BIG SKY COUNTY WATER & SEWER DISTRICT No. 363

PO BOX 160670 – 561 LITTLE COYOTE RD - BIG SKY, MT 59716 – 406-995-2660 – FAX 406-995-3053 – Email –OFFICE@WSD363.COM

April 9, 2024

Big Sky Resort Area District
ATTN: Jenny Muscat
11 Lone Peak Drive, Suite #204
P.O. Box 160661
Big Sky, MT 59716

Re: FY25 GOVERNMENT SERVICES APPLICATION QUESTIONS

Dear BSRAD:

Herein we have provided responses to your questions presented to the Big Sky County Water and Sewer District (BSCWSD, or District) on April 2nd. Questions from BSRAD are in bold, our responses are in normal text. Please do not hesitate to contact us with any follow-on questions.

Thank you for your time, consideration, and funding assistance to date.

Sincerely,

Johnny O'Connor
General Manager
Big Sky County Water & Sewer District No. 363

QUESTIONS

Sponsor Questions:

- **Please provide the names and email addresses of the individuals who will be representing your organization at the Review Meetings:**
    - **Wednesday, April 17:**
        - johnny@wsd363.com
        - terry@wsd363.com
        - scott.buecker@ae2s.com
    - **Wednesday, May 8:**
        - johnny@wsd363.com
        - terry@wsd363.com
        - scott.buecker@ae2s.com
- **Do you have the ability (even if not implemented) to levy bonds, assessments, or fees in addition to mills?**
    - **Are there statutory limits on how much you can levy in bonds, assessments, mills, and fees? If so are these of concern for the longevity of the District?**
        - The District does not have any standing statutory authority to levy bonds or assessments. Any mill levy would have to be voter approved for a specific instance. Fees are subject to a rate hearing if increases are more than 5% annually.
    - **Are you at maximum capacity for bonds, assessments, mills, and fees?**
        - Bonding capacity through fees (rates) will be limited moving forward. Mill levies could support additional bonds in an emergency issuance but would need voter approval.
    - **When was the last time you adjusted your bonds, assessments, mills, and fees? Please explain.**
        - The District reviews these items annually and just increased fees to address both capital and operational funding needs.
    - **What is the sunset date of your current mills?**
        - The mill levy will sunset with the full retirement of mill levy debt in 2027.
    - **Do you plan to levy bonds, assessments, mills, and fees in the next 3 years? Please explain.**
        - The District will continue annually reviewing and adjusting fees (rates). We are currently projecting 5% increases per year for the next 3 years, but a full study will be performed soon.

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- **Do you charge fees for services and are the limitations on the maximums you can charge?**
    - **When was the last time fees for services were adjusted? Please explain.**
        - Fees were adjusted 15% for the current fiscal year; however, water and sewer rates are subject to impacts from both the changes to demand resulting from increased rates and the effects weather patterns have on usage.
    - **Do you plan to adjust fees for services in the next 3 years? Please explain.**
        - Yes. The District will continue annually reviewing and adjusting fees (rates) and is completing a comprehensive rate study in 2024. We are currently projecting 5% increases per year for the next 3 years, but that is subject to change based on the results of the comprehensive study.

- **Of the number of people you serve, estimate the number that are residents vs visitors.**
    - Based on water use, wastewater generation and census data, we estimate the year-round residential population in the BSCWSD service area is now approximately 2,500 to 3,000 people.
    - We estimate our annual water demand and wastewater generation represents the equivalent of approximately 5,000 to 6,000 people on a daily average basis.
    - Therefore, approximately 50% of the District's services are for year-round residents, and about 50% are visitors.
    - However, please keep in mind that water and sewer services must be designed and built to accommodate peak demands, not average annual, and our system has been built based on peak visitation conditions. We estimate that in peak visitation periods (e.g., winter holidays and spring break), approximately 25% of our service is for residents, and 75% is for visitors.

- **What are your hurdles for forecasting future budgets or expenses?**
    - The District's biggest budgetary and monetary hurdles are:
        1. Cost of living conditions for our workforce.
        2. Construction-related inflation/escalation, related to labor, housing, materials.
        3. Unforeseeable litigation that requires reserve spending.

- **Can you use other forms of public funds you currently aren't implementing? Please specify if these funds can be used for capital or operations.**
    - The District can and has used State Revolving Fund (SRF) money for capital projects. SRF is federal funding distributed to the State's for disbursement that is based on project qualifications and financial capacity (it is not need-based). Last time a bond was issued, this funding source was not able to fully fund the whole project cost.

- We also competed heavily for and secured some American Rescue Plan Act (ARPA) funding for the Big Sky WRRF project.
- We also apply for Montana Coal Endowment Program (MCEP) and Renewable Resource Grant and Loan Program (RRGL) funding through Montana Department of Natural Resources and Conservation (DNRC). Frankly, Big Sky County Water and Sewer District has not scored well on these programs as the scoring is partially need-based and the perception is that Big Sky region can fund its own infrastructure.

- **Please explain why your current mill levy rate of 4.79 exceeds your max mill levy rate of 0.0.**
    - The current mill levy is tied to a voter approved general obligation bond issuance that is due to expire in 2027. District bonding is not available for any projects.

- **At what rate (% increase) would you need to raise user rates to cover the amount being requested for:** This is a complex calculation; the District is initiating a new rate study in 2024 that will more accurately answer this question. Preliminary estimates are provided below:

Operations:	Approximately	15%
Little Coyote Sewer Access and New Road Engineering	Approximately	3%
Water Master Plan and Capital Improvements Plan	Approximately	5-6%
Mountain Village Water Tank Replacement Engineering	Approximately	7-8%

- **Your application indicated you do not anticipate requesting Resort Tax funds for capital projects in FY26 or FY27, but your anticipated Resort Tax revenue provided in the revenue table indicates Resort Tax funding well beyond the $500,000 for Operations. Please explain what you anticipate needing Resort Tax for the additional $3,000,000 in FY26 and $3,250,000 in FY27.**
    - These are the estimates for the 1% resort tax funding that has been approved by voters to cover the WRRF debt service.

- **BSRAD's budgeted allocation was set in November using forecasts from FY24, the total unbudgeted amount increased Public Works requests by ~$1,000,000, please be aware as a result if funded this will leave a potential funding gap of ~$400,000 for Nonprofit Public Works projects. *No response is needed, but just sharing as an FYI*.**
    - Noted, thank you for this information, we will factor that in moving forward.

- **Do you feel that any of these projects can be done further down the road or paid for completely out of the district considering none of them were contemplated in any of your previous forecasts?**
    - Operations: Higher operations costs were foreseen, to an extent, but the magnitude of the escalation in labor costs was not fully understood until hires were being

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negotiated. Electrical and chemical costs for the WRRF have also inflated substantially in the last three to four years.
  - The condition of the Little Coyote sewers (sediment accumulation) was only discovered recently.
  - The Water Master Plan and Capital Improvements Plan were included in previous forecasts.
  - The condition of the foundation of the Mountain Village Water Tank was only discovered recently.

- **How do you manage your reserves and were they considered for funding any of these projects?**
  - The District's reserves have largely been used to defend the District against recent litigation, as well as to fund the Big Sky WRRF Improvements project. The District will work towards rebuilding reserves with future rate increases.

Project Questions: FY25-FY27 Operations

- **What has changed in your operations that now justifies BSRAD annual funding for a fee-based WSD that only serves a certain percentage of Big Sky residents? Please explain your rationale for the amount requested and the specifics of which costs have increased.**
  - Labor cost escalation
  - Chemical cost escalation
  - Electricity cost escalation
  - In addition, while the direct customers are only a portion of the Big Sky residents, the District is critical to serving the majority of the visitors, tourists and economic base of Big Sky.

- **Total costs for your organization were ~$4.8M in FY23, $5.9M in FY24, and ~$6.4M budgeted for FY25.** The District has conducted a more thorough estimate for FY25 since our original submission. We currently estimate the FY25 budget is $7.5M. **Is the $1.6M outlined in the project budget the only contribution to these increases?** The District plans to increase user rates to fund the increase in projected budgets. We are asking BSRAD for assistance with these increases to dampen the magnitude of the impact on our ratepayers.

- **In the application narrative you note the costs are for payroll, chemicals, and energy however the project budget you provided shows payroll & benefits at $1.6M, and your sponsor worksheet shows only a $500,000 increase in payroll & benefits from FY24-FY25 please clarify the expenses of this project.**
  - As mentioned, revenues have several different factors, but a simple calculation estimates an approximate need for an additional 15% increase if this request was not approved. This would result in annual additional costs for the typical single family of $170/year and for commercial of $180/year.

- **Did your WRRF improvement plan not contemplate the increases in operational expenses?**
    - It did, but the extent of labor, equipment, chemical and energy costs were not completely predictable.
    - The labor, equipment, chemical, etc. markets have become unpredictable in the years since the pandemic. It is a widespread issue in our industry across the board now, and the continuously increasing housing costs have impacted the availability and cost of labor.

- **Is it safe to assume that all future capital projects from your organization will be handled the same way and you intend to request Resort Tax for the increased operational requests that result from the capital projects?**

    - No, this is a unique circumstance where most of our capital projects do not have direct operational impacts, but with the expansion and added treatment capacity needed to serve a growing community, additional treatment operators were needed.

- **Why was this request not outlined in your forecasts in your FY24 applications?**

    - The full extent of the increased operational expenses was not anticipated at the time of FY24 submissions.

<u>Project Questions: Little Coyote Sewer Access and New Road Engineering</u>

- **The project dates for the Little Coyote Sewer Access and New Road Engineering state the project will be 100% complete in Summer 2025. Does this mean construction will be wrapped up by next summer:**

    - **What is the anticipated timeline date for construction to be completed?**

        - Construction is not expected to be completed in Summer 2025, that is the projected date of completion of the required engineering and geotechnical investigation to proceed with construction later. The road access portion of the project would be bid in Summer 2025 and likely completed prior to winter weather.

