



**Missoula Urban Transportation District
Board of Directors Meeting Minutes
December 19, 2024**

APPROVED

MEMBERS PRESENT

Don MacArthur
Eva Rocke
Sam Oliver
Sebastian Strauss
Jason Wiener
Amy Cilimburg

MEMBERS ABSENT

Lisa Sheppard

STAFF PRESENT

Jordan Hess
Colin Woodrow
Allison Segal
Olga Kreimer
Heather Halter
Jen Sweten
Garin Wally
Allison Segal
Jason Blodgett
Frank Kuhl

1.0 Call to Order and Roll Call

12:01 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 General Manager's Report – Hess advised that the tentative agenda for the upcoming board retreat would cover new facility scenarios, service expansion and protecting core organizational health with relevant financial overlays for the different scenarios.

Administrative Services/Human Resources/Finance – Halter said that the agency would be fully staffed once the training class starts in January 2025. Maintenance contract negotiations are ongoing and the final contract should be ready for approval at the January board meeting. Communication & Management Services will conduct a compensation analysis in January to determine and mitigate pay inequities. This study occurs every three to four years. Wiener asked if the represented employees are part of the analysis and Halter replied that only non-represented positions will be analyzed. The results will be presented at the April board meeting.

Maintenance/Operations – Sweten reported that the New Flyer mechanic will remain on site until the encoder issues on two buses are resolved. The second lift was repaired and is now operating correctly. The old service truck was sold for two thousand dollars. Training continues in

the dispatch and paratransit offices. Sweten and Ashbrook attended the APTA Safety & Risk Seminar where they reviewed operator assault prevention, cyber insurance and breaches, as well as zero electric bus safety and training. Sweten was elected secretary of APTA's LGBTQ+ resource group.

Marketing & Communications – Kreimer said the communications plan update is ongoing and rider profiles are being compiled. Recent press coverage has covered the fifty-five percent electrification milestone and strategic planning update based on the December 12 open house.

Projects/Planning/Procurement/IT – Woodrow said DJ&A is preparing the transfer center renovation design for submitting by mid-January. Quality Construction should begin construction in late January and the project should take approximately a month. As built plans should be ready in early March.

The lowest bid for the Grant Creek realignment was \$737,000, substantially higher than the City of Missoula's original budgeted amount. A meeting between the landowners, the former landowners, Mountain Line staff and the city public works department determined that splitting the overage between the stakeholders made the most sense. The agency would be obligated to pay \$123,318 out of the reserve funds for 16,000 tons of fill dirt required for the necessary stream restoration that removes the land from the floodplain.

Maintenance/Operations/Administration Base (MOAB) – The thirty percent design estimates will need adjusting to stay within the budget dictated by the \$39 million award that assumes a \$15 million debt already configured into the package. The board will review the cost estimates with DJ&A, Quality Construction and Wendel at the January meeting.

MacArthur asked if the other infrastructure improvement estimates would be over budget as well. Woodrow responded that two different teams worked on the projects that contributed to the disparity. MacArthur wanted to know how the overage is covered in the shared infrastructure agreement and if Mountain Line was required to help with the realignment costs originally. Woodrow said the agency was originally obligated, but aligning the fill dirt correctly is vital for moving the project forward. Wiener pointed out that Mountain Line was not originally obligated to assist in paying for the Grant Creek realignment. Woodrow said the staff will refine a memorandum of agreement regarding costs with the city and present it to the board.

The strategic plan draft will be presented at the February planning committee meeting with final approval at the February board meeting. Hess will publish an opinion-editorial piece in the local media to support the strategic plan with a board member to publish a similar piece in mid- to late January.

The next steps in the Brooks RAISE bus rapid transit project will be discussed at the February or March planning committee meeting.

The tax district mapping and analysis will be discussed at the January 8 board retreat.

