



**Missoula Urban Transportation District
Board of Directors Meeting Minutes
March 16, 2023**

APPROVED

Members Present

Jesse Dodson, Chair
Don MacArthur, Secretary
Andrea Davis, Treasurer
Sebastian Strauss
Jesse Dodson
Jason Wiener
Amy Cilimburg

Members Absent

Doug Odegaard
Colin Woodrow, Proj. Plan
Jennifer Sweten, Dir. Of Ops.
Heather Halter, HR Director
Mary Hanson, Finance Director

Staff

Corey Aldridge, General Manager
Dan Stone, Transit Planner
Olga Kreimer, Commc'n Spec.
Michele Erickson, Admin. Assist.
Vince Caristo, Proj Proc. Spec.
Heidi Lutterman, Acct. Mngr.

Guests

None

Call to Order and Roll Call

MacArthur called the meeting to order at 12:02 PM. Roll call was taken.

Changes or Additions to the Agenda

None

Public Comment on Items Not on the Agenda

None

Discussion Items

General Manager's Report (12:04 PM)

Aldridge provided the report to the board because many staff could not attend the meeting. Aldridge commenced by updating the board on the ongoing preparation of all staff for the triennial audit, which is scheduled to begin in April. Aldridge also informed the board that the agency is still working on the Bus and Bus Facilities grant due by April 15th. Kreimer will be reaching out to the community to obtain letters of support. The agency will request the same amount as last year, which is \$40 million, to match the \$10 million the agency plans to provide.

The agency is still waiting for FTA approval to begin negotiations on the land purchase price for the new MOAB project. Aldridge recently met with Senator Tester's staff in

Washington D.C., and they will be reaching out to the FTA on behalf of the agency to inquire about what is needed to move forward.

Staff are evaluating which buses to purchase with the 2022 Low-No Grant award. There is a concern about using the funds to purchase ten buses from one vendor. If there is a recall, the agency would be down ten buses, which would be a catastrophic issue for our fleet. Aldridge is exploring whether the agency should split the purchase with different bus manufacturers as MUTD has done in the past. Staff met with Gillig representatives to express concerns about this possibility, but they did not have an answer. Aldridge suggested that they consider these issues for small urban transit agencies transitioning to a more electric fleet. Strauss asked which of the three bus manufacturers had better-performing buses. Aldridge recognized the need for data and noted that Stone would be reviewing some of it later in the meeting.

Aldridge informed the board that the agency is still searching for a consultant to help Mountain Line procure ERP software. He anticipates having a request for proposals (RFP) ready for review in May or June. Phase II of the Bus Stop Improvement Project is just beginning. Poteet Construction will start with new signage on Route 4, which heads out to East Missoula/Bonner. The project completion is set to wrap up by the end of the year. The old bus wash has been removed in preparation for the new bus wash to be built. The bus lift in Maintenance is still at a standstill while deliberations continue for the best time to complete the work.

The MOAB's appraisal has expired, and the FTA requires a new one. There is some concern about the appraisal price being significantly different from the original. Woodrow reported to Aldridge that the Grant Creek Realignment is behind schedule but expects them to catch up and be finished by 2025 as anticipated. Last week, staff met with Missoula Electric Cooperative (MEC), CTE, and Cushing Terrell to discuss the agency's grid needs around the new site. The biggest concern is being able to guarantee an electric supply. An idea was put forth to split the electrical needs between MEC and Northwest Energy (NWE). However, it was determined to be cost-prohibitive. Staff will continue to look at all possible ways to provide a consistent and reliable electrical grid for the agency's fleet of electric buses. Cilimburg pointed out there may be some options for not being connected to both companies, like long storage batteries. Strauss also commented that MEC and NWE use the same electrical lines, so there may be no difference in going through two separate companies as opposed to going through NWE.

Aldridge introduced Olga Kreimer to the Board as our new Communications Specialist. MUTD is still recruiting for several positions. The agency has limited space already, so some workers will be going to a hybrid work schedule as much as possible.

The CBA (Collective Bargaining Agreement) with the Union expires in June 2023, so new negotiations will begin in April 2023. Once there is an agreeable draft of the CBA, it will be brought to the Board for final approval. The next new hire class will be on April 17th. There is still concern about the long wait time to get new drivers a DMV driving test

to acquire a CDL. Currently, it is taking 2-3 weeks before drivers can get an appointment to test.

Aldridge discussed the issues surrounding getting a stop out by the VA Clinic on Mary Jane Boulevard. There is currently a temporary stop, and the agency was hoping for some funding from the VA to help provide a more permanent solution. Aldridge reports the agency reached out to Senator Tester's office for support on the Federal level, and they seem more responsive. Strauss asked for an idea of how much it costs for a new shelter to be built. Aldridge responded that the shelters are around \$14,000, and with the concrete work and signage, it puts the stops at around \$50,000.

