



**Missoula Urban Transportation District
Board of Directors Meeting Minutes
September 26, 2024**

APPROVED

MEMBERS PRESENT

Jason Wiener
Lisa Sheppard
Sebastian Strauss
Amy Cilimburg
Sam Oliver
Don MacArthur

MEMBERS ABSENT

STAFF PRESENT

Jordan Hess
Jennifer Sweten
Colin Woodrow
Heather Halter
Allison Segal
Darlene Craven
Allison Segal
Frank Kuhl
Olga Kreimer

Guests

Eva Rocke
Ronald Reekes, Wendel Companies
Alex Russell, Cushing Terrell
Bill Craig, Cushing Terrell

1.0 Call to Order and Roll Call

12:02 p.m. – MacArthur 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

None.

4.0 Discussion Items/Reports/Comments

Hess said that procurement staff finalized the documents for purchase of a new service truck that is in the FY2025 budget after the board agenda was released. The board may need to hold a special meeting approving the purchase.

4.1 General Manager Report – Hess said he was continuing to integrate into the agency and appreciated the staff’s support. He has met with most of the administration and operations staff and attended numerous meetings with community stakeholders.

Operations/Maintenance – Sweten reported that the new buses are close to being commissioned. Supply chain issues require the agency to get rid of older buses that cannot be

repaired. The lifts are back in service. The City of Missoula requested the items MUTD has been storing on its property be removed so a storage unit has been secured. Many street projects have required detours on short notice.

Sweten presented at a zero-emission bus industry conference on data use in transitioning to an electric fleet. Two new dispatchers have started training. The agency is working with the Zero Emission Bus Resource Alliance to host a zero-emission bus event in Missoula in spring 2025. MUTD provided transportation touring city officials and nonprofit housing developers from twelve similar communities. MUTD participated in an annual law enforcement training and two operators competed in the Montana State Bus Rodeo.

Communications/Marketing – Kreimer announced that a pre-bid meeting for the marketing communications contract RFP was held, and proposals are due on October 15. The October planning committee meeting will focus on proposed communications plans. The agency participated in Family Roots Fest and will be at the Climate and Clean Energy Expo as well as the University of Montana Homecoming parade.

Once the new buses are commissioned, public outreach will focus on reaching a 55 percent electric fleet milestone. Communicating upcoming potential changes to specific bus routes and the benefits will be a priority in the coming months. Strategic planning continues with phase two outreach efforts.

Wiener asked how public messaging will change based on a recent media article that discussed potential route changes without context. Kreimer said proactively communicating with the article's author to ensure the correct and full details are provided should avoid future confusion. Hess suggested writing a guest column to set the narrative for public engagement would be helpful.

Administrative Services – Halter reported that the FTA accepted the corrected Equal Employment Opportunity Commission (EEOC) plan and goals. Another operator training class is scheduled for October. Six new drivers are in training now and twelve new employees between the three divisions have started within the last two months. She will be attending the Montana Arbitration Conference in Butte in October. The timekeeping initiative will be launched companywide on September 29.

Finance – Segal and Blumenbach attended a Montana Department of Transportation financial conference recently. Blumenbach reconciled the FY2024 payroll liabilities. Segal is reviewing requirements for the Transportation Infrastructure Finance and Innovation Act (TIFIA) loan the agency will apply for to offset new facility building costs.

MacArthur asked for confirmation that the TIFIA loan is in planning stages. Woodrow said while the process is not arduous, it is necessary to know what funds are available and how much will be needed as the new facility project is right sized. Segal added that the letter of intent will define loan costs and long-term financial impacts.

Strauss asked why the agency is starting the timekeeping now and asked if it is a legal requirement. Halter responded that it had been put on hold while the agency was investigating a new system that was not procured so the current system will be used. When the staff is working and how much they are working will ensure correct and accurate compensation.

