



**Missoula Urban Transportation District  
Board of Directors Meeting Minutes  
May 26, 2022**

*Approved June 23, 2022*

**Members Present**

Jesse Dodson, Chair  
Doug Odegaard, VC  
Don MacArthur, Secretary  
Andrea Davis, Treasurer  
Amy Cilimburg  
Sebastian Strauss  
Anna-Margaret Goldman

**Members Absent**

**Staff**

Corey Aldridge, General Manager  
Mary Hanson, Director of Finance  
Jennifer Sweten, Director of Ops.  
Shanti Johnson, Comm Outreach  
Colin Woodrow, Project Manager  
Dan Stone, Transit Planner  
Heather Halter, HR Manager  
Heidi Lutterman, Staff Accountant  
Ashley Rosas, Admin Asst

**Guests**

Jordan Hess, UM

**Call to Order and Roll Call**

Dodson called the meeting to order at 12:01 p.m. Roll call was taken.

**Changes or Additions to Agenda**

None

**Public Comment on Items Not on the Agenda**

None

**Discussion Items**

**General Manager's Report**

Sweten gave an update on Operations. A few staff members tested positive for Covid. The number of rider incident confrontations has decreased significantly since the mask mandate was dropped. Two active training classes are currently happening, with a total of nine students. The next class begins on June 27. The July 10 service expansion is on schedule to occur as planned. MUTD is hosting the TSI Supervisor training workshop this week in Missoula.

Hanson gave an update on Finance. Payroll is currently at 101 employees. Hanson has been working with union auditors to complete an audit spanning the past four years. Staff was asked to submit all budget requests for FY2023.

Johnson gave an update on Communications and Outreach. The spring shift engagement Campaign was a successful awareness campaign. May is biking month, with outreach occurring for bike and bus. Staff has been working on getting Grants and Applications off the ground and

submitted. Mountain Line is preparing to have two different apps go live; Transit App and a Via-associated app. The final route map and schedule for extended service will be printed this month, and post-cards will be sent out to the community.

Woodrow gave an update on Projects and Planning. There is progress happening with facility renovations. The end of May is the projected completion date. Electrical data, countertops, and minor touch-ups are the remaining parts of the renovation project. Procurements are progressing. Applications are nearly complete for Bus and Bus Facilities Grant and Low No Grant. Two funding sources are being applied for regarding the new facility project. A total of two projects and four applications are being submitted. Stone gave an update on the new applications being implemented at Mountain Line. The two new software systems being transitioned to are Clever Devices for fixed-route and Via for paratransit; both systems are live.

### **Disadvantaged Business Enterprise Plan**

Johnson provided an overview presentation of the 3-year prospects for the Disadvantaged Business Enterprise Plan.

### **Action Items**

#### **Minutes of April 28, 2022, and Minutes of May 11, 2022.**

Odegaard made a motion to approve the minutes of April 28, 2022, and May 11, 2022, seconded by Strauss. The motion carried unanimously.

#### **April 2022 Financial Statements**

Davis gave an overview of the April 2022 Financial Statements. The reserve accounts are fully funded based on the Board Reserve Policy. The Fleet Replacement Reserve is at the target level of seven years at \$3,673,316. The Facilities Capital Project Reserve is funded at the seven-year reserve of \$8,167,664. The Operating Reserve is funded at \$4,686,659,659. The Unrestricted Net Position is \$1,922,621.

The April 2022 financial statements show a change in net position after reserve contributions and capital reimbursement of \$2,459,857 compared to FY2021 of \$1,291,413. Operating Revenue is 7.28% less than the budgeted, and total expenses are 24.16% lower than budgeted.

Strauss made a motion for the Board to Approve the April 2022 Financial Statements, seconded by MacArthur. The motion carried unanimously.

#### **FFY2023 Medical Levy**

Hanson recommended holding a public hearing for the FY2023 MUTD Permissive Medical Levy public comments and Adopt Resolution 22-01 Adoption of the FY2023 Permissive Medical Levy. The Montana legislature designated the permissive medical levy to address the steep rise in health insurance costs that were threatening to eat up the general fund budgets of every municipality and county in the state. Using a permissive medical levy can meet those increases without diminishing the general fund.

MacArthur made a motion to adopt Resolution 22-01, the FY2023 Permissive Medical Levy, seconded by Goldman. The motion carried unanimously.

#### **Engine Replacement**

Sweten stated that bus #502 experienced a complete engine failure and needed to be replaced. The bus is a 2010 El Dorado low floor and is past its 12-year useful life. Because of lead times

for replacement, this bus is needed to guarantee proper fleet levels. The engine replacement is due to normal wear and tear and is expected due to the bus's age and mileage.

