



**Missoula Urban Transportation District
Planning Committee Meeting Minutes
April 10, 2024**

APPROVED

MEMBERS PRESENT

Sebastian Strauss
Sam Oliver
Jason Wiener
Jesse Dodson
Don MacArthur

MEMBERS ABSENT

Amy Cilimburg
Dr. Josephine Hazelton-Boyle

STAFF

Corey Aldridge, Gen. Mgr.
Colin Woodrow, Dir. P3
Jen Sweten, Dir. Operations
Darlene Craven, Exec. Asst.
Spencer Starke, Assoc. Planner
Dan Stone, Transit Analyst
Olga Kreimer, Comms. Specialist
Frank Kuhl, Contracts Specialist

Guests

Thomas Wittman, Nelson\Nygaard
Kyle Taniguchi, Nelson\Nygaard

Call to Order and Roll Call

MacArthur called the meeting to order at 11:04 a.m., roll call was taken and the guests introduced themselves.

Changes or Additions to the Agenda

Item 5.2, the ridership survey review, will be postponed to a future meeting.

Public Comment on Items Not on the Agenda

None

Action Items

4.1 Minutes of February 14, 2024 – Strauss motioned to approve the minutes, Dodson seconded, and the motion carried.

Discussion Items

5.1 Strategic Plan Update – Starke advised that Wittman and Taniguchi will present an update on the strategic plan and lay out the next steps in the process. Wittman said the overview will help lay a foundation for mobility in Missoula going forward. He complimented MUTD on its success in leveraging federal funding successfully. The strategic planning process has been ongoing since the beginning of January working on the first phase trying to understand local context. Outreach is phase two and phase three will present the results to the public for feedback. The final plan should be ready by early 2025.

Growth and the challenges it brings are the biggest elements of Missoula's current status and represent added stressors to existing systems and roadways. There is a mismatch between housing prices that have doubled since 2017 and the average wage. The data shows that there is a correlation between where the riders are and higher need areas.

Getting around Missoula is problematic due to many areas missing sidewalks, which are the first pathway to transit. Downtown and the mall are strong building blocks for future service proposals. Wittman stated that a majority of MUTD's 346 bus stops do not have amenities. He questioned whether adding amenities would make riding more comfortable.

Taniguchi said a historical trends analysis revealed that MUTD service has been in the 45,000 to 50,00 revenue hour range, with a small dip in 2020. The number of revenue hours jumped in 2023 due to service improvements. These numbers indicate a strong foundation for expanding the network based on continuing community support. Ridership over the last ten years peaked in 2019 and it currently stands at seventy percent of 2019 ridership levels.

High ridership numbers align with the high-frequency service on routes 1, 2 and 6 and comprise sixty-one percent of ridership.

11:16 – Aaron Wilson joined the meeting.

Wiener asked what the transit propensity map looked like in 2019 and how much of the change since then could be attributed to socio-economic factors versus episodic changes caused by the pandemic. Wittman replied it was difficult to pinpoint whether the cause was skyrocketing housing costs or a shift in where low-income folks lived. Six different factors were aggregated to create the density map, including a 5-year data set. Wiener wanted to understand the methodology to use going forward and suggested publishing the information in a table. Wittman said because the transit propensity focuses on what is going on now, it is hard to predict future socioeconomic trends.

MacArthur said the board needs to know if service modulation to fit different contexts as Missoula grows is necessary. Another question is how MUTD can partner in creating different housing units, not just serve current demands. The board is interested in transit-oriented development. Since MUTD is financially very strong, the challenge is using the funds to serve the community's best interest. MUTD needs to anticipate how and where to use its resources wisely.

Strauss asked if Nelson\Nygaard would incorporate results from other ridership surveys. Wittman replied all the other outreach efforts will be leveraged as more context will yield better solutions. Building on what the community thinks will lead to success. Strauss asked what the control was for gauging propensity. Wittman replied that the propensity map suggests whether there is a greater or lower probability of using the service. Converting actual riders requires mass plus propensity.

MacArthur pointed out that the propensity map doesn't show population density. Wittman responded there is a separate population density map that will help project where population densities will grow in the future. MacArthur pointed out that because the perimeter of the city is growing, one of the biggest elements of the strategic plan will be designing service for the expanding population growth path.

Woodrow pointed out that the Metropolitan Planning Organization (MPO) has a statistically valid survey that will be used.

MacArthur stated that the strategic plan needed to be bold in providing the best options for yielding the best results. Strauss suggested that a potential expansion include late-night service to accommodate shift workers. Wittman responded that the plan would consider using smaller, flexible vehicles for the later service.

Wilson pointed out that Mountain Line's next moves could depend on what is happening with the MPO's overall growth policy update. He said the potential expansion at the Wye area and out west on Mullan Road would require MUTD to participate in broader transportation planning.

MacArthur said the pedestrian amenity is part of the overall transit system and Mountain Line may be able to assist in building sidewalks in neighborhoods to get better service. Wittman observed that if service can't be safely accessed, it won't be used.

