

Missoula Urban Transportation District Board of Directors Meeting Minutes

July 24, 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
Steve Scharff, Baker Tilly
Matt Scofield, Cushing Terrell
Alex Russell, Cushing Terrell
Ryan Sudbury, Missoula City Attorney

1.0 Call to Order and Roll Call – 12:01 p.m. – Strauss called the meeting to order and asked for a roll call.

2.0 Public Comment on Items Not on the Agenda – None. Strauss asked to address item 5.8 (an administrative matter relating to Resolution 25-03 passed at the June board meeting) to the beginning of the meeting.

3.0 Approval of Minutes & Financial Statements

3.1 June 26, 2025, Board of Directors Meeting Minutes – Cilimburg moved to approve the minutes, Rocke seconded the motion, and it passed unanimously.

3.2 June 11, 2025, Special Joint Board of Directors Meeting Minutes – Strauss moved to approve the minutes, Sheppard seconded the motion, and it passed unanimously.

12:03 – Wiener joined the meeting.

3.3 June 11, 2025, Special Board of Directors Meeting Minutes – Cilimburg moved to approve the minutes, Oliver seconded the motion, and it passed unanimously.

3.4 May 2025 Financial Statements – Wiener moved to accept the financial statements as presented and Strauss seconded. Wiener said the May financials are consistent with the year's trends – compensation expenses are lower than budgeted as are revenues. He reported that the finance committee had discussed the fleet reserve policy with respect to the timeline and anticipated expenditures in conjunction with current and anticipated rewards. Fund balances will be adjusted, and \$3.5 million will be added to the operating reserve fund. The motion to accept the May financial statements passed unanimously.

5.8 Resolution 25-03 Regarding Local Funds Match Commitment – Strauss

4.1 Agency Activity Report – Halter reported that the accounting department is launching electronic fund transfers (automatic clearing house) with agency vendors that will reduce bill paying time and expenses. A draw for the ten buses was submitted to the FTA. The auditors found one minor discrepancy at the last inventory audit.

Gariepy reported that the construction at the transfer center was completed and regular service had resumed. The city cooperated fully with the agency in rerouting the buses during the Scott Street roundabout construction. The recent power down to implement the new chargers was completed without incident. The agency is hosting a supervisor training through the Transportation Safety Institute during the first week of August. Several supervisors are attending and will receive a supervisor certification as a result of attending.

Hess said Kreimer is coordinating with Missoula in Motion in developing materials for a new resident welcome packet for residents of the Villagio on the Northside.

Woodrow advised that the 60% design package for the new facility would be presented at the August 6 planning committee meeting. The staff will present a draft financing plan (based on input from the financial advisors and the bond attorneys) at the August 28 board meeting. A new facility working group meeting will be scheduled for the third week in August and a design workshop has been scheduled for September 24.

The new chargers are being commissioned, and the staff continues to align charge management with the power supply to optimize fleet operations. The staff is also developing the new service route plan for launching next year.

Hess commended the staff for its dedication and continuing team effort.

5. 1 Public Meeting Law Review – Strauss explained the basics of the Montana open meetings law and the need for public agencies to conduct business openly based on the public's right to know. He pointed out that hearing, receiving and discussing information constitutes a meeting if there is a quorum and the standard applies to committees and subcommittees as well. Based on a recent Montana Supreme Court ruling, public entities cannot assert privacy concerns as a reason to exclude the public.

Based on the requirements, the agency needs to consult legal counsel about how board members should handle responses to emails from the public. While he advocates more public accessibility for the board, a proper legal process should be in place. Strauss reported that other transit districts

were investigating publicly accessible software platforms for allowing board members to interact with the public while complying with state public meeting laws.

Hess responded to Cilimburg's question about how the city council handles these requests by suggesting publishing inbound emails in the agenda packet. Cilimburg pointed out that it would be clearer to the public if the agency's practices mirrored the city and county's processes. MacArthur pointed out that it was important to define what "conducting business" means. Strauss said he would consult with legal counsel. Wiener said a cohesive platform with a dedicated email address would provide a way for board members to collaborate between meetings while still allowing adequate public participation.

5.2 Municipal Financial Advisor Preliminary Introduction – Segal introduced Scharff from Baker Tilly, a municipal financial advising firm needed for navigating financing the new facility. He introduced team members who would be reviewing cash flows as well as those would lead the disclosure and due diligence efforts for issuing bonds. He emphasized that his team would work to structure affordable financing that is customized to the agency's needs. Since a transportation district has never issued bonds in Montana before, it is essential to establish working relationships with the bond attorneys and rating agencies. He outlined first steps, including financing alternatives and the need for a credit rating.