    - **Do you plan to request Resort Tax for construction costs, please provide forecasted amounts for FY26 and FY27?**

        - Once an access road is completed, the District will conduct maintenance on the sewer segment and make a final determination as to whether a full vertical realignment is necessary. If it is, the District would likely request BSRAD funding assistance, and it would likely be in the range of $250,000 to $1,000,000.

- **Please provide a map with the location and ariel view of this project.** (Attached)

- **How do fats, oils, sand and grit get into the sewer pipe?**

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  - The introduction of these materials in wastewater collection systems is common. Fats and oils are discharged from households and restaurants. Sand and grit typically originate from infiltration and inflow into collection systems. Collection system operators typically regularly maintain sewers to remove these materials. The rate of accumulation depends on several factors, including the slope of the sewer pipe. Little Coyote has a particularly flat sewer profile, and as stated is currently inaccessible with vactor trucks, jetting operations and other typical maintenance equipment.

  - **If it is a result of the users are they paying into a solution?**
    - The BSCWSD is in the early stages of establishing a Fat, Oil and Grease (FOG) pretreatment program. Additional labor is needed to staff this task, but the intent is to improve monitoring and inspections and enforcement of FOG control practices. We are currently planning to adopt a FOG fine/fee structure to offset some of the costs of FOG removal.
    - (SAND AND GRIT) – as stated introduction of some amount of these materials is inevitable, as part of typical sewer infiltration and inflow from runoff, but the amount is also known to be higher in locales where there is a lot of construction activity. Long-term enforcement of stormwater pollution prevention plans (SWPPP) and a likely reduction in the amount of construction in Big Sky will likely reduce the amount of sand and grit in the collection system.

- **How have you been maintaining this section of pipe in the past?**
  - No significant maintenance has been performed to date, due to the inaccessibility of the sewer in this location.

- **Why was this request not outlined in your forecasts in your FY24 applications?**
  - The nature of the condition of the pipe was not apparent to the District until after the FY24 application period.

- **Please elaborate on the $50,000 of "District Matching Funds" outlined in your project budget.**
  - This represents $50,000 of the District's own capital that will be applied to the project.

- **This is more than the 60% funding breakdown precedent from the WRRF project, what was your rationale behind requesting 67% Resort Tax funding?**
  - This project is much smaller in magnitude compared to the WRRF project, and the funding portion BSRAD provided for the WRRF project was not understood to have set a precedent as to the proportion of funding the District would request from BSRAD for various projects in the future.

Project Questions: Water Master Plan and Capital Improvements Plan document

- **Will the Water Master Plan and Capital Improvements Plan document outline future capital needs for your organization?**
    - Yes, the scope of the Master Plan includes cost estimation for CIPs, as well as a description of appropriate and applicable funding sources.
- **Why was this request not outlined in your forecasts in your FY24 applications?**
    - A full master plan had not been completed since 2016. BSRAD requested a CIP in 2023 and the District quickly prepared a high-level plan with the intent of conducting a more thorough and comprehensive plan in This project will help ensure future planning and funding is adequate.
- **Has BSRAD paid for your CIP and Master plan in the past?** No.

Project Questions: Mountain Village Water Tank Replacement Engineering

- **The project dates for the Mountain Village Water Tank Replacement Engineering state the project will be 100% complete in Fall 2025. Does this mean construction will be wrapped up by next summer?**
    - Construction is not anticipated to be completed in Summer 2025, that is the projected date of completion of the required engineering and geotechnical investigation to move forward with construction later.
- **What is the anticipated timeline date for construction to be completed?**
    - The project could be bid in 2025 for construction in 2026.
- **Do you plan to request Resort Tax for construction costs, please provide forecasted amounts for FY26 and FY27?**
    - The amounts requested in FY26 and FY27 will depend on the cost of the project estimated as engineering is completed in the next year, with specifics that would include final location of the replacement tank and sizing of the tank. The District also would not necessarily request the full project amount from BSRAD. For planning purposes, please consider $1,000,000 in FY26.
- **Why was this request not outlined in your forecasts in your FY24 applications?**
    - The full nature of the tank foundation condition was not realized until this past fall.
- **Has BSRAD paid for water tank replacement engineering in the past?** No
- **This is more than the 60% funding breakdown precedent from the WRRF project, what was your rationale behind requesting 83% Resort Tax funding?**
    - This project is much smaller in magnitude compared to the WRRF project, and the funding portion BSRAD provided for the WRRF project was not understood to have set a precedent as to the proportion of funding the District would request from BSRAD for various projects in the future.

www.ae2s.com | Advanced Engineering and Environmental Services, Inc.

N

1 inch = 126 feet

0 125 250

Feet

Big Sky

BIG SKY WASTEWATER COLLECTION SYSTEM

- LITTLE COYCOTE SEWER ACCESS IMPROVEMENTS

BIG SKY COUNTY WATER & SEWER DISTRICT

Date: 4/8/2024

Information depicted may include data unverified by AE2S. Any reliance upon such data is at the user's own risk. AE2S does not warrant this map or its features are either spatially or temporally accurate.

Coordinate System: NAD 1983 StatePlane Montana FIPS 2500 Feet Intl | Edited by: JCalhoon | C:\Projects\B\Big Sky WW\SWMM_Model\BSCWSD_WW_MODEL_2024-01-26.mxd

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FY25 GOVERNMENT SERVICES APPLICATION QUESTIONS

INSTRUCTIONS:

- Please provide direct responses to the questions provided below.
  - Keep responses **BRIEF** and no longer than 1 paragraph.
- Responses are due back via email to the District by End of Day (EOD) on Thursday, April 9th.
  - Please contact the District if you require clarification or have any questions.

ORGANIZATION: BIG SKY FIRE DEPARTMENT

QUESTIONS

- Please provide the names and email addresses of the individuals who will be representing your organization at the Review Meetings:
  - Wednesday, April 17: Greg Megaard, gmegaard@bigskyfire.org / Dustin Tetrault. dtetrault@bigskyfire.org
  - Wednesday, May 8: Same as above and Seth Barker, sbarker@bigskyfire.org
- Do you have the ability to (even if not implemented) levy bonds, assessments, or fees in addition to mills? Yes
  - Are there statutory limits on how much you can levy in bonds, assessments, mills, and fees? If so are these of concern for the longevity of the District?
    - Our limitation of debt/bonds is 1.1% of the total assessed value of taxable property within the district.
    - Assessments and mills are voted on and are subject to a levy limit provided for in section 15-10-420, MCA. The levy limit holds the mill levy to "a mill levy sufficient to generate the amount of property taxes actually assessed in the prior year plus one-half of the average rate of inflation for the prior 3 years." The mill levy allowed under 15-10-420 is calculated excluding newly taxable property. The mill levy is then applied to existing and newly taxable property, which allows taxing jurisdictions some growth from newly taxable property in addition to the allowable inflationary adjustment. The newly taxable property in the fire district is the primary driver of recent significant increases in tax collections.
    - We recently conducted long-term expense/revenue forecasting out to 2030 and are confident that our fiscal growth is sustainable without increasing mills and assessments.
  - Are you at maximum capacity for bonds, assessments, mills, and fees?

        - We assess our mills to the maximum capacity each year. This strategy, combined with our other fees and intergovernmental funding, allows ample revenues to cover costs and consistent contributions to capital spending plans, allowing the district to utilize capital reserves to pay for capital purchases vs increasing taxpayer contributions or requesting BSRAD funding.
    - When was the last time you adjusted your bonds, assessments, mills, and fees? Please explain.
        - In 2017/2018, BSFD increased mills within the fire district and annexed the remainder of the Moonlight property along Jack Creek Rd.
        - 2016 was the last year we increased our EMS transport fees and are currently in the process of updating our fee structure in alignment with other market-comparable agencies.
    - What is the sunset date of your current mills?
        - BSFD's mills do not sunset.
    - Do you plan to levy bonds, assessments, mills, and fees in the next 3 years? Please explain.
        - Yes, we plan to continue to leverage our mills and fees over the next three years.
- Do you charge fees for services and are the limitations on the maximums you can charge?
        - Yes, we charge fees for services. These fees include EMS transports, Permits/Inspections/Plan Reviews, Out-of-district wildfire deployments, and special event standbys.
    - When was the last time fees for services were adjusted? Please explain.
        - EMS fees are currently being updated. These fees are subject to limitations set by the Centers for Medicare/Medicaid. Prior to our current update, they were last increased in 2016.
        - Plan review/inspection/permit fees were established in late 2022. These revenues, through MT ARM, may only be used to fund fire prevention programs. In 2024, BSFD hired a full-time fire inspector with the revenues from this program.
        - Wildfire deployment fees are set by the State of MT and the National Wildfire Coordinating Group and are occasionally nationally adjusted.
        - Special event standby fees were changed in 2023 to reflect the cost of staffing, coverage, and apparatus costs more accurately.
    - Do you plan to adjust fees for services in the next 3 years? Please explain.
        - We are currently updating EMS fees. We continue to charge an increased "non-resident" fee to offset our fee structure and lessen the cost for in-district residents and taxpayers.
        - We may reassess our review/inspection/permit fees as we continue to gauge the actual fiscal impact of our fire code program. We plan to analyze these fees in FY24/25; any fee increases will be implemented in FY25/26.
        - Our other fees change in accordance with state and national rate changes.
- Of the number of people, you serve estimate the number that are residents vs visitors.

- Approximately 869 of our 1259 emergency incidents in CY 2023 were for non-residents, which equates to 69% of total incident responses. These users are defined as non-resident/non-taxpayers.
- The other 31% are considered residents. This category is defined by having a local address. Depending upon ownership status, these individuals may or may not be taxpayers within the fire district.
- The number of people we "serve" is difficult to quantify. To further elaborate, we process over 400 construction and design permits and inspections each year that could be defined as "serving" the residents who are building in the district. We also provide numerous community programs and education/outreach events for residents and non-residents throughout the year. Other examples of programs that "serve" the community that we do not collect data on are blood pressure checks, service calls, public access to AED programs, community CPR programs, school education programs, wildfire mitigation programs, canyon call box programs with the Rotary Club, and numerous other programs "serve" the community.