The trolley is expected in June 2025. Digital signage work continues as well as the online resource library. The staff is also researching vendors for facilities asset management, automatic passenger counting and adding data backup and encryption. The IT staff worked on 59 tickets during the last thirty days.

4.2 Automatic Passenger Update – Wally explained that the National Transit Database requires certification of automatic passenger counting systems within ninety-five percent accuracy every three years. The agency is currently using software that will not be supported as of 2026, but the contract with the vendor does not expire until 2027. The accuracy now varies between ten and eighteen percent, so certification is likely to fail. Wally is working with the vendor to address this discrepancy. Operator salaries are tied to accurate ridership numbers. Strauss asked if the discrepancies would decrease when the route changes are put into place. Wally replied that the agency must purchase new software that will be accurate enough to get certified by October 2025. Because the purchase is not budgeted in this current financial year, the staff plans to contract with a new vendor in April and budget the purchase in FY2026. Hess added that the staff is exploring getting released from the contract for non-performance. Wally explained that pursuing an affordable, piggyback contract with a vendor on a state contract is an option that simplifies the procurement process. One vendor, Swiftyly/Hopthru, guarantees 95% accuracy and is reasonably priced. Oliver asked what potential breach of contract issues have been discussed with Clever Devices, the current APC vendor. Woodrow related that Clever assigned MUTD's account to a new representative who has been conscientious about mitigating the issues. Taking an aggressive stance while still needing the vendor's services for maintenance until there is a replacement has required sensitivity and tact.

5.0 Action Items – MacArthur suggested skipping to the FY2024 audit review (Item 5.4) as the auditor had joined the meeting.

5. 4 FY2024 Financial Audit Review – Segal introduced Tiffany Stemple, the auditor from JCCS, who explained the communication letter and financial statements. The letter states that there were no new accounting policies or estimates from last year and there were no difficulties or disagreements with management in performing the audit. Reconciling the warrants payable monthly, consolidating balance sheet accounts and adjusting the property taxes accounts receivable are suggested. Other suggestions include maintaining lease amortization and depreciation schedules and moving the subrecipient revenues to book deferred revenue.

The financial statements are generally clean and there were no significant changes to the net position other than increases in operating reserve funds and accrued liabilities. The unearned/deferred revenue is consistent with prior years. Operations expenses related to contractual compensation increased. In general, the opinion is clean and unmodified with no significant deficiencies. Strauss moved to approve the FY2024 audit as presented, Cilimburg seconded, and the motion carried unanimously.

5.1 November 21, 2024, Board Meeting Minutes – Strauss moved to approve the minutes, Oliver seconded, and the motion carried unanimously.

5.2 October 2024 Financial Statements – Strauss said the finance committee recommended approving the October financial statement. October expenses are 19 percent below budget due to delayed expenses and revenues are still slightly behind schedule. Actual investment interest revenue is at eighty percent of budget. Strauss moved to accept the financial statements as presented, Oliver seconded, and the motion carried unanimously.

5.3 Additional Reserve Usage – Segal explained that the request covers an overage associated with increased costs for the new buses, charger installations and technical assistance. The requested amount does not affect fleet reserves and the mandated seven-year balance. Strauss asked why the bus and charger costs were higher. Segal replied that the pricing was based on 2022 allocations and included a ten percent contingency, but copper prices had increased above

that. Wiener commented that the price should be what was originally quoted. Sweten explained that post-pandemic supply chain issues affected pricing but not for buses. Wiener moved to approve the request, Cilimburg seconded, and the motion carried unanimously.

5.5 FY2025 Audit Contract – Kuhl said JCCS had been chosen as the audit vendor for conducting the FY2025 audit. Strauss asked why the proposal was twenty percent higher than the previous year. Segal said additional projects such as the new facility added to the scope of work resulting in a higher contract amount. Strauss moved to authorize the general manager to sign the contract, Wiener seconded, and the motion carried unanimously.

1:39 p.m. – MacArthur adjourned the meeting.