



**Missoula Urban Transportation District
Board of Directors Special Meeting Minutes
October 21, 2024**

APPROVED

MEMBERS PRESENT

Don MacArthur
Jason Wiener
Sam Oliver
Amy Cilimburg
Sebastian Strauss

MEMBERS ABSENT

Lisa Sheppard
Eva Roche

STAFF PRESENT

Jordan Hess
Colin Woodrow
Spencer Starke
Olga Kreimer

Guests

Thomas Wittmann, Nelson\Nygaard
Kyle Taniguchi, Nelson\Nygaard

1.0 Call to Order and Roll Call

12:04 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

4.1 Strategic Planning Working Session – Starke explained the purpose of the meeting to solicit feedback from the board regarding proposed service change scenarios developed as part of the ongoing strategic planning process.

Wittmann stated the strategic planning, in coordination with the Missoula Metropolitan Organization, is being developed to determine capital investment strategies and improve short-term and long-term regional transportation based on fiscal limitations. The goal is to establish a path that aligns with the board's goals and community values.

The focus has been on placing transit services in areas with the highest propensity to use transit or where the highest need populations are. The service expansion in 2022 was a good way to set up future improvements. MacArthur observed that many agencies had rebounded to pre-COVID levels without adding service. Both Woodrow and Wittman confirmed that most of the agencies with rebounding rider numbers had expanded service. Wittman pointed out that even though the

pandemic changed travel patterns, some of the existing routes continue to be historically strong. And Route 4 is experiencing overloads due to expansion in East Missoula. Route 12's ridership has not rebounded since the pandemic. Focusing on making speed and reliability improvements by matching demand with service levels would be a major step.

One of the key financial takeaways is the limited ability to expand services in the short term. As development along Mullan Road corridor continues, added property tax revenue will dictate when MUTD can launch limited service. Wiener asked how much that would cost. Wittmann replied \$250,000 for one bus on one route. MacArthur asked if the extra tax revenue would support two buses on 30-minute headways. Woodrow said that operating costs, wages and vehicle purchases offset that revenue gain. MacArthur said if it was a choice between delivering more service or adding more buses, then the budget would need to be cut somewhere. Delivering the right level of service all the time every time while staying budget conscious should be the highest priority. Cilimbung added that there has to be a balance between spending the money because it is there and delivering pollution-free service.

Hess suggested that the board discuss the level of property tax proceeds from the Mullan Road developing areas is needed to deploy a new route. Wiener said Missoula is always going to grow and the resources should go to where they are growing. MacArthur said MUTD's vision is to put service where it most benefits the community and the Mullan Road area is where it should go next but expansion should not be tied to property tax projections. Hess noted there is a positive correlation between property taxes and a built environment that supports transit. Wiener pointed out that the total tax revenue has more than doubled due to the additional mill levy that could be eliminated when the legislature revises property tax laws. MacArthur said exceeding service delivery expectations by using the additional tax revenue has to be balanced against marshalling the funds for the long term. Strauss said deciding how to spend money between expanding service and providing for future needs is always a tradeoff. The question then becomes how to provide more service given the agency's space constraints. MacArthur said service should not be cut to implement on demand.

Based on the outreach, Wittmann said, a couple of key points came to light. Expanding service to Mullan Road was a great idea and on-demand service was not a popular option, likely because the public does not have a clear understanding of how it works. The challenge becomes growing ridership in areas the public supports and setting up future service based on development, coverage and frequency.

The first short-term alternative is cost neutral while using available buses and expanding into the Mullan Road area. The second is restructuring some routes to include on demand in areas to provide more riding flexibility and reduce duplication. Strauss noted that decreasing service on an underperforming route could lead to its demise. Wittman said the tradeoff is investing in an area that could generate more ridership. Other suggested changes rerouted a line into a new area while reducing direct service to the university and adding direct service to downtown on another route. MacArthur said this was the right move as the realignment improved performance. Strauss asked if the university bus system would be able to fill gaps caused by the realignment. Hess responded that duplicative services would not be an issue.

