



**Missoula Urban Transportation District
Board of Directors Meeting Minutes
July 25, 2024**

APPROVED

MEMBERS PRESENT

Jason Wiener
Jesse Dodson
Sebastian Strauss
Amy Cilimburg
Sam Oliver

MEMBERS ABSENT

Don MacArthur

STAFF PRESENT

Jen Sweten
Colin Woodrow
Allison Segal
Heather Halter
Olga Kreimer
Darlene Craven
Garin Wally
Frank Kuhl

Guests

Travis Mateer, Journalist
Bill VanCanagan, Attorney
Chris Anderson, DJ&A
Jay Parker, DJ&A
Ronald Reekes, Wendel
Lindsay Brownschidle, Wendel
Jeana Stright, Wendel

1.0 Call to Order and Roll Call

12:04 p.m. – Cilimburg called the meeting to order and asked for a roll call.

2.0 Changes or Additions to the Agenda

None.

3.0 Public Comment on Items Not on the Agenda Cillimburg asked the guests to introduce themselves. Mateer requested that benches be placed at more bus stops because the leaning bus benches are dangerous and unfriendly.

12:08 p.m. – Mateer left the meeting.

4.0 Action Items

4.1 Land Acquisition Overview – Dodson introduced Bill VanCanagan, the attorney at Datsopoulos McDonald & Lind who had been assisting with the purchase negotiations, Jay Parker, an expert with FTA approvals and Chris Anderson, principal at DJ&A, the engineering firm. He said the board subcommittee working on the land acquisition had reached agreement with the landowners, Prolo Family Clovis, LLC, and was now submitting purchase and shared infrastructure agreements for the full board's approval. The 18.5-acre property, located just south

of Whippoorwill Drive along Broadway is vacant land that needs to be removed from the floodplain before infrastructure can be placed.

Dodson gave a brief historical overview of the land acquisition process that took longer than anticipated due to a lengthy environmental approval process and difficult negotiations with the landowners.

Woodrow further explained that the acquisition also required Federal Transportation Administration (FTA) compliance and approval that also extended the purchase process. Other contributing factors included land ownership changes, appraisal discrepancies and pricing. Wiener asked what the purchase funding source was. Woodrow confirmed that the \$39.1 million award funding is available for building the maintenance, operations, administration building (MOAB) once MUTD purchases the land. An 80/20 funding split with local match funding has been set aside as well. The reserve funds are now approximately \$12 million. Dodson added that the reserve will be used for purchasing the land and building the infrastructure while the grant funds will be used to build the facility. Woodrow said the reserve fund also will pay for the architecture and engineering and pre-construction services.

Dodson asked what the infrastructure placement will cost. Anderson responded that the cost is projected to be around \$7 million. Cilimburg mentioned that she and MacArthur wanted to purchase property nearer to town to minimize the deadhead trips but those potential properties were not viable.

Dodson described the purchase and sale agreement as representing MUTD's offer to buy the land with a small earnest money payment and very few contingencies. The most critical element is a conditional letter of map revision (CLOMR) confirming that Grant Creek has been realigned to remove the property from the floodplain. That work will be done by the City of Missoula and should be completed within four to six months. Woodrow added that the public works department anticipated putting out the work to bid in October, choosing a contractor in November and establishing a timeline for issuing the CLOMR. Once the seller creates a separate parcel by commissioning a new subdivision-exempt survey, MUTD can close on the land. Dodson explained that the shared infrastructure agreement makes MUTD responsible for developing utilities that serve its property without depending on the landowners. Nor will a subdivision review process that could take years be necessary. The fixed split between the landowners and MUTD for sharing the infrastructure provides for reimbursing MUTD 58 percent of the actual costs to build the utilities. While the reimbursement factor was an important piece of the agreement and MUTD will have lien rights to collect on the infrastructure costs, it was not a major part of the expenditure. He noted that any purchaser of the other parcels will be obligated to pay a share of the infrastructure costs, but the timing remains unknown. The shared infrastructure agreement will be recorded in the public records.

Woodrow added that while the FTA has supported MUTD's efforts to purchase land and has been subtly pressuring MUTD to move on this site. Two conditions for closing are the CLOMR and FTA approval.

Wiener asked for confirmation that the sale is not contingent on the infrastructure's construction. Woodrow confirmed. Wiener then asked about the planned loan under the Transportation Infrastructure Finance and Innovation Act (TIFIA). Woodrow confirmed that MUTD's plan has always been to borrow TIFIA funds for the project based on the board's approval and the \$15 million amount has been a part of the pro forma since then. Loan repayment is required to start within five years of a project's substantial completion and can be paid back over a 48-year period.

Wiener asked what would happen if MUTD had to sell the land after the infrastructure was installed. Dodson responded the agreement specifically addressed cost sharing. Anderson explained that infrastructure is part of a subdivision's turn key value. If the infrastructure does not get built, MUTD would not owe the balance because the property would not hold its value without the infrastructure. Wiener asked what the cost of 42 percent of the shared infrastructure cost would be. Anderson replied it would be approximately \$3.5 million. MUTD will get value from the property with the infrastructure but it would cost more if the landowners performed the work and then sold the parcel to MUTD.

Cilimburg pointed out that the timing was right to get this done. Woodrow confirmed that the schedule allowed for the board to be involved to ensure successful pre-construction. Oliver noted it appeared the staff has done ample due diligence in covering the contingencies. Woodrow said the city's funding timeline matches MUTD's schedule.