- What are your hurdles for forecasting future budgets or expenses?
  - Although we approve a budget in March of each year for the FY starting in July, we cannot accurately forecast tax revenues before August of each current fiscal year. To make forecasting even more difficult, the average rate of inflation that limits our taxable increases and the overall market value do not get reported to local districts until August as well. For planning and forecasting purposes, we typically utilize a 6-8% increase in tax revenues before knowing our actual collection estimates. This percentage is a conservative estimation and serves as the basis for our operating budget until August when we receive the actual collection estimates. After we receive these, we will request a budget amendment from our board of trustees to update our FY operating budget.
- Can you use other forms of public funds you currently aren't implementing? Please specify if these funds can be used for capital or operations.
  - Yes, we can impose other public funding mechanisms. We are currently in the process of utilizing a Rural Improvement District to construct our Fire Station 3 in Spanish Peaks. There are other public funding mechanisms out there as well, but we try to be innovative and strategic when leveraging taxpayer dollars and try in every way possible not to overtax our community for services that are either driven by non-taxpaying visitors or development.
- With voter approval could you levy more mills?
  - Yes, we could, but with the current climate of drastic increases in property taxation in Montana due to increased property values, public safety mill levy increase ballot initiatives have been largely unsuccessful.
- Please provide your expenses that were not completed in the table question.

2) EXPENSES	FY23 (Actual)	FY24 (Budget)	FY25 (Budget)	FY26 (Budget)	FY27 (Budget)
Administration	$265,550	$410,250	TBD	TBD	TBD
Programming	$11,575,877	$11,873,863	TBD	TBD	TBD

- Please explain the 6-person FTE growth from FY24-FY25
    - Three firefighter positions are slated for hire this summer and again in the summer of 2025. These positions are to complete the hiring strategy for the staffing of Spanish Peaks Station 3 slated to open in 2027. Our newly hired firefighters are on probation for 1-year and our staggered hiring strategy allows for the 9 positions to all be fully operational by the time of opening.
    - We also just hired five seasonal wildland firefighters to conduct mitigation work within the community. This effort is partially funded by grant funds and the remainder through homeowner and BSFD contributions.
- Do you have a project(s) outlined for your reserve? Please explain.
    - Yes, we have a detailed capital purchasing plan. The upcoming FY includes replacement and/or adding of command vehicles, adding technical rescue equipment/capacity, and architectural design and construction services for Station 3 prior to RID implementation. We also may be adding a Station 4 in the Beaver Creek area through the purchase of an existing building to operate our seasonal wildfire response/mitigation team out of which will also assist the owners in the area in obtaining insurance.
- How does your organization train for and support mental health crises?
    - Our team trains regularly on mental health emergencies as part of continuing EMT/Paramedic education. We also work with local organizations and our hospital partners to provide resources to patients experiencing mental health crises.
    - Our team also attends Critical Incident Stress Management (CISM) training to help our emergency responders cope with the mental stress caused by some of the devastating incidents we regularly respond to.
- Did the panocamera identify any wildlife threats in the last year?
    - The cameras continue to work well. Due to the consistent moisture during the 2023 fire season, we did not have any true wildfire starts that the camera detected. We do, however, continue to test the camera during the debris-burning season and are continually impressed with its current and expanding capabilities.
- How do your expenses compare to other fire stations in SW Montana?
    - Our expenses are similar to those of others in SW Montana. Bozeman Fire and Central Valley Fire are the only departments in Montana that we can compare to due to the cost of living in Gallatin County, size, staffing, and operational expenses.
    - Bozeman Fire, which employs 50 FTEs FY 24/25 operating budget, is just over $18 million dollars ($ 24 million with capital expenditures).
    - Red, White, and Blue FD (Breckenridge) are our closest comparable in the nation. RWB employs a combination of 60 FT/PT employees, and their operating budget for the current FY 23/24 is approximately $11.5 million.
- How do your wages compare to other fire stations in SW Montana?
    - As far as the Montana Fire Service, we are the highest paid. When comparing to other similar fire departments such as Breckenridge, Tahoe (Truckee), and Jackson Hole we are similar. During the recent negotiations, we also utilized our local Water and Sewer District to conduct wage comparisons within the community and found similarities in wage comparisons.

- Comparable Table

	Big Sky FD	**Red, White, and Blue FD (Breck)**	**Bozeman FD**	**Big Sky Water Sewer**
FF/EMT – Water Tech	$91k - $105k	$70k-$100k	$69k-$82k	$75k-$115k
FF/Paramedic	$100k-$115k	$81k-$111k	$76k-$90k	$75k-$115k
Admin Assistant /Clerk	$100k	NA	NA	$90k-$125k
Chief/Director	$195k-$204k	$170k-$205k	$180k-$220k	$190k-$250k

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FY25 GOVERNMENT SERVICES APPLICATION QUESTIONS

INSTRUCTIONS:

- Please provide direct responses to the questions provided below.
  - Keep responses **BRIEF** and no longer than 1 paragraph.
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  - Please contact the District if you require clarification or have any questions.

ORGANIZATION: BIG SKY SCHOOL DISTRICT

QUESTIONS

- Please provide the names and email addresses of the individuals who will be representing your organization at the Review Meetings:
  - Wednesday, April 17: Dustin Shipman – dshipman@bssd72.org
  - Wednesday, May 8: Dustin Shipman – dshipman@bssd72.org
- Do you have the ability to (even if not implemented) levy assessments, mills, or fees in addition to bonds? The District can secure bond debt, but only with voter approval.
  - Are there statutory limits on how much you can levy in bonds, assessments, mills, and fees? If so are these of concern for the longevity of the District? Our debt capacity is limited by MT law as a function of the school district's property tax valuation.
  - Are you at maximum capacity for bonds, assessments, mills, and fees? No, we have $190M in debt capacity.
  - When was the last time you adjusted your bonds, assessments, mills, and fees? Please explain. The local taxpayers approved a $23.5M bond election in May 2020 to approval a facility upgrade.
  - What is the sunset date of your current bond? Bonds associated with the elementary school building sunset in 2028. The most-recent bonds from 2020 sunset in 2040.
  - Do you plan to levy bonds, assessments, mills, and fees in the next 3 years? Please explain. No.
- Do you charge fees for services and are the limitations on the maximums you can charge? No.
  - When was the last time fees for services were adjusted? Please explain.
  - Do you plan to adjust fees for services in the next 3 years? Please explain.
- Of the number of people, you serve estimate the number that are residents vs visitors. We serve 400 local students.

- What are your hurdles for forecasting future budgets or expenses? School budgets are not revenue based. The state sets a school's spending limit based on headcount. Big Sky School District is trying to budget and look to the future with increasing costs, but a decline in enrollment (less revenue).
- Can you use other forms of public funds you currently aren't implementing? Please specify if these funds can be used for capital or operations. No.
- When will the bond for the Bozeman School District sunset for Big Sky taxpayers? 2026

Project Questions: Teacher and School employee Housing.

- How many bedrooms are planned for the 6 housing units? 6
- Are you working with the housing trust or any other entity this time around on this project? We had initial consultation with the Housing trust but no formal partnering with any other entities at this time.
- You indicated no general contractor was needed for this project – can you please explain? We have experienced people on staff and due to the nature of the project, we think we can save significant dollars by not hiring a general contractor as the scope of work will be somewhat minimal and we have relationships with those entities already from past projects.

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FY25 GOVERNMENT SERVICES APPLICATION QUESTIONS

INSTRUCTIONS:

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  - Please contact the District if you require clarification or have any questions.

ORGANIZATION: BIG SKY TRANSPORTATION DISTRICT

QUESTIONS

- Please provide the names and email addresses of the individuals who will be representing your organization at the Review Meetings:
  - Wednesday, April 17:

    Darren Brugmann (Executive Director) dbrugmann@bigskytd.com
    Ennion Williams (Board Chair) ennion@theoutlawpartners.com
    Bayard Dominick (Board Member) bdominick@lonemountainland.com

  - Wednesday, May 8: **Same as April 17th**
- Do you have the ability to (even if not implemented) levy bonds, assessments, or fees in addition to mills? **Yes**
  - Are there statutory limits on how much you can levy in bonds, assessments, mills, and fees? **Yes.** If so are these of concern for the longevity of the District? **Not currently.**
  - Are you at maximum capacity for bonds, assessments, mills, and fees? **No bonds, assessments, mills or fees implemented at this time.**
  - When was the last time you adjusted your bonds, assessments, mills, and fees? **N/A**. Please explain.
  - Do you plan to levy bonds, assessments, mills, and fees in the next 3 years? Please explain. **Yes, it is likely that we would bring a vote regarding property tax mills to support the Transportation District to the voters in the next two to three years.**
- Do you charge fees for services and are the limitations on the maximums you can charge? **We do charge a fare for the Link Express service between Big Sky and Bozeman. It is currently $5 one way (passes are available for purchase). There are currently no fares charged for Local Service in Big Sky and the Connect service.**