Goldman made a motion to approve the engine replacement for bus #502 not to exceed \$41,383 plus a 2% contingency, seconded by Odegaard. The motion carried unanimously.

### **Transfer Center Access Control**

Sweten said the facilities are currently secured using an unprotected lock and key system. This is problematic in that access to the facility has been open to not only MUTD but also all current and former leases and multiple departments within the city. Additionally, because the keys are not copy restricted, we have no idea who has valid keys. An RFID-controlled system will prevent unauthorized people from entering the building and give us a record of who enters and when.

MacArthur made a motion to Authorize the General Manager to sign a contract with PhotoScan Northwest of Missoula for \$47,200.00 plus a 5% contingency for the purchase and installation of an RFID-controlled Access System at the downtown transfer center, seconded by Strauss. The motion carried unanimously.

### **City and MUTD LOI for Parcel 7A**

Dodson stated that the MUTD has been working with the city to find land to build a new facility. The city has agreed to sell a portion of parcel 7A to MUTD. The portion is roughly 3.59 acres, and MUTD will pay full market value for the land. The sale is contingent on several factors, including MUTD being awarded a federal grant for construction and acquiring parcel 11.

Cilimburg made a motion to approve the authorization of the General Manager to sign a letter of intent for the purchase of a portion of parcel 7A from the City of Missoula, seconded by MacArthur. The motion carried unanimously.

### **ASUM / MUTD MOU**

Woodrow summarized that the MUTD and ASUM operate public transit services in Missoula, MT. Both need new transit operations facilities to meet future community transit needs. MUTD has engaged in a facility planning process in anticipation of these future needs and has involved ASUM as a collaborative partner in this planning process. MUTD is seeking funding for plans to construct a new facility in the coming years; ASUM desires to co-locate its transit operations within the facility. In order to build a joint operations facility, future agreements will be required. This MOU aims to define guiding principles and shared objectives for a potential future partnership agreement. While the primary goal of this effort is to meet the long-term facility and vehicle maintenance needs of both MUTD and ASUM. The parties also seek to identify and expand upon other opportunities for collaboration and partnership.

MacArthur made a motion to approve the A Memorandum of Understanding among the Missoula Urban Transportation District, The Associated Students of the University of Montana, and the University of Montana, seconded by Odegaard. The motion carried unanimously

### **FFY2023 Bus and Bus Facilities Grant Local Match Commitment**

Hanson explained that the local financial commitment by the MUTD will be used to secure financing for land acquisition, pre-construction costs, construction costs and/or other costs for a new facility. Since 2019, monthly contributions have been dedicated to a facility reserve to amass a down payment for a new facility. MUTD is applying for Bus and Bus Facility grant for a new facility project totaling \$50 million. This project will be comprised of an FTA grant for \$25 million, the \$10 million cash reserve, and a \$15 million TIFIA loan for a 35-year period.

Dodson made a motion to approve the motion for MUTD to commit up to \$10 million from our Facility Reserve to serve as a local match. The financial commitment will be used to secure financing for land acquisition, pre-construction costs, construction costs and/or other costs for a new facility, seconded by Odegaard. The motion carried unanimously.

**FFY2023 Low or No Emission Bus Grant Local Match Commitment**

Woodrow explained that on February 27, 2020, the board signed a Zero Tail Pipe Emission by 2035 resolution. This will result in the fleet being 89% emission-free upon delivery of these ten electric buses. The electric buses will help improve air quality and reduce emissions in the Missoula area, which is currently a federal non-attainment area for PM10 and a maintenance area for carbon monoxide.

Strauss made a motion to approve that the board of directors commit \$1,949,411 of fleet replacement reserves as a local match to federal grant awards to purchase ten electric buses and charging equipment, seconded by MacArthur. The motion carried unanimously.

**TIFIA Loan Capacity Concurrence**

Hanson said that the MUTD is applying for the Bus and Bus Facility grant to purchase land and construct a new facility, totaling \$50 million. This project could be potentially comprised of an FTA grant for \$25 million, a \$10 million cash reserve, and a \$15 million TIFIA loan for a 35-year period. Dodson suggested bringing a resolution to the board for approval at a future meeting.

MacArthur made a motion to approve that the board of directors concurs with the financial projections of MUTD's capacity to finance and supports the continued pursuit of a \$15 million TIFIA loan, seconded by Davis. The motion carried unanimously.

**Executive Session for Personnel Matter (1:32)**

**Adjournment**

The meeting adjourned at 2:04 p.m.

Submitted by Ashley Rosas