

Staff Report

To: Board of Directors
From: Allison Segal
Date: October 23, 2025

Agenda Item: 5.3 New Facility Financing Update

Attachments:

- Attachment A – New Facility Board Timeline

Recommendation:

Informational item—discussion only

Discussion:

With the assistance of Baker Tilly and Dorsey & Whitney, the bulk of the financial analysis for financing MUTD's new facility has been completed. The pro forma has been updated with assumptions around current property tax revenues and ongoing expense escalation as the agency moves to the new facility.

Based on in-depth internal and external discussions, the rural special improvement district and special district options have been ruled out. General obligation bonds are also ruled out due to timing and the need for an election, leaving revenue bonds as the preferred financing option. Two financing scenarios exist: a bonding capacity totaling \$14.8M with \$13.2M available for construction that does not consider any service expansion, or a bonding capacity totaling \$9M with \$8.1M available for construction that considers the Route 14/15 expansion and increased weekend service. With an additional \$13.2M debt, the project still has a potential \$4.5M funding shortfall for the construction of the new facility and shared infrastructure.

Staff will present the scenarios for discussion with board action anticipated later this year.

Financial Impact and Funding Source:

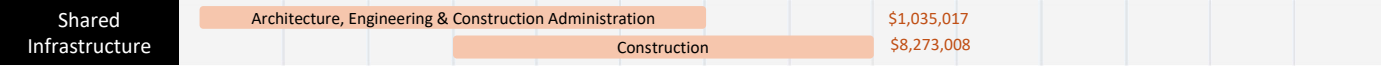
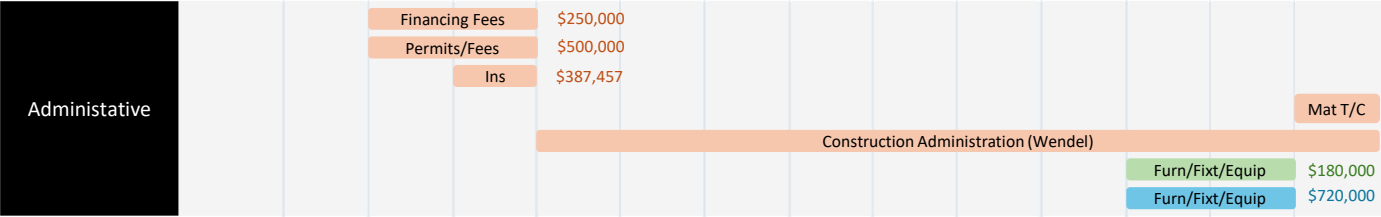
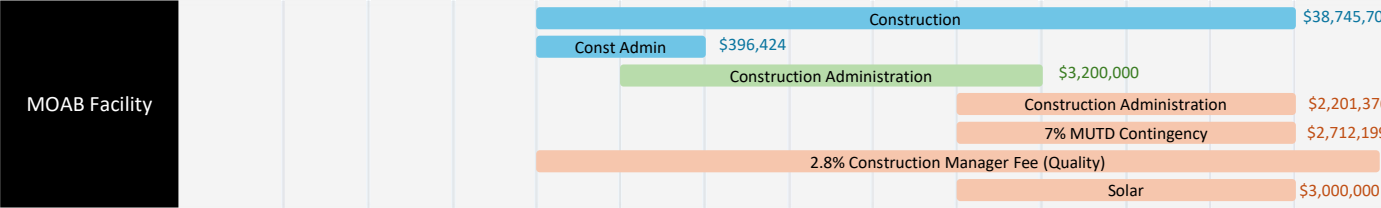
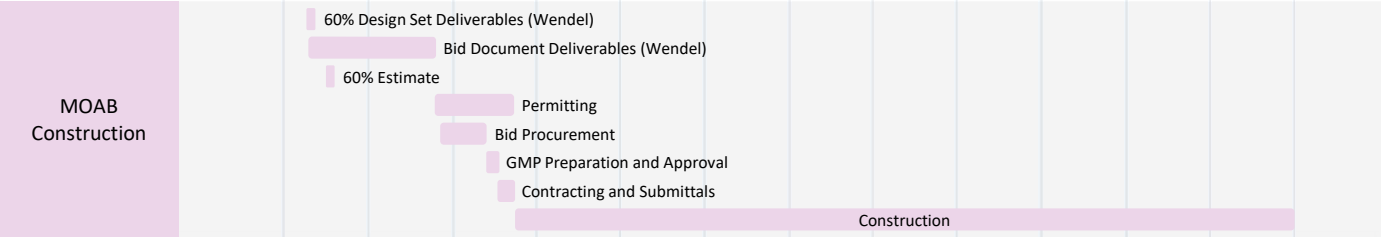
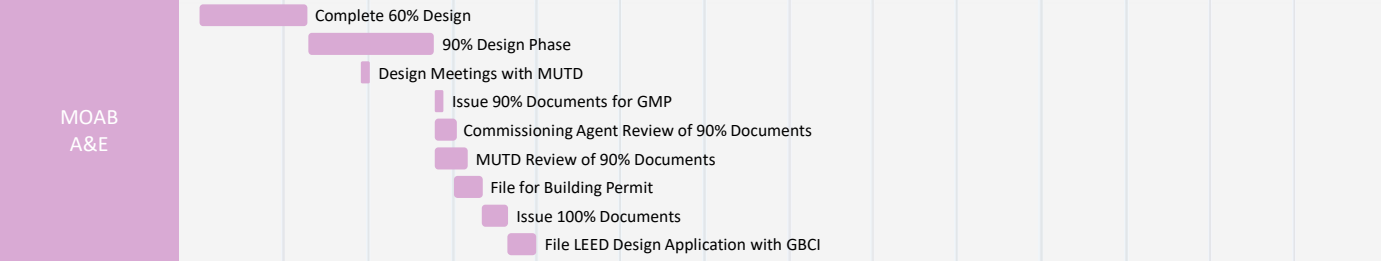
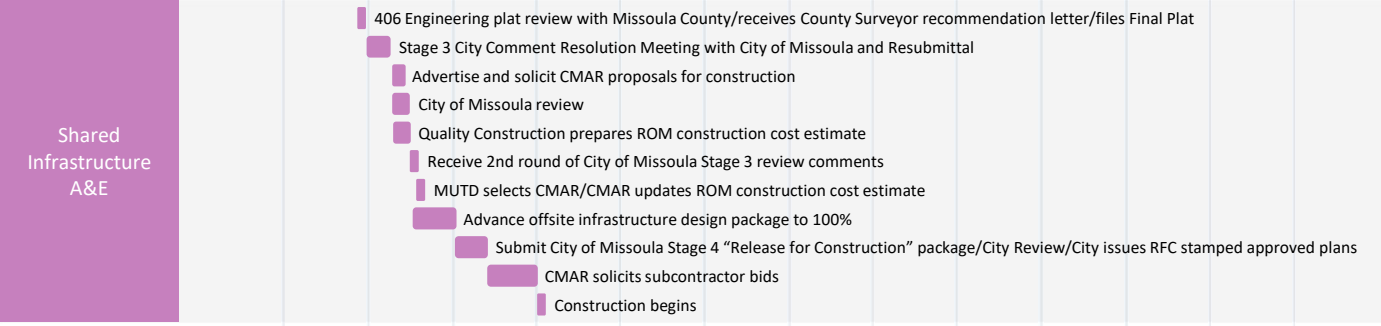
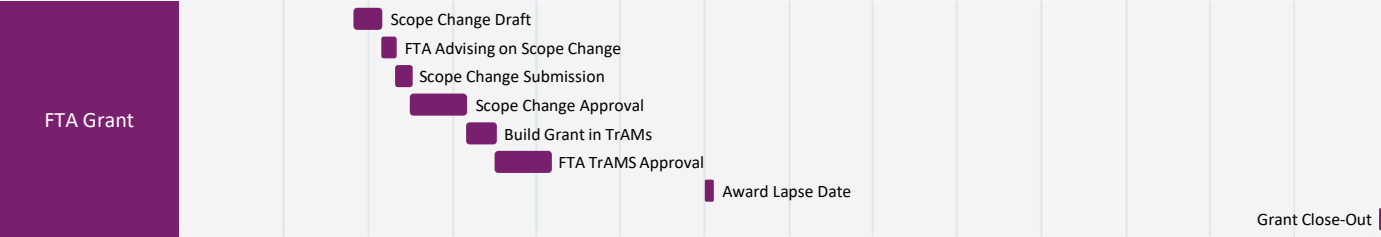
TBD

