



**Missoula Urban Transportation District  
Board of Directors Meeting Minutes  
June 26, 2025**

APPROVED

**MEMBERS PRESENT**

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

**MEMBERS ABSENT**

**STAFF PRESENT**

Jordan Hess  
Colin Woodrow  
Allison Segal  
Heather Halter  
Stephane Gariepy  
Frank Kuhl  
Olga Kreimer  
Garin Wally  
Darlene Craven

**GUESTS**

Derek Hitt, Teamsters Local No. 2 Business Agent  
Don Groves, Teamsters Local No. 2 Shop Steward  
Matt Leow, Tenacious Campaigns

**1.0 Call to Order and Roll Call**

12:00 p.m. – Strauss called the meeting to order and asked for a roll call.

12:01 p.m. – Cilimburg joined the meeting.

**2.0 Public Comment on Items Not on the Agenda** – None. Strauss said the agenda would be changed slightly to accommodate the legislative recap (Item 5.9) presented by Matt Leow, the lobbyist hired by the agency for the 2025 legislative session. Item 5.5 regarding the Transportation Infrastructure Finance and Innovation Act loan will be presented as informational only.

**3.0 Approval of Minutes & Financial Statements**

**3.1 May 14, 2025, Special Board Meeting Minutes** – Oliver moved to approve the minutes, Wiener seconded the motion, and it passed unanimously.

**3.2 May 22, 2025, Board Meeting Minutes** – Wiener moved to approve the minutes, MacArthur seconded the motion, and it passed unanimously.

**3.3 April 2025 Financial Statements** – Wiener explained there was not a quorum at the finance committee meeting so there is no recommendation. The compensation budget is still \$2 million under projected due to vacancies and timing delays with respect to one off expenses. Wiener

moved to approve the April 2025 financial statements and Strauss seconded. MacArthur asked how the surplus funds would be used. Wiener replied that the unrestricted funds will be allocated to reserve funds. The budget reflected underestimated compensation needs that have been adjusted in the FY2026 budget.

Wiener asked if a large portion of revenues was expected in the last two months of FY 2025. Segal explained that the property tax revenues had been budgeted lower than actual received funds. The motion passed unanimously.

**5.9 2025 Legislative Session Recap & Interim Lobbying Discussion** – Hess explained that because Leow played a key role in setting up Bozeman's urban transportation district, he was ideally suited to represent the agency during the 2025 legislative session. Leow's support and counsel was helpful in maneuvering through the various property tax measures.

Leow explained that he has a good working relationship with the agency. He stressed that it was important to continue engagement in preparing the 2027 legislative sessions and highlighted the need for a united transit system coalition to address challenges posed by opposing bills.

Out of the six legislative bills focusing on property taxes and urban transportation districts, five were handled favorably, and two passed successfully. SJ19, calling for an interim study, passed and HB 764 was amended to reduce paratransit service radius, but still represented a victory. Senator Greg Hertz, who introduced a property tax relief bill that did not pass, will likely present a similar bill at the next session. It is important to engage with committee members and build coalitions with various stakeholders to support transit initiatives and address community needs. Wiener said highlighting paratransit's role as a core service should be emphasized.

Leow explained that HB 764 allows county commissioners to place local issues on ballots rather than through petition and establishes a 1.5-mile service radius. Strauss said further clarification about whether the radius is network distance or aerial distance was needed. Leow allowed that the legal interpretation would be measured in aerial distance. Hess said it is imperative for transportation districts to draft and propose clear language for the next round of legislation. MacArthur suggested obtaining a legal opinion regarding the bill's contradictory language. He expressed concern about how the bill affects long-term future planning to avoid a patchwork effect on the property tax revenues. Strauss said the agency must make a strong argument for staying in the district despite the new 1.5 demarcation regarding direct service. Hess said now that the bill has been passed, the agency must establish a clear direction.

Leow recommended engaging in constant communication to build a coalition of the stakeholders dependent on property tax revenues throughout the next 18 months to build momentum and consensus for the 2027 session. MacArthur suggested soliciting support from housing providers to frame how public transportation serves housing affordability. He suggested changing the agency's pattern of defending its position with the legislature to one of engagement and relationship building throughout the time between sessions.

**4.1 Agency Activity Report** – Gariepy reported that new electric buses were being commissioned allowing retirement of an old diesel bus. The agency acquired another paratransit vehicle for adding to the rotation. Construction at the transfer center is progressing on schedule with minimal service impact.

Woodrow said the Mullan Road service route would be discussed at the July board meeting. It is unlikely that the required bus stop improvements will be made in time for launching service

changes in January. The agency has contracted with OZ Architecture to design the transfer center renovation that will start in January 2026.

MacArthur asked if the 1.5-mile radius will change how subdivisions are enrolled in the taxing district. Hess responded that the city attorney's analysis should address the issue and petitioning into the district is a condition of annexation, so the five-year window provides time to set up service in the new subdivisions.

Cilimborg related that there was really good energy around the bus that participated in the PRIDE parade.

**4.2 Quarterly Ridership Report** – Wally reported a 2.3% decline in average monthly ridership compared to the previous year for fiscal year quarter three. He highlighted fluctuations in ridership, with a 10% decrease on Sundays and while ridership increased 9% on Saturdays. The report also showcased new automated tables and indicated a 7.3% increase in demand response services, with 130 new accounts created during the quarter.

MacArthur noted that if paratransit ridership continues on its current 7% annual growth path, 50% of the agency's budget will be spent on paratransit. The agency needs to start budgeting for that growth. Sheppard added that if the community wants the agency to be part of the transportation solution, other funding sources need to be pursued. The increasingly aging population makes it imperative to find other funding partners. Hess suggested that the planning committee conduct a paratransit-specific study for making a decision on how to proceed.