    - When was the last time fees for services were adjusted? **2016** Please explain. **The COVID-19 pandemic delayed any plans to increase the fares.**
    - Do you plan to adjust fees for services in the next 3 years? **Yes.** Please explain. **It is likely that either this year or next year we will increase our fares.**
- Of the number of people, you serve estimate the number that are residents vs visitors. **As a public transit agency, we are not able to distinguish the demographics of our ridership – meaning, any person is able to access our service. We can do surveys, which we accomplished last pre-pandemic. Approximately 80% of the public we carry are employed by various businesses/resorts in Big Sky. Some of those employees live in Big Sky, while others are traveling from Bozeman, Four Corners and/or Gallatin Gateway. About 20% of the public, we provide rides to are locals/visitors/tourists.**
- What are your hurdles for forecasting future budgets or expenses? **Our main hurdles are on forecasting our revenues, which includes the amount of funding we will receive from BSRAD, MDT, and Gallatin and Madison Counties. It has become a bit easier to forecast BSRAD revenue with the new 3-year process.**
- Can you use other forms of public funds you currently aren't implementing? **We are utilizing all the forms of public funds we know of. As noted, we plan to utilize a property-tax mill levy in the next two to three years, however, we would need a positive vote from the public to levy that tax.** Please specify if these funds can be used for capital or operations. **The property tax mill levy could be used for both capital and operating expenses.**
- Please provide an update on the status of the mobility hub.
  A mobility hub is an enhanced transit stop where riders can connect multiple transportation options. Building a comfortable and efficient hub can help meet travel demand throughout a population center and influence travel behavior by making non-drive alone modes more appealing. With the Town Center emerging as a focused center of population and employment, a central connection point for residents, employees, and guests will be essential to supporting BSTD's growth and utilization. We are actively engaged with Lone Mountain Land Company (LMLC) and their vision for continued development in Big Sky, specifically the Town Center. In fact, LMLC provided a public presentation of their plans on April 2 to the community. Public transit is a priority for LMLC to achieve the goal of providing a world class resort destination and was stated as such. Currently, the District and LMLC are collectively focused on developing the parking area adjacent to BASE which would include 6 operating bays and a passenger waiting area and office area for the District. We are very excited and look forward to continuing our work with LMLC and their 5-10 plan going forward.
- What are your plans for expanding Big Sky Connect over the next 3 years**? We would like to expand the well-received and successful Big Sky Connect to the Mountain Village area so we can access more areas on the Mountain, and then perhaps expand the service to the Canyon area. However, we would need a significant increase in funding (the property tax mill) to make this happen.**
- What are your plans for transitioning your fleet to electric buses over the next 3 years? **We are aware the community has a strong interest in alternative fueled vehicles used by the District. As you are aware, the technology in battery electric (BE) buses and/or**

vans has made extraordinary advancements in the past 5-7 years. While we would like to do this, we first need a dedicated facility and infrastructure where we could store and charge the buses and/or vans. Unfortunately, we were not allowed to purchase the bus barn which we are now leasing and will need a dedicated facility before we can realistically transition to battery-electric buses.

- Do you anticipate any partnerships or expanded services in relation to the Gallatin Valley UTD? **Yes,** Please explain. **Our recently released 5 Year Strategic Plan speaks of the necessity of coordinating with other transportation providers, specifically the Gallatin Valley UTD. We hope that the Gallatin Valley UTD will be able to provide service to Four Corners, so we wouldn't have to drive all the way into Bozeman with our service, thus duplicating some service area. Also, we are exploring opportunities such as a joint bid for a contractor to operate our services and similar measures that could save money for each UTD. Gallatin Valley has been receptive to coordinated efforts to this point. We expect these discussions to further expand now that they are structured as a UTD and a 5307 FTA Small Urban System.**
- We see that you anticipate receiving money from the counties. What amount is from each? **In the past, we have received approximately $80,000 per year from each County. This year (FY24) we are receiving $40,000 from Gallatin County and $80,000 from Madison County. In the future, with BSRAD's assistance, we are hoping we can get those figures closer to $125,000 or $150,000 from each County.**

In Addition:

Attached is our 5 Year Strategic Plan. This plan was over a year in the works and approved/accepted by the BSTD Board in February 2024.

I draw your attention to pages 88-94 of the plan – Financial Section

More directly, I ask you to look at pages 91 & 92. Here you will find a summary table of our operation (Table 23) and capital (Table 24) plans going forward in the next 5+ years. We believe these plans will bring us closer to becoming a world class public transit system for a world class destination.

While our next 3-year request from you is for status quo in our operations, you can see by this summary we will continue to look for new revenue streams (mill levy) and continue to be dependent on our current local supporters and new sources. Please refer to pages 95-97 – Local & Federal Sources of Funding. Table 25 – summarizes.

Of course, our existence is largely dependent on the Big Sky Resort District, and we remain, with the entire public of Big Sky, grateful for your continued support and consideration of additional funding into the future.

Big Sky Transportation District Five Year Strategic Plan

Prepared for:
Big Sky Transportation District

December 2023

UT22-2373.01

FEHR PEERS

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Executive Summary

The Big Sky Transportation District Five Year Strategic Plan (2024-2028) is a planning effort to comprehensively assess current services, analyze travel demand and market potential, identify areas of need and potential growth, formulate system concepts, and ultimately craft a conclusive plan encompassing financial considerations, phases, and strategies for implementation. This study includes:

- Review of existing conditions
- Analysis of demand, route performance, and financial indicators
- Development of refinement of service and network design
- Performance measures
- Operating and capital plan for the next five years

Overview

Big Sky Transportation District (BSTD) serves the greater Big Sky area, offering connections to Bozeman. The authority is poised for an expansion in service capacity and the development of new service options.

Decisions have been made to drive investments in new facilities, vehicles, and service alternatives as well as potential funding sources identified. To best coordinate these upgrades, this strategic plan will guide.

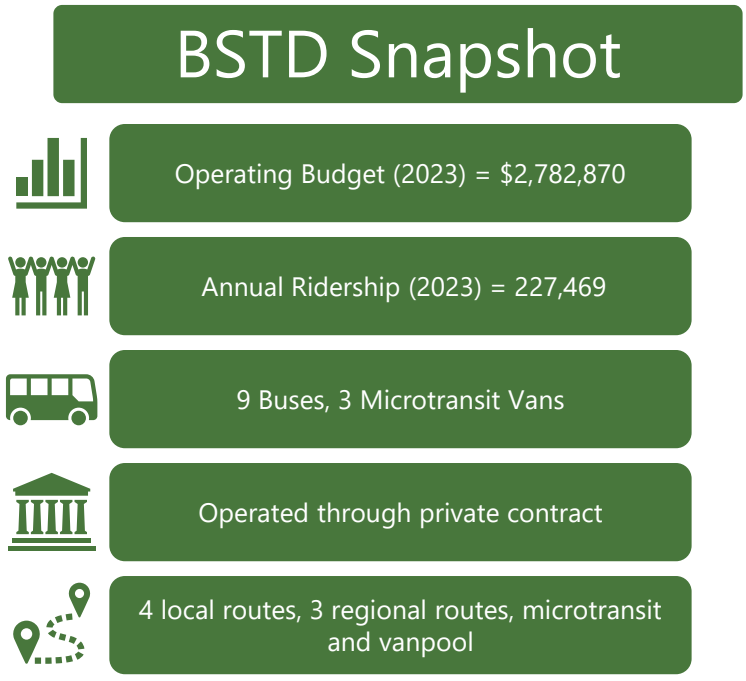

Figure ES-1: Big Sky Transportation District Snapshot

Plan Purpose and Context

The Plan seeks to address how Big Sky Transportation District (BSTD) should conduct transit operations within its service area while evaluating new route alignments to address the need to accommodate growing demand for transportation options. Recommendations from the plan should guide BSTD's growth and investment over the coming five years. The plan comes at a time when annual ridership has surpassed pre-pandemic levels and visitation to Big Sky surges.

Scenario Development

Based on community input, BSTD Board discussions, opportunity analysis, and an understanding of the existing transportation, five alternative scenarios for growth were developed for review by the BSTD board. These four scenarios are:

- Scenario 1: Enhance local service with stable regional service. (Moderate growth)
- Scenario 2: Enhance regional service with stable local service. (Moderate growth)
- Scenario 3: Significantly increase local service and enhance regional service. (High growth)
- Scenario 4: Enhance local service and significantly increase regional service. (Extremely High growth):

Services provided under each scenario, along with estimated operating costs and potential ridership growth, are summarized in Error! Reference source not found.**ES-1**.

Table ES-1: BSTD Growth Scenarios Comparison

Scenario	Service Hours – Total	Service Hours (Micro[1])	Service Hours (Fixed Route[2])	Fleet (Micro[1])	Fleet (Fixed Route[2])	Operations Budget (Micro[1])	Operations Budget (Fixed Route[2])	Operations Budget (Total)
Current[1]	31,000	9,000	22,000	3	10	$594,000	$2,200,000	$2,782,870
Scenario 1	47,144	13,525	33,519	5	11	$892,650	$3,361,875	$4,254,525
Scenario 2	48,599	17,380	31,219	7	10	$1,147,080	$3,121,875	$4,268955
Scenario 3	54,736	17,380	37,356	7	13	$1,147,080	$3,735,625	$4,882,705
Scenario 4	62,200	18,293	43,298	7	14	$1,248,885	$4,329,750	$5,578,635

Notes:
1. Microtransit, locally branded as Big Sky Connect.
2. Fixed route service includes all local and regional (Link) routes.

Source: Fehr & Peers.

Evaluation Process

The four scenarios for BSTD's growth were evaluated against community feedback gathered through an open survey and guided by board member input. The community survey generated 1,850 responses that

clarified that employees working in Big Sky are and will continue to the primary transit market. With an understanding of anticipated development in the area and associated changes in travel patterns, collaboration with the board revealed that ***Scenario 3*** is the vision for BSTD's growth that best balances Big Sky's needs and goals with fiscal responsibility, described below in **Table ES-2**.

Table ES-2: Preferred Scenario for BSTD's Growth

Big Sky Link	YC/SP/Montage Link	Yellow/Orange	Green	Town Center Express	Microtransit
Commuter between Gallatin Mall area (short-term), 4 Corners (long-term) and Big Sky/Moonlight	Commuter between Gallatin Gateway and YC, Montage, and SP	Full Canyon Route up to Big Sky and Moonlight (Similar to how this operates in summer now)	Eliminated in lieu of microtransit	BSTC to Mountain Base Area Express	Maintain existing microtransit zone near Town Center, add new zone serving Big Sky Resort/Moonlight Basin

Source: Fehr & Peers, 2023.