Projects/Planning/Procurement/IT – Woodrow reported that the thirty percent design on the new facility will be complete in early December and presented at the December planning

committee meeting. Because of the long lead times, the staff will be compiling equipment procurement and purchase plans for the sixty percent design completion. A power charging strategy meeting with Wendell Companies, Cushing Terrell and the Center for Transportation and the Environment will be held to discuss charging infrastructure. The staff is working on the automatic passenger count (APC) certification which has experienced some software issues. The new chargers have been installed which will help reach the goal of one-to-one port to vehicle charging once they are commissioned. The staff has made some progress on a power purchase agreement and a data management plan.

Woodrow said a special board meeting to decide on preferred route change alternatives would be scheduled for late October with a final draft for public engagement set for November. The goal for a final strategic plan is late February to mid-March 2025.

A scope amendment to the Brooks RAISE project to compare running configurations has been completed. A completed presentation will be presented at the December planning committee meeting. Strauss tried out the new Madison, Wisconsin bus rapid transit (BRT) system and talked to a couple of operators who were unsure as to whether BRT is faster than regular bus routes.

4.2 Transfer Center Status and Needed Investments – Hess said recent developments at the transfer center warranted requesting direction from the board. The new Gillig buses are taller than the older models and run the risk of colliding with the boarding island canopy should there be any snow and ice buildup. The most cost-effective solution is to raise the canopy. Since this renovation is not in the budget, the board would have to authorize using facility reserve funds to pay for it. Woodrow added that the agency would run the project in house and obtain the necessary contractors for completing the work.

The Golden York's lease at the transfer center expires in June 2025. The owner requested vacating the lease at the end of 2024. Having the space open early allows MUTD to optimize it by adding new restroom facilities, a customer service desk and work stations. The other option is to house a social service provider for supporting the transfer center clientele. MacArthur said the building will never be a good building and questioned how much to invest in meeting temporary needs. Hess said the bare minimum of work will be done to get it functional. MacArthur recommended retaining an architect and an engineer. Hess said a final proposal will be presented to the board later.

5.1 August 22, 2024, Board of Directors Meeting Minutes – Wiener moved to approve the minutes as revised, Cilimburg seconded, and the motion passed unanimously.

5.2 July 25, 2024, Financial Statements – Strauss said the expenses are 23 percent below budget because the staff level is not up to what was budgeted, and some budgeted items have not yet been purchase. In addition, the county has not supplied current financial reporting. He motioned to approve the financial statements as presented, Oliver seconded, and the motion carried unanimously.

5.3 Vice Chair Appointment – MacArthur nominated Strauss to be vice chair and the third member of the executive committee, Oliver seconded the motion, and the motion carried unanimously.

5.4 Golden York Lease Termination – Woodrow explained that the restaurant would give a 90-day notice to vacate the premises at the transfer center, potentially as early as December 2024. The financial impact of early termination is minimal. Wiener said it would be expedient to

coordinate the departure/renovation commencement with as little downtime as possible. Cilimburg motioned to approve the early termination request, Oliver seconded, and the motion carried unanimously.

5.5 Geothermal Feasibility Study Contract – Kuhl explained that Cushing Terrell recommended that two test wells be drilled to provide information on subsurface groundwater and geology. Aquifer testing, hydrologic oversight and material sample collection will also be performed. Woodrow introduced Ron Reekes from Wendel, and Alex Russell and Bill Craig from Cushing Terrell. MacArthur asked why the study was necessary as it was feasible to install large geothermal buildings without test wells given the knowledge about the area's aquifer. Craig responded that there is little knowledge about high-yield wells in the Grant Creek floodplain where the new facility will be built. He recommended the tests to determine the potential yield needed for a full buildout. Russell added that without a test well, water levels for supporting a future buildout are unknown. MacArthur asked if the test wells would hold any value in the final project. Russell answered that the test wells function as an indicator of subsurface conditions and potential water yield needed for supporting open-source geothermal production as part of the net zero building design. Using the wells for irrigation could be a future possibility. Craig added the point of the wells is to determine if the groundwater supply supports a geothermal heat exchange. Russell added that open-source geothermal exchange could potentially eliminate the need for a traditional heating/cooling plant in the new facility design. If a geothermal system can be installed, the building costs would be lower.