DBE Certified: N/A

Calendar	Critical Milestone	Start Date	Finish
Shared Infrastructure	Received City of Missoula Stage 3 Review Comments	9/11/2025	9/11/2025
Shared Infrastructure	406 Engineering completes plat review with Missoula County and receives County Surveyor recommendation letter	9/19/2025	9/19/2025
A&E	Design Meetings with MUTD (Bus Equipment, Interior & Exterior Finishes, Access Control, etc.)	9/23/2025	9/24/2025
Board Schedule	September Board Meeting	9/25/2025	9/25/2025
Shared Infrastructure	406 Engineering files the Final Plat	9/26/2025	9/26/2025
Shared Infrastructure	Stage 3 City Comment Resolution Meeting with City of Missoula	9/29/2025	9/29/2025
Board Schedule	October Planning Committee	10/8/2025	10/8/2025
Land	Purchase Sale Agreement Closing	10/10/2025	10/10/2025
FTA Grant	Scope Change Draft	9/15/2025	10/15/2025
Board Schedule	October Board Meeting	10/23/2025	10/23/2025
Shared Infrastructure	City of Missoula Stage 3 resubmittal	10/24/2025	10/24/2025
FTA Grant	FTA Advising on Scope Change	10/15/2025	10/30/2025
Shared Infrastructure	Advertise and solicit CMAR proposals for offsite infrastructure construction	10/27/2025	11/7/2025
Board Schedule	November Planning Committee	11/12/2025	11/12/2025
Shared Infrastructure	City of Missoula review	10/27/2025	11/14/2025
Shared Infrastructure	Quality Construction prepares ROM construction cost estimate	10/27/2025	11/14/2025
Shared Infrastructure	Receive 2nd round of City of Missoula Stage 3 review comments	11/14/2025	11/14/2025
FTA Grant	Scope Change Submission	10/30/2025	11/15/2025
Board Schedule	November Board Meeting	11/20/2025	11/20/2025
Shared Infrastructure	MUTD selects Offsite Infrastructure CMAR	11/21/2025	11/21/2025
Shared Infrastructure	CMAR updates ROM construction cost estimate	11/21/2025	11/28/2025
A&E	90% Design Phase	7/28/2025	12/10/2025
Board Schedule	December Planning Committee	12/10/2025	12/10/2025
Construction	Bid document deliverables (Wendel)	7/28/2025	12/11/2025
A&E	Issue 90% Documents for GMP	12/11/2025	12/11/2025
Board Schedule	December Board Meeting	12/18/2025	12/18/2025
Shared Infrastructure	Advance offsite infrastructure design package to 100%	11/17/2025	1/2/2026
A&E	Commissioning Agent Review of 90% Documents	12/12/2025	1/2/2026
Shared Infrastructure	Submit City of Missoula Stage 4 "Release for Construction" submittal package	1/2/2026	1/2/2026
FTA Grant	Scope Change Approval	11/15/2025	1/15/2026
A&E	MUTD Review of 90% Documents	12/12/2025	1/15/2026
Shared Infrastructure	City of Missoula review of Stage 4 submittal	1/5/2026	1/23/2026
A&E	File for Building Permit	1/2/2026	1/31/2026
Construction	Bid procurement	12/18/2025	2/5/2026
Shared Infrastructure	City of Missoula issues RFC stamped approved plans	2/6/2026	2/6/2026
FTA Grant	Build Grant in TrAMs	1/15/2026	2/15/2026
Construction	GMP preparation and approval	2/6/2026	2/17/2026
A&E	Issue 100% Documents	2/1/2026	2/28/2026
Construction	Permitting	12/12/2025	3/6/2026
Construction	Contracting and submittals	2/18/2026	3/6/2026
Shared Infrastructure	CMAR solicits subcontractor bids	2/6/2026	3/31/2026
A&E	File LEED Design Application with GBCI	3/1/2026	3/31/2026
Shared Infrastructure	Construction begins	4/1/2026	4/1/2026
FTA Grant	FTA TrAMS Approval	2/15/2026	4/15/2026
FTA Grant	Award Lapse Date	9/30/2026	9/30/2026
Construction	Construction	3/9/2026	6/30/2028
FTA Grant	Grant Close-Out	9/30/2028	9/30/2028

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Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
FY 2026					FY 2027					FY 2028			



Use of Funds		
Facility Reserve	Government Funding	Debt Funding
\$12,437,129	\$41,793,347	\$20,856,275

Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
FY 2026			FY 2027				FY 2028				FY 2029



