neglect of Lessor to act upon any breach of one or more notices. Failure or neglect of Lessor to act upon any breach of one or more provisions, terms, covenants or conditions contained herein shall not constitute or be construed as a waiver of any subsequent breach of any kind by Lessee and Lessor reserves the right that it may act on any breach that occurs. Lessor may also terminate the lease if Lessor determines that there is a public need to use the premises for another purpose.

Lessor reserves the right to terminate this lease if Lessee is in default with respect to compliance with the provisions of this lease or Lessee abandons or voluntarily terminates its use of the premises or lease rights.

In the event of any Lessee breach of any provision, covenant, term or condition contained in this lease, Lessor shall have the right to terminate this lease immediately upon giving written notice to Lessee of the breach or default. Lessee shall have thirty (30) calendar days to cure or correct any breach or default of this lease agreement. However, failure or neglect of Lessee to timely correct its breach or default shall be grounds for termination of this lease.

Failure or neglect of Lessor to act upon any breach of one or more of the provisions, covenants, terms and conditions of this lease shall not constitute or be construed as a waiver of Lessor action on any subsequent breach of any kind of this lease by Lessee.

XIV. NOTICES

Whenever it is necessary for a party to provide notice to the other party, notices to the respective parties shall be mailed or personally delivered to the other party as follows:

LESSOR: Director, Office of Public Safety
Building 32, University of Montana
Missoula, MT 59812

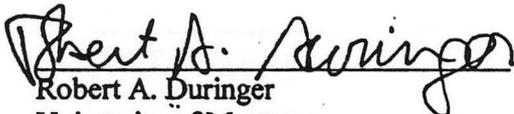
LESSEE: Director
Missoula Ravalli TMA
NHN Dornblaser Field
Missoula, MT 59801

XV. SEVERABILITY

It is Lessor and Lessee's intent that if for any reason a final court ruling invalidates any provision, covenant, term or condition of this lease, all remaining provisions, covenants, terms or conditions shall remain in full force and effect.

LESSOR:

LESSEE:


Robert A. Durringer
University of Montana


Bill Carey, Chair
Missoula Ravalli TMA

ATTEST:




Notary Public for the State of Montana
Residing in Missoula, Montana
My commission expires - 3/4/2012

The University of Montana-Missoula
 South Campus Parking & Trail Development
 Initial Project Budget