Final Recommendations

This scenario is structured around five goals that were developed during the planning process, intended to guide decision making over the coming five years:

1. Commit to high investment to expand coverage of BSTD service, especially for local service within the Big Sky Community.
2. Prioritize employees traveling from Gallatin Gateway, Four Corners, and Bozeman in the coming years.
3. Enhance and update existing facilities while developing new facilities throughout the service area.
4. Seek partnerships with private and public entities to facilitate improved service delivery.
5. Prioritize BSTD's role in bringing Big Sky towards a more sustainable future.

Scenario three is described in greater detail in subsequent sections of this plan.

Implementation

Successful implementation of this plan will depend on reliable, ongoing funding from local and federal sources. To invest in new capital assets and support ongoing operating costs, BSTD should pursue funding through a property tax measure. Further, with the increased service levels and ongoing coordination needs, BSTD should consider additional staff resources to better support the District's ability to deliver on its mission and ambitious vision for growth. Needs will likely change over the next five years, but the following priority steps should be taken to implement this plan fully, either in sequence or simultaneously:

- BSTD should begin pursuit of new operational funding sources, likely a property tax measure, to expand service and increase capacity as soon as possible.

- Capital funding opportunities, largely from federal sources, must be pursued on a regular basis to ensure new fleet and facilities are available to support expanded service and expected increased ridership.
- To support the successful pursuit of capital funding through grant programs, BSTD must develop a fleet replacement plan in the next six months.
- BSTD should add staff capacity to support this growth, either through contract or full-time staff, with a focus on successful grant writing experience and service planning; this will make available funding sources more accessible.
- BSTD must advance partnership efforts with private entities in Big Sky, including the Yellowstone Club, Montage/Spanish Speaks, and Big Sky Resort, as well as with public entities such as Streamline and the upcoming Gallatin Valley Transit District.
- BSTD should continue to monitor the quality and performance of its current transit service and explore long-term options for service delivery, whether with the current contract operator, a new contract operator (secured through a new competitive procurement), or consideration of BSTD taking some or all operations in-house.
- The BSTD board should continue its current trend of regular meetings and strengthen its operating procedures through adoption of updated bylaws and roles on the board, ensuring a full board of five members is always in place.

As opportunities avail themselves, various implementation priorities should be pursued from both the list above and the full implementation section of this plan. However, the importance of securing additional funding and staff capacity cannot be understated – without more money and at least some additional staff capacity, implementation of this plan will be impossible.

Plan Organization

This plan was assembled with an eye towards implementation. With that in mind, the first section in the body of the plan describes implementation of the preferred alternative for BSTD service growth described in brief in the executive summary and in greater detail in subsequent sections of this plan. All sections of this plan describe aspects of how or why the preferred alternative was constructed and selected.

Implementation

Phasing and Timeline

Implementation of new and improved services will occur in phases, based on prioritization of need, available resources, completion of supporting infrastructure, and receipt of new buses.

Table 1: Phasing and Timeline of 5-year Vision Implementation

Plan Recommendation	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028
Microtransit - peak seasons, both zones (TC zone and Big Sky/Moonlight zone)					
Microtransit - year-round, both zones					
Increased Big Sky Link frequencies/hours					
Implement new YC/SP/Montage Link					
Town Center Express - summer and winter 30-minute freq.					
Town Center Express - summer and winter 15-minute peak freq.					
Canyon Route - service improvements for winter					
Canyon Route - service improvements for winter and summer					

Source: Fehr & Peers, 2023.

Marketing and Outreach

At every step in the implementation process, marketing and public outreach are key to the successful launch of any new route or start of any service change. Therefore, funding should be dedicated to marketing and outreach for the next five years of service vision implementation. This is especially important for completely new routes that need repeated messaging to attract potential new riders and build ridership.

Specific strategies for enhanced marketing and outreach include:

- Develop more resources for continued improvements in traveler information through website improvements and real-time customer information (apps and at stops).

- Revisit the BSTD and Skyline brands, including route names, and consider refreshing the Skyline brand to ensure it is engaging, bold, and that it clearly conveys to potential customers what it is, where it goes, and that it is public transportation.
- Invest in large format vinyl graphics for all vehicles so that the fleet clearly conveys the BSTD/Skyline brand and is easy to recognize.
- Increase local advertising of the transit system on traditional local media and social media.
- Leverage the existing network of community groups to raise awareness and promote service improvements. Key stakeholders should be invited to serve as ambassadors for the new service. This role can be as simple as committing to including Skyline as a discussion topic in community events or promoting the service on an organization's website and social media pages.
- Specific partnerships with key employers and resort operators to increase awareness and use among employees and commuters.
- Have a presence at all local events, such as markets, sporting events, community meetings, and neighborhood parties. Setting a table with brochures and a friendly community ambassador is a relatively low-cost way to build awareness and trust in the growing services.

Develop Organizational Capacity

There are several organizational recommendations we believe are necessary to help support the goals and recommendations of this plan including:

Address the Driver Shortage

BSTD has faced a significant shortage of drivers over the past three to five years, and the shortage does not show any signs of abating soon. As services are contracted, BSTD's has a limited role in driver hiring and retention, but there are all strategies BSTD should pursue, in partnership with its contractor, to help develop enough drivers to support service growth, including:

- **Enhance and expand local recruiting**
    - A strategy used successfully by many other agencies is to build a messaging campaign around all the positive aspects of driving, such as schedule flexibility, fun environment, customer service focus, and impact on the local community. For example, a local campaign could include traditional ads, online videos, social media, and local earned media and could be targeted at audiences such as retirees who may want to drive part-time or existing drivers (school bus or private shuttles) who may want to pick up more hours.
- **Market to drivers in summer resort areas**
    - Other mountain resort agencies have had some success with marketing to drivers in other summer resort markets – for example, some resort agency staff have traveled to Alaska to meet with bus drivers who work at cruise ship ports moving passengers from the cruise ship docks to hotels and local attractions. This same strategy could be used at other

summer recreation destinations that have significant summer transit operations, such as Yellowstone.

- **Continue to monitor the competitiveness of the driver's wage**
    - In partnership with its contract operator, BSTD should continue to compare its driver wages to other similar local and regional wages and consider additional wage increases in the future.
- **Continue to invest and partner in attractive housing opportunities**
    - BSTD has adequate driver housing currently, but more may be needed in the future to grow services and meet the demand for both its seasonal and year-round full-time employees. Housing remains challenging and is a key differentiator in recruiting and retaining drivers.

Invest in Support Staff

With a new direction for BSTD, support staff roles need to be developed in functions such as planning, customer/community relations, transit technology, and financial/grant administration. It is common for peer transit agencies to be underfunded and understaffed in support functions, but if BSTD is to be successful in implementing the 5-year vision, support staff are needed.

Consider Contracted vs. Agency Operated Services

We recommend that BSTD evaluate the possibility of taking fixed route bus operations in-house and operate it directly with BSTD drivers and vehicles. Given this would be a major undertaking, it would take 2-3 years of pre-planning and may be a strategy to consider beyond the five years of this plan. However, agency operated services could provide many key benefits to BSTD long-term:

- More control over service quality and operational procedures
- Ability adapt or change the service quickly
- Lower overall cost, especially as service levels grow

Organizational Governance

One of the cornerstones of effective transit agency governance lies in the clear delineation of board responsibilities. The transit agency board shoulders several key functions, which collectively contribute to the agency's operational efficacy, financial stability, and adherence to legal mandates. Broadly, the responsibilities encompassed by a transit agency board include:

- Carrying out the district's core business operations.
- Electing officers to fulfill leadership roles.
- Conducting regular board meetings for transparent decision-making.
- Approving operating and capital budgets while continuously monitoring budget performance.
- Ensuring sufficient financial resources to sustain district operations.

- Approving, amending, and updating plans, policies, and safety procedures to ensure compliance.
- Holding the authority to hire or terminate the director.
- Acting in the best interests of the district and its stakeholders.
- Ensuring compliance with both local and federal laws governing transit operations.

To effectively put these responsibilities into action, operationalization strategies are paramount. These strategies involve the establishment of organized protocols to ensure smooth functioning and transparent governance. Some key operationalization methods include:

- Regularly scheduling and publicly announcing board meetings at accessible, neutral locations.
- Providing advance access to posted meeting agendas.
- Maintaining comprehensive minutes of all meetings for adoption in subsequent sessions.
- Facilitating the availability of board packets before and after meetings to ensure informed decision-making.
- Developing, adopting, and revising operating and capital budgets through a systematic process that allows for public input.
- Maintaining and periodically updating essential policies, such as those addressing Equal Opportunity Employment (EOE), Disadvantaged Business Enterprises (DBE) participation, spending authorization thresholds for the director, and plans to ensure compliance with laws like Title VI Civil Rights, Americans with Disabilities Act (ADA), Limited English Proficiency (LEP), and Drug and Alcohol Testing.
- Instituting a structured service planning process with public involvement for the development and approval of annual and seasonal Service Plans.

In essence, the framework outlined above ensures that the transit agency board's responsibilities are comprehensively carried out through well-defined operational practices, thereby fostering efficient governance and service delivery while prioritizing the needs and interests of the community.

Agency Overview

A mature agency, the Big Sky Transportation District is confronting a period of unprecedented growth and an increasing need for reliable transit service. Simultaneously, ski resorts across the country are experiencing a surge in visitation, putting additional strain on BSTD.

Big Sky Transportation District Overview and History

The Big Sky Transportation District (BSTD) was formed in 1991, beginning with the Snow Express transit system, which operated from roughly mid-December to mid-April to move skiers, other visitors, and employees around Big Sky. In 2002, the Western Transportation Institute (WTI) at Montana State University began working with the District to assess services, including routes and schedules. This partnership led to the District securing funds from the Montana Department of Transportation (MDT) to establish a Transit Development Plan (TDP), marking the first step in establishing a year-round public transportation system.