Dodson thanked Woodrow's for his efforts on the project. He moved to approve the \$4.5 million purchase and shared infrastructure agreements for purchasing and improving the 18.5 acres owned by Prolo Family Clovis, LLC to build a new MOAB. Cilimburg seconded the motion and it passed unanimously.

12:52 p.m. – The guests left the meeting.

4.2 Construction Manager at Risk Pre-Construction Services Contract with Quality Construction Totaling \$27,000 – Woodrow explained that the board chose a construction manager at risk rather than design build because the FTA preferred that method. It is a better way to value engineer projects and control costs for getting the building MUTD needs and wants. The \$27,000 was for pre-construction services only and an amendment to this agreement will provide for construction and project fees. Oliver mentioned that Quality Construction's fees were considerably lower than the other applicants. Wiener moved to approve the construction manager at risk pre-construction services contract with Quality Construction totaling \$27,000. Dodson seconded the motion and it passed unanimously.

4.3 CEO/General Manager Hiring Decision Report – Wiener reported that after conducting a national search, the board chose Jordan Hess as the chief executive officer/general manager. He thanked Sweten for her services as interim general manager. Hess is a former member of the MUTD Board of Directors and most recently served as the interim mayor of Missoula.

4.4 June 27, 2024, Board of Directors Meeting Minutes – Dodson moved to approve the minutes, Wiener seconded and the motion carried.

4.5 May 2024 Financials – Wiener said there was no recommendation to approve the financials because there was not a quorum at the finance committee meeting. He added that there will be some year-end adjustments but the financial situation has maintained a consistent trend. Based on the discussion about the reserve fund at the finance committee meeting though, the finance committee will make recommendations for the June financials.

1:06 p.m. – Strauss joined the meeting.

5.0 Discussion Items

5.2 General Manager Report

Communications – Kreimer said priority items resulting from the marketing audit report are being implemented, including identifying a website partner. Upcoming events include Bike and Bus to the Fair Day on August 9 and sponsoring Family Roots Fest during Labor Day weekend. MUTD is also sponsoring the Climate and Clean Energy Expo on September 28. Strategic planning outreach continues and an open house is planned for mid-September. MUTD partnered with the Clark Fork Coalition to promote Route 4 as a great alternative for floaters. A promotion highlighting MUTD reaching 55% electric buses is also being planned. The paratransit materials also are being updated.

5.1 MOAB 15% Design Update with Wendel – Brownschidle said the 15 percent design was completed on July 18. Wendel will meet with Quality Construction, the construction manager at risk (CMAR) on August 20 to kick off the 30 percent design phase. Once MUTD has closed on the property, a survey and geotechnical designs will begin. Brownschidle reviewed the designs resulting from the comprehensive design meeting conducted with the full board and staff in June. Priorities for the design include energy efficiency, sustainability and natural elements. The current footprint calls for two separate buildings connected by a canopy that will eventually become one building. The first story will be the work hub while the second story provides staff amenities for all the divisions.

Wiener asked if MUTD will be subject to the city's parking requirements. Woodrow said the full parking count has not been addressed yet but the city's code reform should address that count eventually. Stright emphasized that minimizing views of parking lots played a role in the landscape design.

Strauss asked if a geotechnical investigation would result in a lower seismic design category to potentially reduce construction costs. Stright said the shear walls would only slightly impact the overall project costs but because Missoula is in a high hazard zone, the building must be built to comply with the high seismic category. Strauss requested an answer to the shear wall issue by the 30 percent design because of potential tradeoffs that will have to be made.

1:45 p.m. – Reekes, Brownschidle and Stright left the meeting.

Administrative Services – Sweten said the summer safety gathering had a great turnout with fifty staff and families in attendance. John Roseboom, the shop foreman, celebrated thirty years at MUTD. IT interviews have started and the maintenance contract was close to final. The staff has been working on standard operating procedures across all divisions to facilitate training new employees. There was an opening for a technician and one of the long-term road supervisors is retiring. Two dispatching supervisors were promoted to road supervisors.

Finance – The FY 24-5307 award has been closed out and year end payroll, incentives and longevity pay was completed.

Projects/Planning/Procurement/IT – Woodrow said the charge management should launch next week. The Naloxone machine has been installed and loaded. Efforts to bring the communications messaging in house continue, potentially saving MUTD around \$45,000 annually and the new screens should be installed and operational by the end of September. The search continues for a new IT staff member.

Woodrow said the in-person meeting with Nelson\Nygaard in July helped to cement changes in the short-term network and modeling to prepare for the future in a revenue-controlled manner.

N\N will come back in the fall to review potential scenarios and models. Strategic planning continues as does the long-range transportation plan. The bus stop master plan has been completed and preparations for the next one are under way. The stop inventory revealed additional warranty work that needs to be completed. Four scenarios for the Brooks RAISE project, based on a southern terminus, are under review. Still in question is whether the buses will run on the side or the center of the road. The Montana Department of Transportation will have to approve the project based on its preference for how the buses will run.

Two petitions for annexation into the district and one petition requesting removal will be presented at the August board meeting. The removal petition is under a 60-day deadline to approve or reject so the timing is crucial.

Operations/Maintenance – Sweten said the agency is preparing for delivery of four new buses which will be driven from California to Montana within the next few weeks.

Due to relocation, Dodson proffered his resignation as a member of the board of directors. In gratitude for his service, Cilimburg presented him with a mountain lion statue.

2:00 p.m. – The meeting was adjourned.