The RAISE Planning Grant for Brooks Street has an initial meeting between MRA and MUTD on April 7th. There will be an initial draft of the Midtown Master Plan out by mid-May for the public. Aldridge was in Washington D.C and had a chance to meet with Senator Tester and Senator Daines's offices. Aldridge was asked to testify at the Senate Banking Committee Meeting, but the number of people testifying was reduced so he did not end up testifying. Davis was curious about what part of the agency's work relates to the Senate Banking Committee. Aldridge explained that most of the interest was around the IJA (Infrastructure Investment and Jobs Act). Aldridge would have testified on how it has impacted Mountain Line and its electrification efforts.

Action Items

Minutes of February 23rd, 2023 (12:28 PM)

Cilimbung motioned to approve the minutes of February 23rd, 2023, seconded by Strauss. The motion carried unanimously.

February Financial Statements (12:29 PM)

Lutterman presented the February Financial Statements starting with the Statement of Net Position. Lutterman highlighted the total percentage change from FY2022 to FY2023 was a 20% increase. Lutterman then reviewed the Statement of Revenues, Expenses, and Changes in Net Position. She highlighted the Change in Net Position is down 95%. Operating Revenue compared to the budget was greater by 10.3%, and total expenses compared to the budget were less than 14.2%. Lutterman reviewed the expenses by department. Operations expenses were 8% less than the budget, Maintenance expenses were 27% less than the budget, and General and Administrative expenses were 26% less than budgeted. Overall, the agency is trending under budget. Although Maintenance is under budget overall, it is still over budget for increased fuel prices and increases in parts due to supply and demand. Strauss explained that large expenses will still come before year-end, such as the bus wash. Strauss anticipates that the agency will still end the year in a net positive position although not as favorable as the report illustrates. MacArthur requested an explanation of the Unrestricted Asset portion of the Statement of Net Position, Line 74, which says for FY 2022, there is - \$1,910,205, and FY 2023 has \$6,849,753. Strauss and Lutterman explained some of the entries in the statement do not accurately reflect the amount of money the agency has to spend. Any excess funds are allocated to a reserve account, typically the Operating Reserves. Strauss further explains that the Finance Committee will come to

the Board with any excess funds at the end of the fiscal year to approve the transfer of funds into an appropriate account.

Davis made a motion to approve the January Financial Statements. Strauss seconded the motion. The motion carried unanimously.

Petition for inclusion into the Transportation District for the Kona Ranch Road subdivision (12:47 PM)

Stone reviewed both petitions at the same time with the Board. Stone was able to provide a map for the Board to review. The Kona Ranch Road Subdivision is a five-lot subdivision. The Country Crest No.3, lot 17, subdivision has already been paying into the transportation district; however, there is no legal record of the subdivision being included in the district. Stone recommended that both subdivisions be included in the Transportation District. Davis asked for clarification on how taxes would be affected for those who live on these lots. Stone responded that the Kona Ranch Road Subdivision is still undeveloped. And the residents of Country Crest No. 3, Lot 17, have already been paying into the district, so there should be no change for them.

Cilimburg made a motion to approve Resolution 23-01 to expand the boundaries of the Transportation District to include the Kona Ranch Road subdivision. Wiener seconded the motion. The motion carried unanimously.

Petition for inclusion into the Transportation District for Country Crest No. 3, Lot 17 (12:55 PM)

Stone explained that although it is rare, there was an oversight somewhere and this lot is paying taxes into the district. This lot should be included officially in the Transportation District for good record keeping.

Cilimburg made a motion to approve Resolution 23-02 to expand the boundaries of the Transportation District to include Country Crest No. 3, Lot 17. Wiener seconded the motion. The motion carried unanimously.

On-Demand Transit Study Contract (12:58 PM)

Caristo gave a summary of what the study will encompass. The study would help identify whether on-demand transit services are appropriate for the area. Part of the study will include asking the chosen consultants to review five other areas comparable to Missoula, Montana, and how they have utilized on-demand transit. The study should also provide an operational outline for what transit could be, how it would work, and where it would fit best. The expectation is that the study's conceptualization would lead to implementation if the results were favorable. There will be a financial plan and a recommended set of performance measurements to evaluate and track the project. Proposals were due by February 23rd. The project needs to be completed by the end of the year, so the consultants will need to have the results back by September. The study aims to specifically explore areas not served directly by fixed route services or have a low frequency of service. The four areas the study will consider are Grant Creek, Target Ranch, Mullan Rd area, and Linda Vista area. The goals defined for the study are to assess the potential to:

- Increase geographic coverage
- Expand overall hours of service
- Increase ridership
- Improve customer satisfaction
- Increase productivity (cost per trip)
- Reduce greenhouse gas emissions

Caristo reviews three firms that reached out with bids: Nelson Nygaard, Via Mobility, and Liftango. The agency interviewed all three firms and believes Via Mobility has the best proposal. Via Mobility also came in under the expected budget with a bid for work of \$51,000. Strauss asked if Via is under budget, is there potential to increase the scope of work given there will be leftover funds. Caristo explained there had yet to be any discussion on how the leftover funds could be used by the end of the grant period. MacArthur asked if it would be possible to make a change order at the end of the project to request further work within the scope of the leftover funds. Caristo believes there is a possibility for that to happen. Aldridge clarifies for the Board, there are two restrictions surrounding the use of these funds. First, the money must be utilized by the end of the year, and second, the scope of work must be within micro transit.