Figure 1: Signage for the "Link" service.
Source: Explore Big Sky

Following the completion of the TDP, WTI worked alongside the District to prepare an application for Federal Transit Administration Section 5311 Funds. Managed by MDT, these funds were the final step in creating a year-round transit service in Big Sky, with the addition of a connection between Big Sky and Bozeman, while further expanding throughout Gallatin Canyon. Meanwhile, the Link service extended to cover several locations in Bozeman, including MSU, Walmart, Four Corners, and Gallatin Gateway. In October 2006, the District received confirmation of funding to fully operate the system and in December 2006, the service was rebranded as Skyline. From then the system became a year-round public transportation system, which not only provided service within Big Sky, but also provided service between Big Sky and Bozeman with what is still referred to as “the Link.” Today, the system serves over 63,000 people across the region and provided 179,733 rides across all its services in fiscal year 2022.

Mission and Goals

As mentioned in the organization's bylaws, BSTD has originally defined a mission to steer its growth in services and execution of operations. This strategic plan offers the opportunity to examine and redefine BSTD's mission statement to better reflect

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Mission: *To supply transportation services and facilities to district residents and other persons*

This strategic plan offers the opportunity to examine and redefine BSTD's mission statement to better reflect the contemporary needs of the organization and the communities it serves.

Organizational Structure and Board

Established through a voter referendum on November 18, 1991, and governed by §§7-14-201 through 7-14-246, MCA, this district operates with a three-member board (now five), selected by County Commissioners for staggered terms. The board's responsibility is to create, manage, enhance, uphold, and oversee the operations of the district.

The Big Sky Transportation District Board is appointed jointly by the Gallatin and Madison County Commissioners. These board members have authority over all aspects of the Skyline service, encompassing financial planning and route decisions. A distinctive aspect of Skyline is that it's a public transportation service located within an unincorporated region of the state. As Big Sky lacks incorporation, its services fall under the purview of Gallatin County, Madison County, or various existing Districts in the area, such as the Big Sky Resort Area District (responsible for the local option sales tax or "resort tax").

Worth noting is that Big Sky does not yet have some of the typical agencies or organizations found in other small towns, such as human services-type agencies, senior centers, etc. Therefore, BSTD's service coordination efforts generally involve major employers and traffic contributors like Big Sky Resort, Moonlight Basin, Spanish Peaks Resort, Yellowstone Club, alongside private transportation companies like Karst Stage, Big Sky Shuttle, Shuttle to Big Sky & Taxi, rather than the typical interdepartmental procedures used by many other transit providers. Moving forward in this strategic plan, all coordination possibilities are analyzed in context of the FTA charter regulations, and other relevant laws and regulations.

Current Fleet and Assets

While BSTD has done a commendable job of operating transit in a remote and rural location for well over two decades, their stops and vehicles are used heavily and are in need of substantial upgrades to meet the needs of its riders and the communities BSTD serves. All BSTD-served bus stops are largely non-descript roadside facilities that are either collocated with other transit services (mostly in Bozeman) or are

nearly anonymous stops known only to routine riders and those most dependent on transit service for accessing Big Sky. BSTD does intend to develop improved branding and wayfinding for all existing stops to improve the system's visibility and resulting impact. In addition, BSTD will seek funding opportunities to support stop facilities improvements over the coming years, most recently in the winter of 2023 when BSTD applied for federal Rebuilding American Infrastructure with Sustainability and Equity (RAISE) funds, intended to develop new and improved stop facilities.

BSTD must continue to add new vehicles to its fleet, not only to replace existing vehicles, but to add additional vehicles to meet the growing demand for greater transportation services not only within Big Sky, but between Big Sky and the greater Bozeman area, including Gallatin Gateway and Four Corners. Current BSTD vehicles operating on local routes are largely cutaway-style vehicles with high floors, an impediment for any rider with mobility challenges. These vehicles are inadequate for both current demand and routine driving conditions in a setting such as Big Sky. As of 2023 BSTD is in the process of updating its fleet, including through the acquisition of four new intercity coach-style vehicles (expected summer 2023), funded through the Transportation Investment Generating Economic Recovery (TIGER) program. While these modern vehicles will improve rider experience on Link service between greater Bozeman and Big Sky, the remaining vehicles operated by BSTD are increasingly not up to the task of operating year-round in a demanding setting.

In December 2021, the District was able to lease a facility to use as a bus barn in Big Sky. This facility is leased for five years and will use FTA funds to help with the lease payments. The lease agreement spans five years and will be supplemented by FTA funds, which will contribute to the lease expenses. While this leased facility aligns with the District's goals for maintaining a solid operational state and effective asset management, the District's ultimate aim remains the establishment of a self-owned and operated facility in Big Sky. It is anticipated that funding from sources like FTA funds, including Section 5339 or similar allocations designated for buses and facilities, will play a role in financing this future bus barn project.

Service Overview

BSTD is the primary transit provider connecting destinations within Big Sky and across wider Gallatin County, namely through two main services to the community:

- Local service which provides circulator rides within the unincorporated Big Sky community, and
- Link service which connects Big Sky to Bozeman, with stops in Gallatin Gateway and Four Corners.

The local service connects locations along US-191 adjacent to Big Sky, the Big Sky Town Center area, and Big Sky Resort with three routes. In December 2022 within Big Sky, BSTD also introduced zero-fare, on-demand service, seven days per week from 6 AM–11 PM. The Link service helps connect people who travel over 45 miles of US-191 and MT-64 from the greater Bozeman area to Big Sky for work and recreation. The Link service also connects directly to all four of Bozeman's Streamline transit system bus routes, which provides connections among key Bozeman destinations such as Montana State University, Bozeman Yellowstone International Airport, Downtown Bozeman, and various commercial centers within the Streamline service area. In addition, BSTD works with the nearby Yellowstone Club to facilitate vanpool

service for their employees. Finally, to support and encourage more multimodal transportation, BSTD works with most major employers in the area to offer an employee carpool program through the Go Gallatin initiative.

Service is year-round, operating across three distinct seasons in which routes, frequencies, and alignments are adjusted to better match the seasonal demands of the region. Seasonally adjusting service ensures that resources are applied where they are most needed, supporting sustainable year-round operations. The following tables highlight the service characteristics of recent seasons, beginning in the winter of 2021 and finishing in the summer of 2022. **Table 2** below describes the winter season, which offers the most extensive service of the year through five routes providing access across the wider region, typically running from mid-November towards the end of April. The Green Route provides circulator service within the Big Sky Resort area, linking the Mountain Village Cetner with key destinations around the resort. In addition to the normal schedule of the Green Route, there is also a single run at 6:45 AM starting at Buck's T-4 and connecting to the Mountain Village Center. The Blue Route provides similar service to the wider Big Sky community, linking the Spanish Peaks Fork, Meadow Village Center, and Big Sky Town Center.

Table 2: BSTD Service Characteristics (Winter 2021-2022 Season)

Route	Service Span	Peak Frequency	Off-Peak Frequency	Starting Location	Ending Location
Big Sky – Bozeman Link	4:25 AM – 12: 00 AM	30 mins	120 mins	Super 8 Motel, Bozeman	Mountain Village Center, Big Sky
Yellow	7:16 AM – 8:00 PM	60 mins	180 mins	Corral/Rainbow Ranch	Mountain Village Center, Big Sky
Orange	7:15 AM – 6:57 PM	60 mins	180 mins	Mountain Village Cetner, Big Sky	Corral/Rainbow Ranch
Green	8:15 AM – 6:03 PM	60 mins	60 mins	Big Sky Resort circulator route	
Blue*	6:35 AM – 8:21 PM	60 mins	240 mins	Big Sky Town circulator route	

Source: Big Sky Transportation District, 2022.
Note: The Blue Route has now been eliminated in lieu of microtransit service.

From the beginning of June to mid-September, BSTD switches to summer service which entails significant reductions in terms of route frequency and availability, described below in **Table 3**. Across the four summer routes, frequencies remain higher during peak demand periods in the morning and evening and the service span is roughly equivalent to winter service, route frequencies reduce through the middle of the day and while certain stops are skipped throughout the day.

Table 3: BSTD Service Characteristics (Summer 2022 Season)

Route	Service Span	Peak Frequency	Off-Peak Frequency	Starting Location	Ending Location
Big Sky – Bozeman Link	5:00 AM – 1:10 AM	30 mins	240 mins	Walmart, Bozeman	Saddle Ridge Condos, Big Sky
Yellow	8:05 AM – 11:02 PM	24 mins	120 mins	Saddle Ridge Condos, Big Sky	Corral/Rainbow Ranch
Orange	8:05 AM – 11:02 PM	20 mins	120 mins	Corral/Rainbow Ranch	Saddle Ridge Condos, Big Sky
Blue*	7:35 AM – 11:05 PM	45 mins	120 mins	Town Center, Big Sky	Spanish Peaks Resort

Source: Big Sky Transportation District, 2022.
Note: The Blue Route has now been eliminated in lieu of microtransit service.

Typically running from mid-September to mid-November in the fall and the end of April to mid-May in the spring, service during the shoulder season is reduced even further, as shown in **Table 4** below. The Link from Big Sky to Bozeman remains the sole fixed route, operating with two runs in the morning and evening throughout the week, with no service through the middle of the day. The first two runs begin at 8:30 AM and 9:05 AM whereas the evening runs begin at 4:30 PM and 5:05 PM. No fixed service operates within Big Sky, instead demand response service is offered Monday through Friday, with no weekend service.

Table 4: BSTD Service Characteristics (Shoulder 2022 Season)

Route	Service Span	Peak Frequency	Off-Peak Frequency	Starting Location	Ending Location
Big Sky – Bozeman Link	7:00 AM – 7:10 PM	35 mins	Double Run AM & PM service only	Walmart, Bozeman	Saddle Ridge Condos, Big Sky
Local Demand Response	8:00 AM – 6:00 PM, M-F	N/A	N/A	Big Sky	Big Sky

Source: Big Sky Transportation District, 2022.