Wittmann said some of the route restructuring was set up in anticipation of the BRT to improve speed and reliability. Based on the restructuring, seven hours could potentially be reinvested to increase frequency and supplement service elsewhere.

Wiener asked if a couple of the routes were duplicated due to connectivity issues. Starke responded said roundabouts on the route choked up during the morning commute. Wittman added the problem is solvable. The Roseburg redevelopment site on North Reserve represents a huge opportunity to work traffic engineers on slow roundabout times. Starke and Wittmann pointed out that the Scott Street roundabout construction on north Scott Street will cause delays and detours.

Wittmann advised that a pilot on-demand service going to the Linda Vista and Target Range areas would allow MUTD to test the service on a limited basis. The initial investment would be around \$250,000 for a year-long test run and would not delete or take a way from other routes. And the commitment is minimal if the program does not work. MacArthur pointed out that eliminating on demand after launching the test could alienate riders. Finding the funds through creative rebudgeting without finding new money would be optimal. Cilimburg asked if the increased tax revenue would support an on-demand pilot program. Starke responded that it is difficult to project tax revenues but the program is reasonable. Wittmann confirmed it would cost approximately \$125,000 to deliver a one-vehicle, one-year, on-demand pilot program in response to MacArthur's question about finite costs. Woodrow explained that laying the foundation by creating thorough messaging will help create reasonable expectations for the program.

Strauss said he supports the on-demand pilot program and the budget surplus could be used to fund it but community feedback is a valid concern and requires a substantial public relations effort to educate and inform the public on how on-demand works and why it is beneficial.

Wittmann explained that the long-term alternative focused on high-frequency corridors and growth areas such as the Sawmill District, Mullan Road and East Missoula. Based on a new south terminus, routes would be extended and a new line along Russell would be added. On demand would replace a couple of fixed routes as well.

Frequency enhancements on core routes during the weekend that will increase ridership represent immediate opportunities. Strauss asked if the alternatives depicted a cost unconstrained scenario. Wittmann replied that if implemented, they would increase operating costs by fifty percent.

MacArthur asked when this plan would be presented to the community. Woodrow responded that would happen in January and it would be presented to the board for adoption in either January or February 2025. MacArthur asked when and how the plan would be introduced to community stakeholders. Starke answered that MUTD will hold those meetings in November and a public virtual meeting would be held in December. Any board feedback would be needed before the November planning committee meeting.

MacArthur asked how the short-term vision embodied livability without a vehicle. Wittmann said adding frequency on a couple of routes would be a quick and visible response to the livability goal with minimal impact on operational costs. Cilimburg said knowing the potential for adding to the district is essential in making a decision. MacArthur said if the on-demand plan costs \$125,000 to implement, it should be put into the budget. Strauss asked how long starting on demand would take to launch. Woodrow responded that it would take nine to twelve months.

Strauss requested adding the service expansion funding implications to the October finance committee agenda. He also asked for information about extending service to accommodate late-night and shift workers downtown. Wittmann mentioned that on-demand service was a good option for those workers.

Hess said he will work with the local news the recent to reframe the recent publicity focusing on the route changes and empty buses as an opportunity for rebalancing taxpayer resources. MacArthur suggested involving board members in working with the media to portray the agency more positively. Hess said he would reach out to the publisher of the local paper to have a candid conversation. MacArthur said the message should be that MUTD is acting responsibly for the community and meeting its goals.

Wiener said the short-term vision is an explanation of how to offer more service in the long term with resources available. The agency needs to be involved with future road planning where it would be potentially deploying new service. Hess said he had a positive conversation with the new Montana Department of Transportation director in that regard.

MacArthur asked for a prioritized list of options and costs for each segment of the proposed alternatives that would be presented to the public. Woodrow said that would be presented at the November board meeting. Strauss requested that list for review at the finance committee meeting as well.

2:07 p.m. – MacArthur adjourned the meeting.