5.3 Mountain Line Tax District Management – Stone summarized the current taxing district situation: MUTD has little to no control over which properties are included in the transportation district and which developments are not. Consequently, the taxing district is fragmented and discontinuous and there is no means of filling the gaps. This causes two issues – lost revenue potentially \$1 to \$2 million range and unfair proportion of properties not paying into the district that impacts service planning resulting in subsidized areas outside the district.

Under Montana state law, urban transportation districts can be expanded in two ways: a property owner petitions to have their property added to a transportation district, or 20% of electors within a subject area petition to be added to a transportation district and an election is held in which electors within that area vote on whether to be added to the UTD. MUTD relies on property owner petitions to expand district boundaries which are typically submitted as conditions of city annexation or subdivision approval. This method results in discontinuous, ad hoc additions to the district, and MUTD is dependent on City and County processes to manage how the taxing district expands.

Fixing MUTD district boundaries through a petition and voter referendum is unlikely to succeed. Without clear incentives, property owners are unlikely to vote to raise their property taxes. Aldridge pointed out that if the messaging is about fairness, it could be successful. Stone brought up a third option that requires dissolving the existing taxing district and creating a new one. Fifty-one percent of the voters would have to approve it and thirty thousand signatures would have to be collected. This method would involve significant time, money, sensitive public relations messaging and could be legally murky.

MacArthur observed that the map shows many parcels that will be in the taxing district such as the neighborhoods on Mullan Road once they subdivide. Strauss repeated his request to evaluate who in the taxing district doesn't receive service and who gets service outside the taxing district. MacArthur stated Mountain Line's policy is that it's fair to tax anyone in the planning area since MUTD provides planning services. Wiener asked to see non-MUTD properties and asked whether they would be brought into the district based on the requirement to opt into the district. Stone responded that the requirement had not been written into the subdivision checklist for a twenty-year period and capturing properties retroactively has been difficult. Starke said this issue could be discussed with the city as part of the code reform process. MacArthur said the challenge will be getting property owners in the planning boundary to become part of the taxing district.

A fourth option would be to revise state laws that limit how a transportation district gets tax funds. A statewide transit coalition to support legislative changes would have to be formed, the issue would have a protracted timeline of three or more years, and the costs would be substantial.

Success would not be guaranteed. MacArthur pointed out that the risk in legislative action is getting less money than needed to effect the change. Stone asked for the board's input on changing any part of the taxing district expansion process.

Sweten mentioned that the Montana Department of Transportation is working to save rural transportation providers. There is no state law providing for regional transit authorities. MacArthur said though Miller Creek has a need for transit services given the high-density buildout, though much of Miller Creek is not in the district so service is minimal. If areas in the district want improved service, they should be willing to pay as part of the district. Stone said on-demand should be tested. MacArthur said servicing Miller Creek will require getting those property owners into the district. He said MUTD should apply incremental approaches to add more properties piecemeal using the standard option two (petition/vote/approval) method for targeted areas. Wiener observed that involved more risk and more discussion with the city and county is necessary. Woodrow pointed out that the board will have to decide on a direct services plan as part of strategic planning. MacArthur suggested crafting a policy stating that property owners in the planning area should be required to petition into the district to get transit service. Woodrow suggested that the June board meeting would be timely for establishing the policy.

5.4 Low-No Grant Application – Woodrow said the staff recommends a commitment from the board to apply for a \$1,703,310 grant for fleet replacement to purchase six battery-electric buses for fixed-route service, eight battery-electric paratransit vehicles, the accompanying charging infrastructure, and workforce development. Unlike past Low-No applications these vehicles include paratransit and for fixed-route will not be replacement vehicles as MUTD is not getting a one-to-one replacement ratio for diesel buses. There is still a use case for a winter schedule that requires daytime charging. The overall goal is to get to one hundred percent battery electric operations without cutting service back. Sweten added that supply chain issues continue to negatively impact diesel bus operations. The new buses would be an insurance policy for when buses are retired without replacement. Woodrow pointed out that typically this grant application would not be brought before the board, but the large amount and use of fleet reserves warrants the board's approval and anchors the application. MacArthur said MUTD's goal is to provide reliable, robust service in all conditions, even though the battery-electric buses run off a power source that may not be clean energy. Aldridge said the battery-electric technology is still in the pioneer phase but that shouldn't stop MUTD from pushing further into its transition plan. Woodrow noted that the goal of zero tailpipe emissions is being targeted here, but further opportunities to make use of renewable energy as the source could go even further. MacArthur asked if there was future matching. Woodrow said the match ratio is eighty percent to twenty percent. He specified the totals as: \$11,337,100, including a \$9,633,790 grant and a local match of \$1.7 million. The fleet reserve is \$6.2 million. Based on the two previous awards, the fourteen electric buses on order and the trolley, the reserve will be depleted below the targeted \$3.7 million threshold. The earliest payments would be made in about eighteen months and stretch out as far as three to four years, all dependent on manufacturing and delivery timelines. MacArthur approved submitting the grant application.

CEO/GM Search – MacArthur asked if any search firm proposals had been received. Aldridge said five firms had submitted proposals. MacArthur asked the staff to schedule a board meeting to discuss the hiring process and retain a search firm. A subcommittee will be established to manage the process.

Adjournment

1:01 p.m. – MacArthur adjourned the meeting.
Submitted by Darlene Craven