As with transit agencies across the country, BSTD ridership fell in the wake of the global COVID-19 pandemic, pandemic, while visitation to rural areas such as Big Sky surged. Ridership has quickly rebounded and is approaching pre-pandemic levels. For example, annual ridership in 2022 was approximately 180,000, 38% higher than 2021 and inching closer to the pre-pandemic high of approximately 220,000 annual rides in 2018. To support the increase in commuters traveling to Big Sky, during the 2021-2022 winter season, hour moved to a nearly 24-hours a day service schedule, with the

first bus departing Bozeman at 4:25 AM and the last bus leaving Big Sky at 10:15 PM, arriving in Bozeman at 12:00 AM. This service lasted through the winter season, delivering robust performances across routes when demand for high-quality, continuous service is at its peak, and is illustrated below in **Table 5**.

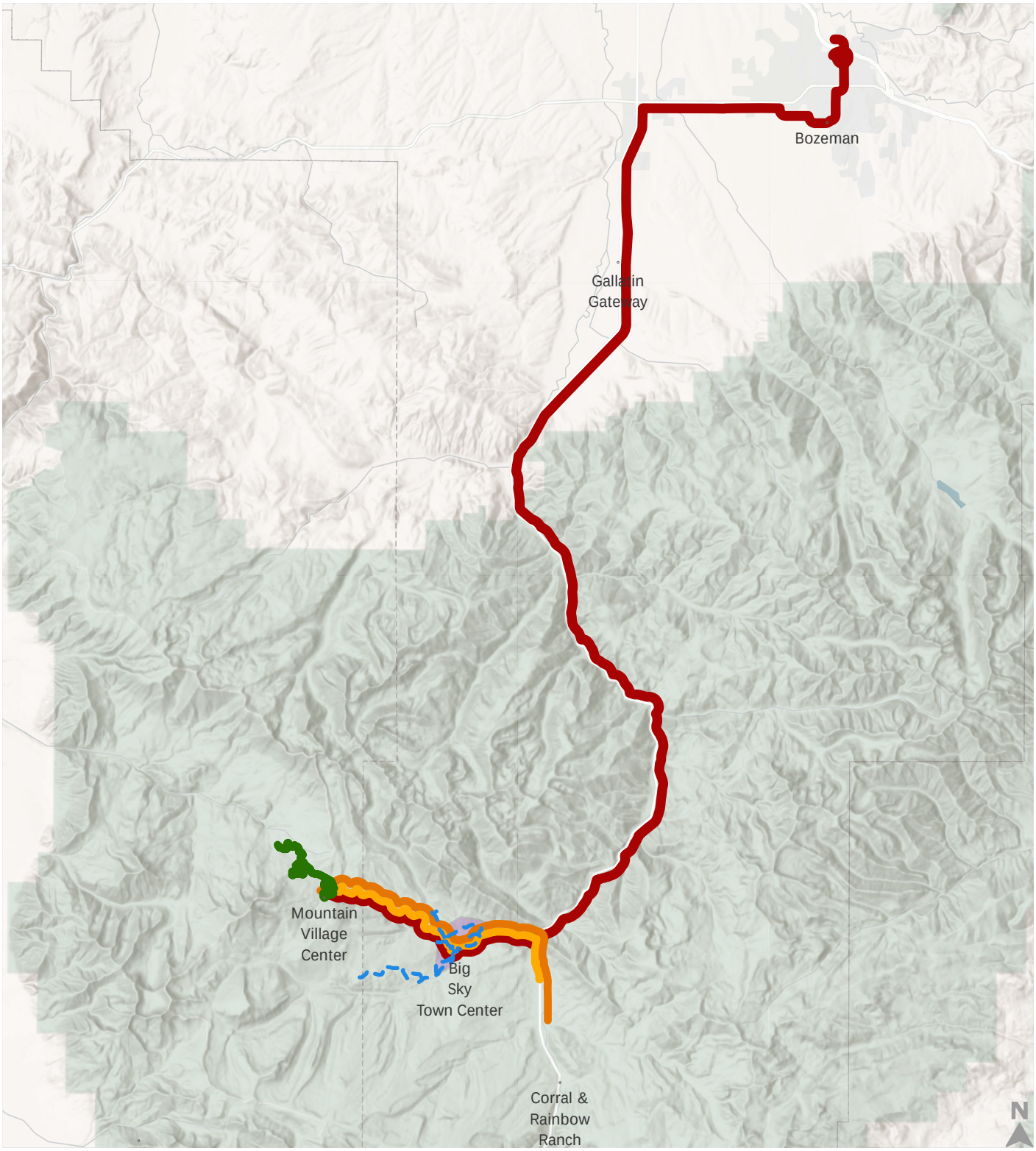
Table 5: BSTD Performance Characteristics (Winter 2021-2022 Season)

Route	Winter 2021-22 Ridership	Daily Service Hours	Peak Demand Time*	Average Productivity (Riders/Service Hour)	Peak Hour Productivity	Vehicles Required
Link – Bozeman to Big Sky	27,388	21.9	5:55 AM	11.3	24.8	3.5
Link – Big Sky to Bozeman	33,849	21.9	4:45 PM	11.4	22.1	3.5
Yellow	22,944	16.7	8:10 AM	16.3	42.7	1
Orange	18,198	14.7	4:15 PM	13.0	63.2	1
Green	14,294	12	8:15 AM / 5:15 PM	11.6	31.9	1
Green Commuter	3,857	1.4	6:45 AM	17.5	N/A	1
Blue	8,032	13.9	7:35 AM	5.8	25.0	1

Source: Big Sky Transportation District, 2022.
Note: The Blue Route has now been eliminated in lieu of microtransit service.

Service Area Map

The service area of the Skyline "Link" service is illustrated in **Figure 2** below, which includes routing and stops both within Big Sky and across Gallatin County.



Routes

- Green Route
- Yellow Route
- Orange Route
- The Link (To Bozeman)
- Blue Route (now eliminated)
- Microtransit

BSTD Current Regional Service

Regional Routes

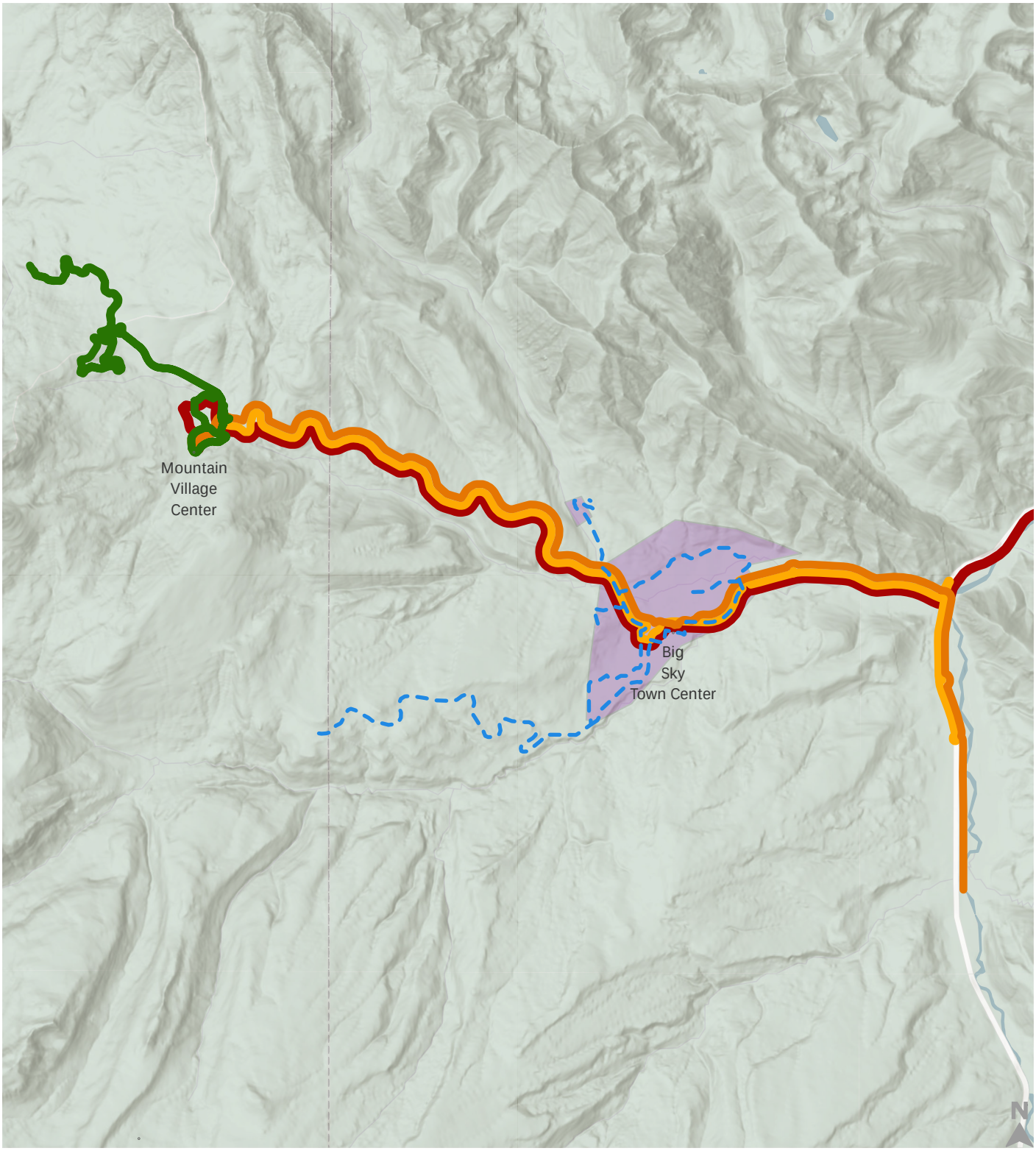
BSTD operates 3 intercity routes in the regions. The "Link to the Peak" route is the primary intercity option provided by BSTD, with buses running 7-days-a-week between Bozeman and Big Sky in both directions, at varying seasonal service levels and route variations/exceptions. Several stops also operate as "whistle stops", a location the bus will not stop at unless requested by a passenger who is already on the bus. A $5 fare is required for the Link, which must be purchased before boarding. Purchasing bus passes in advance offers substantial cost savings.

