



**Missoula Urban Transportation District
Board of Directors Meeting Minutes
May 25, 2023**

DRAFT

Members Present

Jesse Dodson, Vice-Chair
Don MacArthur, Chair
Sebastian Strauss, Treas.
Andrea Davis
Jesse Dodson
Josey Hazelton-Boyle
Amy Cilimburg

Members Absent

Jason Wiener

Staff

Corey Aldridge, General
Manager
Dan Stone, Transit Planner
Olga Kreimer, Comms Spec.
Michele Erickson, Admin. Assist.
Jasmine Blumenbach, Payroll
Stephane Gariepy, Ops. Manager
Colin Woodrow, Plan. & Proc. Mgr.
Mary Hanson, Finance Dir.
Heather Halter, HR Mgr.
Vince Caristo, Procurement Spec.

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

The General Manager's Report will be moved to the end of the meeting. Due to the closed session, it may be eliminated from the agenda this month.

Public Comment on Items Not on the Agenda

None

Action Items

Minutes of April 20, 2023 (12:05 PM)

Minor changes were requested to the minutes. Heidi Lutterman's name needs to be removed from the attendance list.

Cilimburg motioned to approve the minutes of April 20, 2023, with those amendments, seconded by Strauss. The motion carried unanimously.

April Financial Statements (12:06 PM)

Strauss presented the April financial statements, advising that little has changed since the last board meeting. The agency is still under budget overall. Tax revenue is currently ahead of budget, but it could end up very differently by the end of the year. Strauss explained that if the agency receives the estimated additional \$3 million from tax revenue, the overall expectation is to end the year with a surplus. However, a portion of the surplus is unexpectedly high investment income which should not be relied upon for budgeting since it is unusual and unpredictable.

Davis made a motion to approve the April financial statements. Cilimburg seconded the motion. The motion carried unanimously.

FY2024 Permissive Medical Levy (12:09 PM)

MacArthur opened the public hearing for public comments.

Hanson reviewed the permissive medical levy that was designated by the Montana legislature to address the steep rise in health insurance costs threatening to eat up the general fund budgets of every municipality and county in the state. The permissive medical levy helps defray the increased rate costs. The permissive medical levy revenues are calculated using the form developed by the Montana Department of Administration in 2006. The agency is budgeting for 121 employees, 30 more than last year. This levy is in addition to the property tax mill levy. Permissive medical levy revenues will be reflected in the FY2024 budget to cover the additional cost of providing medical insurance for employees. The amount is calculated at \$569,835.

MacArthur closed the public hearing for public comments.

Strauss made a motion to adopt Resolution 23-04 FY2024 Permissive Medical Levy with the amended language in the first sentence to read, "WHEREAS, The Missoula Urban Transportation District has deliberated on necessary mill levy of property taxes." The words, "Fiscal Year 2024 budget and" will be removed. Davis seconded the motion. The motion carried unanimously.

Finance Policy (12:17 PM)

Hanson reported that MUTD 2023 triennial auditors requested additions to the current financial policy. Three changes have been added to the policy as follows:

- Increasing the fixed assets threshold from \$1,000 to \$5,000 and a useful life longer than one year to capitalize assets
- Safeguarding grant fund procedures
- Define allowable expense costs to grant funds

Strauss asked that the sentence on page 23, under Fixed Assets be updated to read, ". . . if the cost is greater than \$5,000." He also wanted to know who the procurement manager would be. Aldridge replied that the agency has a procurement specialist, Vince Caristo. Lastly, Strauss wanted to point out that the proforma should come before the budget for budget decision-making.

Strauss made a motion to adopt the updated MUTD finance policy with one change to the fixed assets section of “is greater than \$5,000.” Cilimburg seconded the motion. The motion carried unanimously.

Records Retention Policy (12:22 PM)

Aldridge stated that historically, MUTD had utilized its own records retention schedule. A formal records retention policy is now necessary. Research revealed that the State of Montana published a records retention schedule specific to transit, listed as Schedule No. 8. The language for this policy was based on the City of Missoula’s policy.

Aldridge and staff recommend that the board adopt the language of the Schedule No. 8 Records Retention Policy into MUTD’s record retention policy. There was concern about whether the agency is ready to comply immediately once the policy is adopted. Aldridge confirmed that the agency would be compliant upon adopting the retention policy.

Dan Stone left the meeting at 12:30 PM.

Strauss wondered if there was a need for storing the paper documents off site. He also asked for clarification about which officers will be accountable for the retention policy. The records manager will be the executive assistant, a role that is currently vacant. The department heads are the designated record coordinators.

Cilimburg made a motion to adopt the MUTD Records Retention Policy. Hazelton-Boyle seconded the motion. The motion carried unanimously.