MacArthur pointed out that keeping the larger goals in mind while maintaining service is important and that could slowly erode with each new test. Cilimburg added that energy systems are expensive but renewable energy is a desired goal. Russell said the initial expenses of using free cooling groundwater through a heat exchanger are initially costly to set up but this is the least expensive first cost option.

MacArthur expressed his concern that the test wells could never be used for production and the information they will provide is only marginally useful for geothermal feasibility during phase one so the upfront cash going to this exploratory work would be better spent elsewhere. Reekes said the test wells would provide the data to compile a cost comparison.

Cilimburg also commented that according to the 2022 Inflation Reduction Act, geothermal design and testing as should be eligible for thirty percent "elective pay" to reduce this cost and the agency should plan to prepare this application. She motioned to approve the test well contract and Strauss seconded it. MacArthur stressed that the agency's goal is to deliver transit, not build a green facility.

The motion passed three votes to two, with MacArthur and Wiener dissenting.

5.6 Bus #109 Disposal – Sweten explained that Bus #109 had been parted out to keep other buses running and it is now reduced to scrap iron. Wiener motioned to approve the disposal request, Cilimburg seconded it, and the motion carried unanimously.

2:10 p.m. – The meeting adjourned.



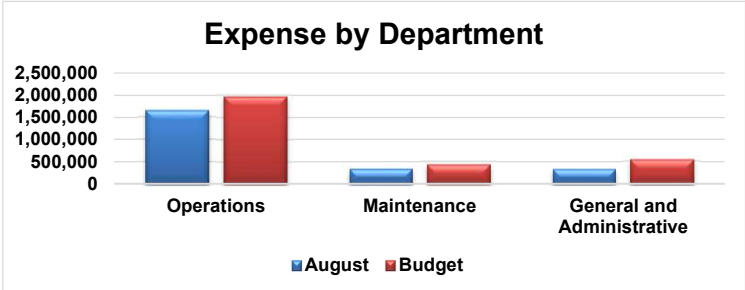
To: Board of Directors
From: Allison, Segal, Finance Manager
Meeting Date: October 24 ,2024

Agenda Item: August Financial Statements

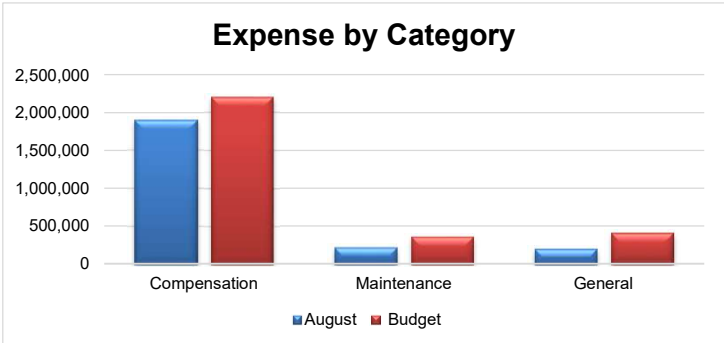
Recommendation: Accept the August Financial Statements.

Attachments
1. August Financial Statements

**Missoula Urban Transportation District
August 2024**



Operations expenses are 17% less than budget. Maintenance expenses are 25% less than budget. General & Administrative expenses are 39% less than budget.



Compensation is 14% less than budget. Maintenance is 38% less than budget. General is 51% less than budget.

Statement of Net Position	FY2025 August	FY2024 August	Percentage Change
Facility Capital Reserve	13,000,000	12,000,000	8%
Fleet Replacement Reserve	6,500,000	6,478,843	0%
Operations Reserve	6,845,117	5,000,000	37%
Current Net Position	3,344,285	1,459,737	129%
Total Net Position	45,792,094	42,656,307	7%

Statement of Revenues, Expenses & Changes in Net Position	FY2025 August	FY2024 August	Percentage Change
Net Position Before Reserves & Capital Reimbursement	-2,085,377	-1,845,637	13%
Reserve Contributions	0	0	#DIV/0!
Federal Capital Contributions	-521,256	13,671	-3913%
Change in Net Position	-2,606,633	-1,831,966	42%
Operating Revenue compared to Budget		Lesser by	-41.13%
Total Expenses compared to Budget		Lesser by	-21.97%