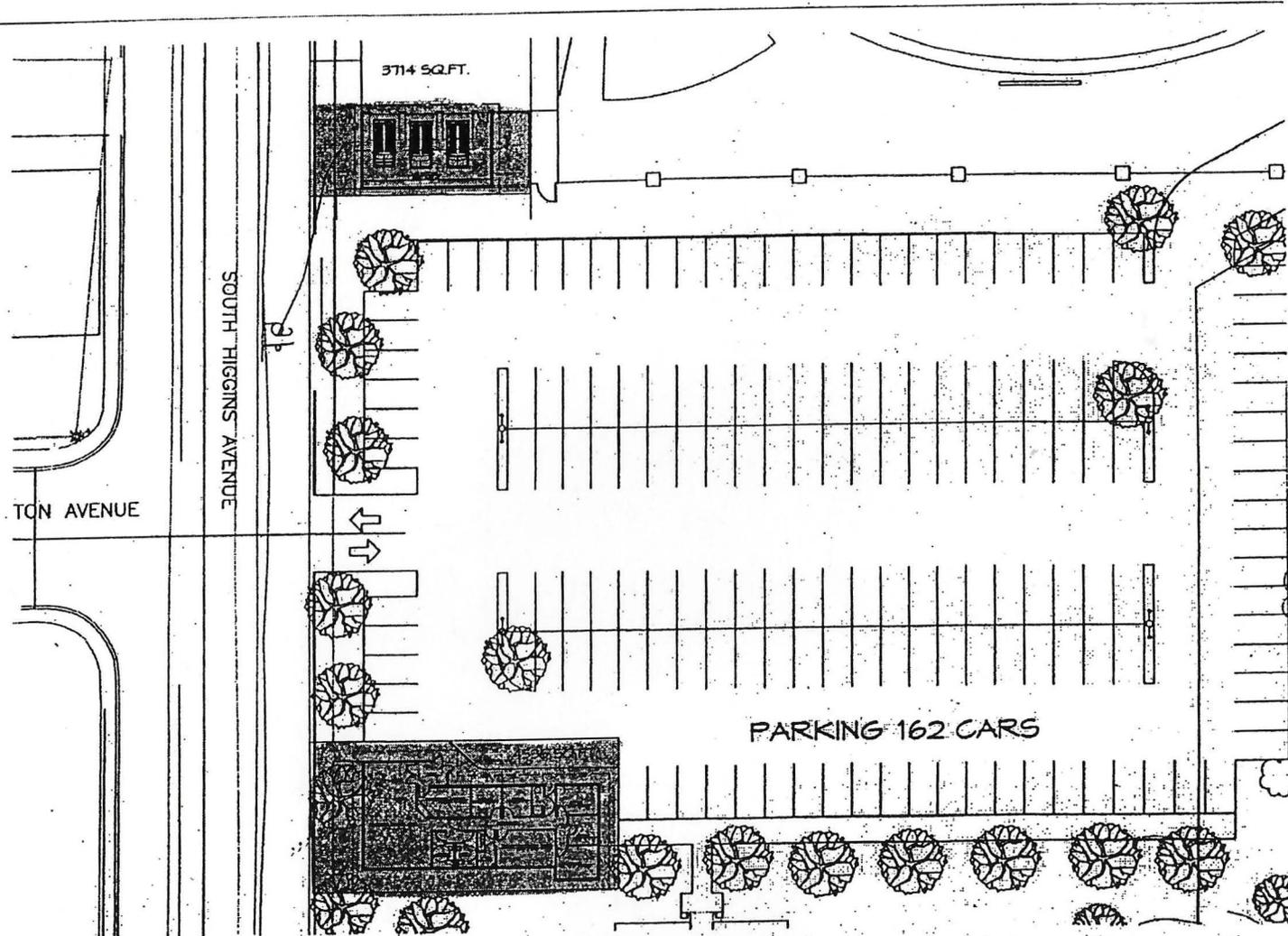
Funding

Funding Source			
MRTMA FUNDS		\$	450,000
CMAQ GRANT		\$	51,500
SID		\$	399,260
UM FUNDS		\$	167,611
Total Funding			\$1,068,371

Project Budget:

	Est.	Cont.	
MRTMA Office Building and Transfer Lobby	✓		\$ 444,617.32
MRTMA Garage	✓		Included above
Site Improvements not in SID	✓		\$ 38,061.13
Contingency (5%)	✓		\$24,134
Professional Fees	✓		\$30,000
Total MRTMA Construction Cost			\$536,812
Parking Lot (Upper & Lower) Improvements (SID)			
Improvements (280 cars)	✓		\$207,864
Bike Path	✓		\$16,410
Lighting	✓		\$60,000
Fencing - 500 lf	✓		\$4,250
Landscaping	✓		\$24,460
Misc Improvements	✓		\$5,000
Contingency (10%)	✓		\$31,298
Professional Fees (Dowling)			\$15,000
Professional Fees (WGM)	✓		\$34,978
Total Parking Construction Cost			\$399,260
South Trail Improvements	✓		\$6,192
Bridge	✓		\$42,295
EIS Professional Fees		✓	\$8,053
Professional Fees	✓		\$5,654
Contingency (5%)	✓		\$3,110
Other Estimated Cost	✓		\$2,500
Total South Trail & Bridge Improvements			\$67,803
North Trail Improvements Route A	✓		\$28,898
North Trail Improvements Route B	✓		in SID
Contingency (5%)	✓		\$1,445
Professional Fees	✓		\$3,034
Other Estimated Cost	✓		\$0
Total North Trail Improvements			\$33,378
Project Management (3%)	✓		\$31,118
TOTAL PROJECT COST			\$1,068,371

CMAQ language -



THE UNIVERSITY OF MONTANA SOUTH CAMPUS MAP
BUS TERMINAL PLAN

CPI INFLATION CALCULATOR

<https://www.in2013dollars.com/>

\$1 in 2004 is worth \$1.68 today

Value of \$1 from 2004 to 2025

\$1 in 2004 is equivalent in purchasing power to about \$1.68 today, an increase of \$0.68 over 21 years. The dollar had an average inflation rate of 2.51% per year between 2004 and today, producing a cumulative price increase of 68.17%.

This means that today's prices are 1.68 times as high as average prices since 2004, according to the Bureau of Labor Statistics consumer price index. A dollar today only buys 59.524% of what it could buy back then.

The inflation rate in 2004 was 2.66%. The current inflation rate compared to the end of last year is now 3.00%. If this number holds, \$1 today will be equivalent in buying power to \$1.03 next year. The [current inflation rate](#) page gives more detail on the latest inflation rates.

\$33⁶⁰