Agency Safety Plan (12:40 PM)

Gariepy presented the MAP-21 and the FAST Act requiring all 5307 public transit agencies to draft and adopt a public transportation agency safety plan (PTASP) based on the FTA Safety Management System (SMS) Framework. Effective July 19, 2019, Regulation 49 CFR 673 requires all agencies to certify that a safety plan, meeting all the requirements, is in place by July 20, 2020. Though small agencies like MUTD can request to be a part of the state DOT plan, MUTD has chosen to draft its own policy. In addition to those regulations, the FTA recently published a series of new requirements regarding infectious diseases and appropriate response procedures that have been added to the existing PTASP. The amended document is included for review and approval by the board. The specific amendments can be found on page 7 of the document. The specific language was updated to:

The following hazards must be reported as soon as practical:

- Environmental hazards
- Unsafe policies, practices, or procedures
- Unsafe equipment
- Exposure or potential exposures to infectious diseases

You may use the following methods:

- Report to a supervisor using radio, phone, or in person
- Use the safety concern box at the dispatch window
- Email safety@mountainline.com

- Trackit system

Strauss made a motion to approve the 2023 Public Transportation Agency Safety Plan. Cilimburg seconded the motion. The motion carried unanimously.

ERP Consultant (12:43 PM)

Caristo advised the board that MUTD administrative staff struggle with inadequate or non-existent software to support essential agency functions in finance, human resources, procurement, and operations. Staff has prioritized improving business systems with software tools over the next several years to improve efficiency, accuracy, and well-being. In 2022, the effort began with a broad internal assessment of pain points relating to manual business processes and software deficiencies. Following this review, staff conducted preliminary research on Enterprise Resource Planning (ERP) software systems and discovered a highly complex and customized international marketplace. After reaching out to transit agencies that have recently gone through a similar process, the overwhelming recommendation was to hire an ERP consultant who can provide expert technical support for a project of this magnitude. Staff obtained detailed proposals from three firms to assist in scoping ERP software system specifications, conducting a competitive solicitation, and evaluating proposals from ERP software vendors. In each case, proposals included a business system process review to clarify specific software needs and functionality. The price proposals were in a close range, from \$69,925 to \$79,872, indicating that the requested scope of services was clear to the potential vendors. Staff conducted more than five interviews during the evaluation. Panorama Consulting was selected as the consultant of choice because the firm has extensive experience in both government and private sectors. Panorama will be able to deliver the project in conjunction with MUTD staff over the next six to twelve months. As discussed at MUTD's March 8, 2023, Planning Committee meeting, the contract authorization is part of a larger effort to improve business processes.

Dan Stone returned to the meeting via Teams at 1:00 PM.

MacArthur expressed concern for a consulting firm to provide the agency with an RFQ because a software update will likely lead directly to needing more people to manage it. Caristo advocated for the need to get assistance with acquiring new software. Hazelton-Boyle asked if it was possible to evaluate the return on investment of acquiring new software. Caristo replied that the assessment aims to be more qualitative than quantitative. Strauss felt it was important to find a way to track the return on investment for the implementation of new software. Caristo explained that staff time and capacity efficiencies would be a part of the assessment to some degree.

Strauss made a motion to authorize the general manager to execute a contract with Panorama Consulting Group of Denver, Colorado, for ERP software consulting services in the amount not to exceed \$79,600. Cilimburg seconded the motion. The motion carried unanimously.

Purchase of Ten 35-Foot Gillig Battery Electric Buses (1:27 PM)

Woodrow reminded the board that in August 2022, MUTD was awarded a \$10,909,127 grant from FTA's Low or No Emission Grant program to purchase ten battery electric buses and associated infrastructure. Following the completion of this grant, MUTD will have twenty-six battery-electric buses in service, representing over ninety percent of the fixed-route fleet. MUTD currently operates seventeen Gillig buses, thirteen diesel, and four battery electrics, so the agency has significant experience operating and maintaining this OEM fleet. Gillig is one of the largest bus manufacturers in the country. The bus configurations will match the existing fleet as closely as possible with an increased energy storage system comprising seven battery packs for 686 KWh total capacity. Notable options include a 12-year/500,000-mile exterior-structural warranty, a 6-year/300,000-mile energy storage system warranty, and a 3-year/100,000-mile traction motor warranty. This procurement utilizes a state purchasing contract dated May 5, 2023, from the state of Washington contract that was solicited this month. Staff review of the procurement documentation concluded that it meets all FTA requirements.

Cilimburg made a motion to approve the purchase of ten 35-foot low-floor battery electric buses from Gillig for a total contract price of \$12,229,140, plus a one percent contingency (\$12,351,431.40). Hazelton-Boyle seconded the motion. The motion carried unanimously.

The meeting went into a closed session at 1:39 p.m.

The meeting adjourned at 2:24 p.m.

Reviewed by Darlene Craven

Submitted by Michele Erickson