	A	C	D	E	F
1	Missoula Urban Transportation District				
2	Statements of Net Position				
3	August Fiscal Years 2025 and 2024				
4					
5					
6			FY 2025		FY 2024
7	ASSETS				
8					
9	Current Assets:				
10	Cash - Missoula County Treasurer		3,166,170		2,852,369
11	Cash - Other		120,582		126,508
12	Facilities Capital Projects		13,000,000		12,000,000
13	Fleet Replacement Reserve		6,500,000		6,478,843
14	Operating Reserves		6,845,117		5,000,000
15	Accounts Receivable		-		-
16	Accounts Receivable - Property Taxes		403,679		294,738
17	Prepaid Expenses		233,481		429,082
18	Right-to-Use Leased Asset		93,324		-
19					
20	Total Current Assets		30,362,352		27,181,540
21					
22	Inventory:				
23	Fuel & Lubricant		19,438		29,396
24	Materials & Supplies		348,400		293,506
25	Tires & Tubes		24,368		31,432
26					
27	Total Inventory		392,207		354,334
28					
29	Capital Assets at Cost:				
30	Buildings		7,703,145		7,154,059
31	Equipment - Fixed Route Transportation		20,510,493		21,089,426
32	Equipment - Paratransit Transportation		1,485,985		1,039,851
33	Equipment - Shop		219,418		219,754
34	Furniture & Fixtures		464,305		777,815
35	Land		80,909		80,909
36	Planning Projects		1,040,246		1,335,862
37	Projects in Process		6,038,171		69,960
38					
39					
40	Total Capital Assets at Cost		37,542,672		31,767,637
41	Less: Accumulated Depreciation		(16,034,523)		(15,363,041)
42	Less: Accumulated Amortization		(26,442)		-
43					
44	Net Capital Assets		21,481,706		16,404,596
45					
46					
47	Total Assets		52,236,265		43,940,470
48					
49					
50	LIABILITIES				
51					
52	Current Liabilities:				
53	Accounts Payable		5,217,305		138,941
54	Warrants Payable		162,312		264,067
55	Accrued Salaries & Wages		212,636		167,860
56	Short-Term Lease Liability		17,880		-
57	Deferred Revenue		-		-
58					
59	Current Liabilities		5,610,132		570,868
60					
61	Noncurrent Liabilities:				
62	Post Employment Benefit		303,873		245,529
63	Vacation & Sick Leave		478,143		467,766
64	Long-Term Lease Liability		52,024		-
65					
66	Total Noncurrent Liabilities		834,040		713,295
67					
68	Total Liabilities		6,444,172		1,284,163
69					
70	NET POSITION				
71					
72	Net Position:				
73	Invest in Capital Assets		21,508,148		16,404,596
74	Facilities Capital Projects		13,000,000		12,000,000
75	Fleet Replacement Reserve		6,500,000		6,478,843
76	Operating Reserves		6,845,117		5,000,000
77	Unrestricted		(4,943,161)		1,313,131
78	Pass Through Grants		(462,296)		-
79	Net Position Current Year		3,344,285		1,459,737
80					
81					
82	Total Net Position		45,792,094		42,656,307
83					
84					
85	Total Liabilities & Net Position		52,236,265		43,940,470

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Missoula Urban Transportation District
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended June 30, 2025 and 2024