Wiener pointed out there were no details in the agenda packet about the Via Mobility bid for work. Wiener would like to see the bids for work attached to the agenda packet for review. MacArthur asked Caristo why there was less information within the packet than usual. Caristo apologized for not having more specific details of the Via Mobility bid for work. Strauss brought up that the RFP was available to the Board, and it would be preferable to have the final bid for work available to review. MacArthur said there has not been a specific standard for what attachments or information is included for the board agenda items. MacArthur requested to have all contracts be attached in future board packets.

Wiener made a motion to authorize the General Manager to execute a contract with Via Mobility, LLC, to produce an On-Demand Transit Study, in the amount of \$51,000, plus a 3% contingency. Strauss seconded the motion. The motion carried unanimously.

2022/2023 Electric Bus Key Performance Indicator (KPI) Analysis (1:21 PM)

Stone began his presentation by going back to 2019, when the agency first received its six Proterra buses. During that time, energy usage was being tracked by Apex, which is Proterra's tracking system. The agency would combine the information from its smart charger and NWE bill data, to elicit fleet metrics. Now in 2023, the agency has 12 electric buses. Last year every electric bus was fitted with data loggers provided by Charge Point. A whole new platform now allows the agency to look at large ranges of data and includes all three electric bus types. Stone explained with the information provided by Charge Point, the agency's smart charger, and Northwestern Energy, the data can be viewed between the amount of energy it takes to keep the fleet moving versus the electricity it takes to run the building. Stone presented the three key performance indicators he researched: efficiency, environmental impact, and cost. Stone summarized the efficiency by fleet, with the New Flyer's being the most efficient at 1.94 kWh/mi., then Gillig with an efficiency of 2.09 kWh/mi., and lastly the Proterra's with 2.36 kWh/mi. Stone pointed out

that each bus manufacturer has different ways of warming the interior of their buses, so that the metrics may be slightly skewed. Stone then moved on to point out the average diesel equivalent of miles per gallon. The average diesel gets 3.9 miles per gallon compared to New Flyer at 19.7, Gillig at 18.2, and Proterra at 16.1.

Cilimburg asked if the Proterra's might be more efficient now since the metrics are based on the 2019 Proterra model. Stone agreed that the battery's age and overall technology would influence efficiency. Cilimburg just wanted to bring it up as something to look further into as the agency moves to purchase ten more electric buses. Strauss also wanted to be sure the agency is paying attention to how each company heats the interior of their buses. Stone responded that Proterra has one battery that runs the whole bus, including heating the interior. The Gilligs have an auxiliary diesel heater. The New Flyer has two separate batteries, one for running the bus and one for running the interior temperature.

Jesse Dodson left the meeting at 1:33 PM.

MacArthur asked if the buses on the routes which need to go uphill throughout the day were less efficient. Stone responded that there is sound logic to that idea, but the metrics did not consider specific routes. The buses are assigned routes at random. Strauss expressed a need to find out some of the reasons for the outliers in the Efficiency by Temperature chart. Strauss pointed out that New Flyer during 0° temperatures had some results scattered around the 1.5 kWh/mi., but also a couple of results in and around 3 – 3.5 kWh/mi. Strauss was curious if this might be due to the route driven or even possibly how well the bus is being driven by operators. Stone replied that there are a lot of variables that were not taken into consideration; however, it could be something they account for in the future.

Stone moved on to environmental statistics. Since June of 2022, the agency has avoided 51,910 gallons of diesel fuel being used. Carbon dioxide avoided equals 582 tons, equivalent to pulling 115 cars off the road for a year.

Stone also presented the cost aspect to the agency for electricity usage to keep the fleet charged and the demand charges set by Northwestern Energy, which makes up 54% of the cost. Stone recommended a smart charging system to help the agency reduce the cost of demand charges. CTE consultants advised Stone that it could be possible to reduce the peak demand to 400kW. Stone also broke out the cost of electricity between the building and the buses and the percentage amount of the monthly cost. On average, the electric fleet accounts for 85.7% of the monthly energy costs. Stone also reviewed; on average the demand charges account for 50-70% of the total cost of those monthly charges. Stone summarized that the next steps would be to set up the framework for a quarterly report and establish how to utilize that data. Stone brought up the possibility of a web platform accessible to the public with possible real-time updates.

Cilimburg comments that once the agency has a year's worth of data it would be great to revisit these metrics. She also supports the idea of a data dashboard but would want to be cautious of how the data is presented. MacArthur agreed and remarked that this was

a good opportunity for Marketing and Communications to create a message to the community about the positive effect of the agency's electric fleet.

The meeting adjourned at 2:04 PM.
Submitted by Michele Erickson