Wally said he is working on establishing a network of sister cities for building possible scenarios that address the paratransit situation. Wiener suggested compiling data on passenger miles traveled in response to the agency's recent receipt of an extra \$1 million in funding from the federal Small Transit Intensive Cities program tied to performance.

**5. 1 Board Contact Preferences** – Hess advised that the agency had received feedback from the public regarding direct contact with board members. As a result, an email inbox that the staff will monitor has been set up and posted on the website. In addition, adding short biographies and photographs for each board member is also suggested. Strauss requested legal analysis regarding whether providing public input on any given topic to a quorum of the board via email outside of noticed meetings violates the "hearing" aspect of the open meeting law.

**5.2 Missoula Metropolitan Planning Organization Agreements** – Hess explained that the agreements are necessary because the MPO requires a redesignation from the governor's office. MacArthur said the Transportation Policy Coordinating Committee is the MPO's governing body and the agreements reflect recent changes to the TPCC's composition and voting. Strauss requested review of the city's performance measures set up to monitor long-range planning implementation. MacArthur responded that he would share TPCC reports on request.

Strauss moved to enter into the MPO agreements as proposed, Olliver second and the motion passed unanimously.

**5.3 New Facility Timeline and Anticipated Board Actions** – Woodrow advised that the 60% design is on track to present in August with the 90% design scheduled for October. The critical financing element requires retaining a municipal financial services advisor as well as legal counsel to advise on the bond process. Specific cost estimations will be presented at the August board meeting. The FTA advised waiting until the agency received the provisional letter of map revision before submitting the administrative settlement package. Wendel will spearhead the project

review process with the City of Missoula. MacArthur said finalizing the financing scenarios would be vital for making a decision on whether to proceed in August.

Wiener said the bond counsel will need to advise as to whether floating a bond will require a public taxpayer vote which would not happen until June 2026 that conflicts with the proposed 60% and 90% timelines set for 2025. Segal added that obligating the award required knowing what the funding package is which cannot be confirmed until the bond attorney and the municipal financial advisor have conducted their analyses. MacArthur suggested that provided the advisors are able to provide timely counsel, getting the bond issue on the November ballot would be optimal. Woodrow noted that any significant delays could jeopardize the funding. MacArthur said the board should be able to decide on the 60% design given that the advisors will be able to ascertain the situation timely.

Woodrow said once the PLMR and administrative settlement have been submitted to the FTA, the agency has 45 days to close the land purchase.

1:48 p.m. – Cilimburg left the meeting.

**5.4 Financial Services Advisor Contract** – Segal explained that the municipal financial services advisor would serve as the primary resource for construction and shared infrastructure debt funding. Though Baker Tilly’s proposal was higher, the consensus was that the firm offered more local experience and knowledge, including legislative issues, property taxes and debt funding. Wiener pointed out that the agency cannot get a credit rating without a financial assessment performed by the MFSA. MacArthur moved to authorize the CEO & GM to sign a contract with Baker Tilly for financial advising services in an amount not to exceed \$104,500.

**5.5 Transportation Infrastructure Finance and Innovation Act Letter of Interest** – Segal advised that the staff wanted to remove the item from the agenda based on inadequate information regarding debt servicing that the MFSA and bond counsel will address in the near future.

**5.6 FFY 2025 Low or No Emission Bus Grant Local Match Commitment** – Woodrow explained the application is the same as last year’s application for six electric buses, eight electric paratransit vehicles and the associated charging infrastructure. Strauss pointed out that additional funds had to be requested based on the increased bus price. Woodrow responded that could be the case again but cost increases will be addressed in this year’s application. The resolution stipulates a not-to-exceed amount of \$2.5 million. MacArthur moved to reauthorize the motion to adopt Resolution 25-03, Sheppard seconded, and it passed unanimously.

**5.7 CMS Compensation Study Final Report** – Halter stated that the agency is in a good position to stay competitive with the City of Missoula. Positions that are paid higher than the study recommends will be reclassified to the appropriate salary grade. The agency will transition to a target market ratio scale and start performance reviews tied to FY2027. Staying competitive with the city and county is the agency’s priority. Strauss said it looked like the distribution was skewed so the average was not in the middle of minimum and maximum wages. The median of the available data should be used as a comparison. MacArthur said exceptional performers with a lot of experience should be making the maximum wage, not the median wage. Halter said that because there is no performance review program yet, the automatic step program dictated raises. MacArthur said the wage package should include the value of the benefits and Wiener concurred. Sheppard said her organization reviews compensation every year and cycles between

performance reviews and step increases. Wiener asked if the budget addressed the transition. Halter said the budget included a 2.5% cost of living increase.

**5.8 FY 2026 Final Budget Approval** – Segal provided highlights: \$18.7 million in revenue, \$18.2 million in expenditures, insurance cost increase of \$350,000 and the same inflation ratio as FY25. The new buses represent \$24,000 in increased insurance costs versus \$4,700 to insure a diesel bus. The adjusted pro forma now shows that the agency should end up with a half million surplus. Board action to address the facility reserve deficit will be required. MacArthur suggested revising the reserve funds policy based on needs. He then asked if the \$1 million excess will be put into reserves.

2:35 p.m. – Oliver left the meeting.

Segal said the operating reserve fund requires replenishing. Strauss said getting feedback from the MFSA regarding reserve funds would be a good idea. MacArthur posed the question as to whether it made sense to focus on long-term service delivery or pay for it now and assume a little more risk. Strauss moved to approve the budget as presented, MacArthur seconded and the motion carried.

**6.0 Adjournment** – Strauss adjourned the meeting at 2:43 p.m.