		2 Mo Ending August 2024	YTD Budget	Variance	Annual Budget	Variance Actual vs YTD Budget	2 Mo Ending August 2023	YTD Budget	Annual Budget	Variance Actual vs YTD Budget
1	REVENUE									
2	Total Property Taxes	172,078	226,974	-54,896	12,822,145	-24.19%	206,742	214,836	11,439,997	-3.77%
3	Total Federal Operating Assistance	0	0	0	3,750,664		41,292	0	3,804,131	
4	Total State Operating Assistance	0	0	0	479,476		0	0	100,000	
5	Total Other Revenue	57,093	162,339	-105,246	1,018,997	-64.83%	150,915	19,474	156,848	674.95%
6	Total Revenue	229,171	389,313	-160,142	18,071,282	-41.13%	398,949	234,310	15,500,976	70.27%
7	EXPENSES									
8	Fixed Route Operations									
9	Total Compensation	996,282	1,096,731	-100,449	6,580,408	-9.16%	932,908	1,015,498	6,092,981	-8.13%
10	Total General	101,022	95,288	5,734	572,228	6.02%	81,183	85,350	512,101	-4.88%
11	Total Maintenance	120,271	207,310	-87,039	1,208,960	-41.98%	111,062	175,759	1,054,551	-36.81%
12	Total Fixed Route Operations	1,217,575	1,399,329	-181,754	8,361,596	-12.99%	1,125,153	1,276,606	7,659,633	-11.86%
13	Paratransit Operations									
14	Total Compensation	367,171	460,477	-93,306	2,762,835	-20.26%	339,261	394,629	2,367,775	-14.03%
15	Total General	8,081	7,720	361	46,320	4.67%	5,775	6,011	36,066	-3.92%
16	Total Maintenance	37,525	43,300	-5,775	259,800	-13.34%	38,140	32,092	192,552	18.85%
17	Total Paratransit Operations	412,777	511,497	-98,720	3,068,955	-19.30%	383,177	432,733	2,596,393	-11.45%
23	Fixed Route Maintenance									
24	Total Compensation	184,150	224,809	-40,660	1,348,857	-18.09%	185,316	184,607	1,107,645	0.38%
25	Total General	1,150	2,106	-956	44,436	-45.37%	838	5,126	30,757	-83.66%
26	Total Maintenance	34,442	71,930	-37,488	601,915	-52.12%	53,930	66,448	398,690	-18.84%
27	Total Fixed Route Maintenance	219,742	298,845	-79,103	1,995,208	-26.47%	240,084	256,181	1,537,092	-6.28%
28	Paratransit Maintenance									
29	Total Compensation	62,650	78,140	-15,490	468,842	-19.82%	66,326	63,293	379,758	4.79%
30	Total Maintenance	13,477	10,370	3,107	62,220	29.96%	12,900	10,260	61,570	25.73%
31	Total Paratransit Maintenance	76,127	88,510	-12,384	531,062	-13.99%	79,226	73,553	441,328	7.71%
32	Maintenance Facilities									
33	Total Compensation	6,646	8,561	-1,915	51,364	-22.37%	6,808	6,853	41,118	-0.65%
34	Total General	19,480	26,000	-6,520	157,000	-25.08%	23,483	23,833	143,000	-1.47%
35	Total Maintenance	12,022	21,070	-9,048	145,780	-42.94%	19,778	57,000	342,000	-65.30%
36	Total Maintenance Facilities	38,147	55,631	-17,483	354,144	-31.43%	50,070	87,686	526,118	-42.90%
37	Total Transfer Center Operations	19,371	68,200	-48,829	164,950	-71.60%	14,613	46,250	277,500	-68.40%
38	Administration									
39	Total Compensation	278,462	336,652	-58,190	2,018,512	-17.29%	275,699	265,275	1,601,652	3.93%
40	Total Travel and Meetings	2,020	15,840	-13,820	82,290	-87.25%	12,456	12,683	76,100	-1.79%
41	Total Professional Services	17,466	102,700	-85,234	250,050	-82.99%	3,368	45,917	275,500	-92.66%
42	Total General	32,860	89,164	-56,304	545,184	-63.15%	60,741	77,908	467,649	-22.04%
43	Total Administration	330,808	544,356	-213,548	2,896,036	-39.23%	352,264	401,784	2,420,901	-12.33%
43	Total Expenses	2,314,548	2,966,369	-651,820	17,371,950	-21.97%	2,244,586	2,574,792	15,458,965	-12.82%