MacArthur asked if the construction timelines aligned with the proposed financing package. Scharff responded that the usual timeline for securing funding is 10 to 14 weeks, which does work with the proposed construction schedule and presenting financial alternatives at the August board meeting is feasible.

5.8 Resolution 25-03 Regarding Local Funds Match Commitment – Strauss reminded the board that it had passed Resolution 25-04 committing a local funds match required for submitting a grant application at a July 12, 2025, special board meeting. As a result, it was necessary to repeal Resolution 25-03 passed at the board meeting on June 26, 2025. Strauss moved to repeal Resolution 25.03, Wiener seconded the motion, and it passed unanimously.

5.4 Bond Counsel Contract with Dorsey Whitney, LLP – Kuhl explained that only one firm, Dorsey Whitney, LLP sent a proposal in response to the request for proposals, and the firm comes highly recommended. Segal said the pricing is contingent on the amount and sale of the bonds and Kuhl added that the contract not-to-exceed price is \$130,000. Wiener moved to authorize the CEO & general manager to sign a contract for legal services with Dorsey Whitney, LLP in connection with financing the new facility and Oliver seconded the motion MacArthur requested a solidified pricing proposal pending the financial presentation at the August board meeting. The motion passed unanimously.

5.5 Commissioning Agent Contract with Cushing Terrell – Kuhl explained the contract with Cushing Terrell was for commissioning services for designating the new facility as a Leadership in Energy and Environmental Design certified building. Strauss asked if the options in the proposal represented increased scoring. Scofield replied that enhanced commissioning does make a difference between a silver ranking and a gold one. MacArthur moved to authorize the CEO and GM to sign a contract with Cushing Terrell for LEED certification commissioning services with respect to the new facility.

5.3 Shared Infrastructure A&E Costs Request for Payment Authorization – Segal explained that it was necessary to pay the invoices out of the facility reserve since another source of funding had not yet been secured and future payments would be included in the debt funding. She added that the agency has the authority to reimburse itself and a reimbursement resolution will be presented at the August board meeting. Hess said it was important to get authorization for paying the invoices out of the facility reserve funds rather than using local funds that were originally approved in January. He clarified that the board is approving this expense that was always contemplated to be debt funded. Strauss emphasized the need for accuracy in approving amounts previously approved by the board. He moved to authorize the payment of current and forthcoming invoices pertaining to the new facility offsite infrastructure and confirm the agency's intent to utilize the debt financing for the infrastructure improvements as limited to any previously approved board expenditures. MacArthur seconded the motion, and it passed unanimously.

5.6 FY2026 Maintenance Collective Bargaining Agreement Wage Reopener – Halter explained that the maintenance collective bargaining agreement stipulated a wage reopener for June 2025. At the July negotiations, the agency proposed a 1.5% increase in response to the union's 4% increase proposal. Because of financial uncertainty earlier in 2025, the agency agreed to revisit the negotiations in good faith once the financial situation stabilized. A subsequent negotiation is scheduled for early August. Hitt reiterated that the union was firm on a 2.5% increase. Wiener observed that the negotiations represent a baseline for future contracts. Strauss expressed reluctance to approve a significant increase to the contract.

5.7 Legal Case Update/Security Camera Policy – Hess introduced Sudbury who advised that a recent district court case decision against the agency dictated a change to the agency's video recording policy. The judge issued a declaratory judgement that video recordings are public records, contrary to the agency's stance that releasing them represents a security violation. Based on the ruling, public entities will be required to hold security camera footage as available for public records requesters for a period of time possibly up to thirty days. It is going to be incumbent on the agency to show good faith efforts to comply with the court's order.

Gariepy explained the complaint investigation process and retention policy. Groves explained that the operators alternatively appreciate having the recording as support and dislike when the video shows something they shouldn't be doing. Hess said the IT team has researched the matter and deduced that the 30-day threshold was possible with some camera quality adjustments. Staff should avoid solutions that require daily handling, which would be costly and inefficient. The staff recommends storing the videos for 20 days with a 10-day buffer. Sudbury added that the judge suggested 20-30 days as a starting point but declined to state a specific deadline.

Wiener suggested revising the policy to reflect the judge's suggestions, but the cameras should be turned off if the agency is required to spend thousands of dollars on a new system. Hess said the judge did not order the agency to take specific action. Sudbury recommended revising the policy and displaying it publicly on the website as the best course of action. Strauss recommended limiting the stored information to the minimum level useful to the agency.

6.0 Adjournment – Strauss adjourned the meeting at 2:08 p.m.