Link – Bozeman to Big Sky

The Bozeman to Big Sky Link Route operates from 4:25 AM to 6:40 PM with varying frequencies throughout the day. The route has a total length of 105 minutes and runs 9 times a day, with 12 scheduled runs at 8 consistent stops along the way over the course of 48 miles. Running the route requires 3.5 vehicles across 21.9 service daily service hours. In reverse, Big Sky to Bozeman, the route nearly mirrors its sister direction, with a few exceptions. It begins slightly later but runs longer than the opposite direction, 8:15 AM to 12:15 AM, with 13 daily scheduled runs. An extra two stops are made along the route in this direction, bringing the total number of stops up to 10. Both route directions make stops in the Bozeman aera at the Super 8 Motel, Walmart, and Montana State University, with additional stops in 4 Corners and Gallatin Gateway. Stops may be added, changed, or removed according to seasonal service needs.

Routes within Big Sky

BSTD operates four fixed routes and one microtransit coverage area within Big Sky, shown below in **Figure 3** with service levels and route variations adjusted seasonally. Routes are centered around three main activity areas, enabling easy transfers between local and commuter routes, and providing access to important mountain amenities. During the winter season, all local routes operate 7 days a week.



Routes

- Green Route
- Yellow Route
- Orange Route
- The Link (To Bozeman)
- Blue Route (now eliminated)
- Microtransit

BSTD Current Local Service

Yellow Route

The Yellow Route operates from 7:16 AM to 7:35 PM with hourly runs, except for a three-hour gap before the last run of the day. The route has a total run time of 50 minutes and runs 20 times a day, making stops at 10 locations along the way. This route provides up-canyon access from destinations south of Big Sky proper along US-191.

Orange Route

Running alongside the Yellow, the Orange Route starts at 7:15 AM in Big Sky and continues until 10:40 PM. It follows an hourly schedule from 7:15 am to 4:15 pm, and then transitions to runs every three hours until 10:15 pm. The route takes approximately 42 minutes per run and operates 21 times a day. There are 9 stops along the route. Complementing the Orange Route, the Yellow Route also provides connections to destinations along US-191 via down-canyon routing.

Green Route

The Green Route largely runs from 8:15 AM to 10:15 PM on an hourly basis, covering 48 minutes. following an hourly frequency. Each run along the route takes around 48 minutes. This route operates 16 times a day and serves a total of 18 stops. The route operates primarily as a mountain circulator, providing connections between key destinations within the town of Big Sky and the upper mountain area. However, a single run operates as a regional commuter, beginning at 6:45 AM, with 13 stops along the way over a travel time of 86 minutes. This single run is primarily intended to operate as an employee-mover, providing one-shot service to Big Sky and operating seven days a week through the winter season.

Blue Route

Starting at 6:35 AM and ending at 8:17 PM, the Blue Route operates hourly with a notable gap between the 2:35 PM and 6:35 PM runs. The route has a run time of 49 minutes per trip and runs 17 times a day. There are 17 stops along the way.

2023 Update

Various changes were made to Skyline's service for FY 2023 (starting July 2022). The Blue Route, which was lightly utilized in comparison to other routes operated by Streamline, was cancelled in favor of providing 30-minute service for much of the day between Town Center and Big Sky Resort on the Orange and Yellow routes. Microtransit, known as Big Sky Connect, was implemented in early 2023, providing on-demand transportation service in and around Town Center. Ridership during FY 2023 was the highest on record for Skyline.

Contracted Service Model

The private bus company Karst Stage is the service contractor for BSTD, providing daily operations of the Skyline fixed route services through an agreement with the District. Karst Stage is responsible for supplying management, operators, operations supervisors, maintaining vehicles, and overall management

of all transit operations. However, some of the vehicles and the Big Sky facility used are procured and owned or leased by BSTD. For the on-demand microtransit service operated in Big Sky, the private microtransit company Downtowner is contracted to provide these services, similar to the Karst arrangement.

Figure 4: Karst Stage Coach
Source: Karst Stage, 2023.

Community Conditions

Gallatin and Madison Counties have changed rapidly in recent years, with BSTD's service seeing dramatic growth. Ongoing land use change and population growth is expected to continue for the foreseeable future.

Land Use and Development Trends

Land use change is expected to continue in four key areas served by BSTD:

- Big Sky Resort
- Big Sky Town Center
- Gallatin Gateway
- Four Corners

Local stakeholders have committed to the construction of housing for over 3,000 employees throughout the BSTD service area, with larger concentrations in the immediate vicinity of proposed transit facilities in the four areas mentioned above. Given BSTD's ongoing focus on moving employees within its service area, this development will likely drive ridership and increased demand for its services.

Housing

Big Sky has nearly 3,500 housing units, of which 34% are occupied. The average household size is 2 to 2.5 for renter and owner-occupied units, respectively. More characteristics are shown in **Table 6** below for Big Sky, Four Corners, and Gallatin Gateway Census Designated Places (CDP).

Table 6: Housing Characteristics

Housing Characteristic	Big Sky CDP, Montana	Four Corners CDP, Montana	Gallatin Gateway CDP, Montana
Housing Units	3,468	2,252	418
Occupied Housing Units	34.4%	94.8%	84.4%
Owner-Occupied Rate	72.3%	87.7%	88.0%
Median Monthly Housing Costs	$1,718	$1,433	$991
Persons per Household unit	2-2.5	1.8-2.9	1.4-2.6

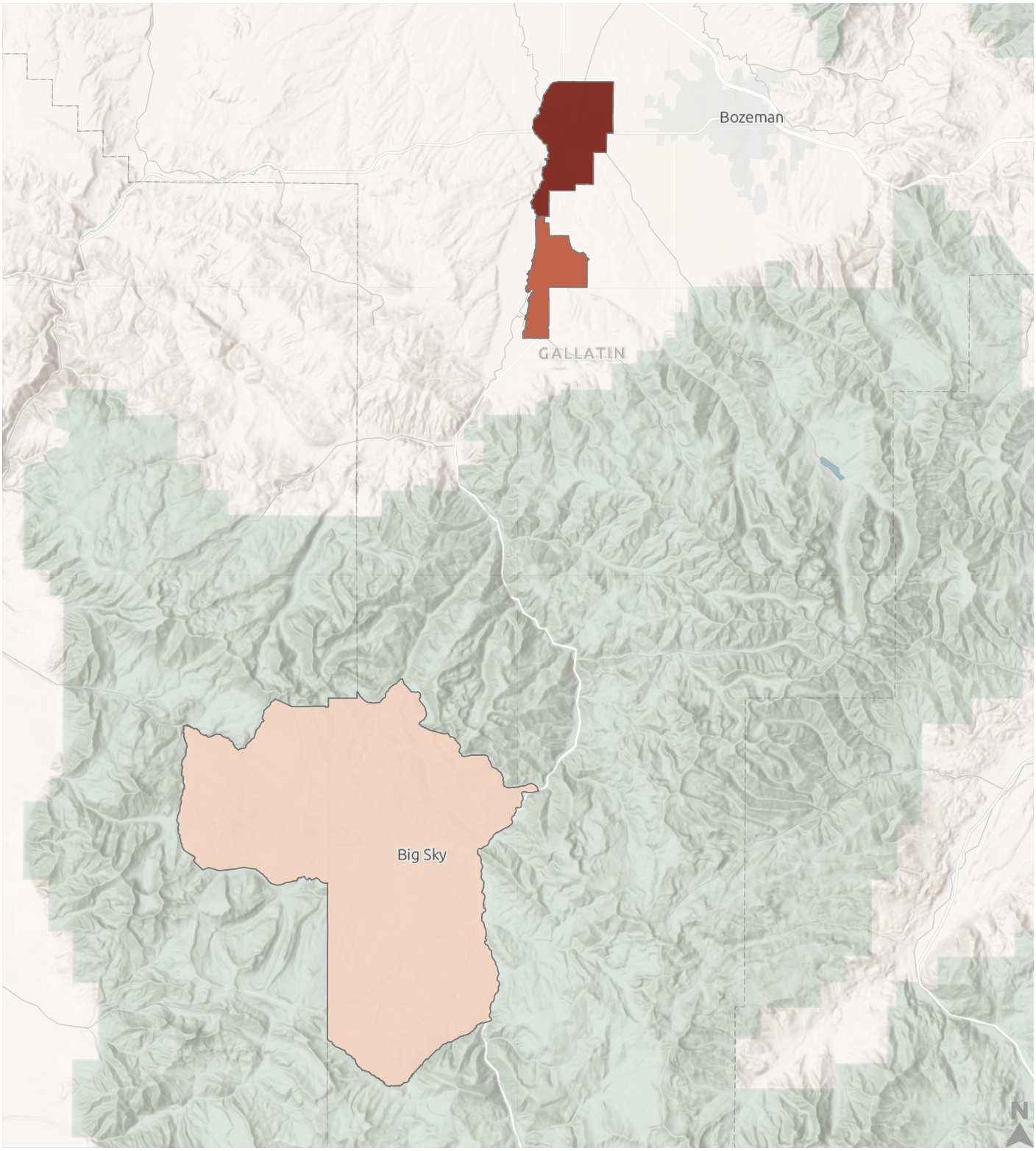
Source: American Community Survey (ACS), 2021 5-year estimates, 2023.

Demographics

Big Sky has 3,141 residents and a median household income of $94,375 per year, nearly 17% higher the median household income of wider Gallatin County, which is $80,769. Of Big Sky residents, 2,616 (83%)

are employed whereas 53,115 (71%) of Gallatin County residents overall are employed[1]. As seen in **Figure 5**, the population density of the service area is relatively low. Gallatin County has an average population density of 45.7 residents per square mile, with population density decreasing to 29.9 residents per square mile in the Big Sky. The more densely populated area of Bozeman is both the location of Skyline route termini and an important connection point to the Big Sky transit system.

[1] American Community Survey (ACS), 2021 5-year estimates



People per Acre

0.041

.22

.81

Population Per Acre

Employment

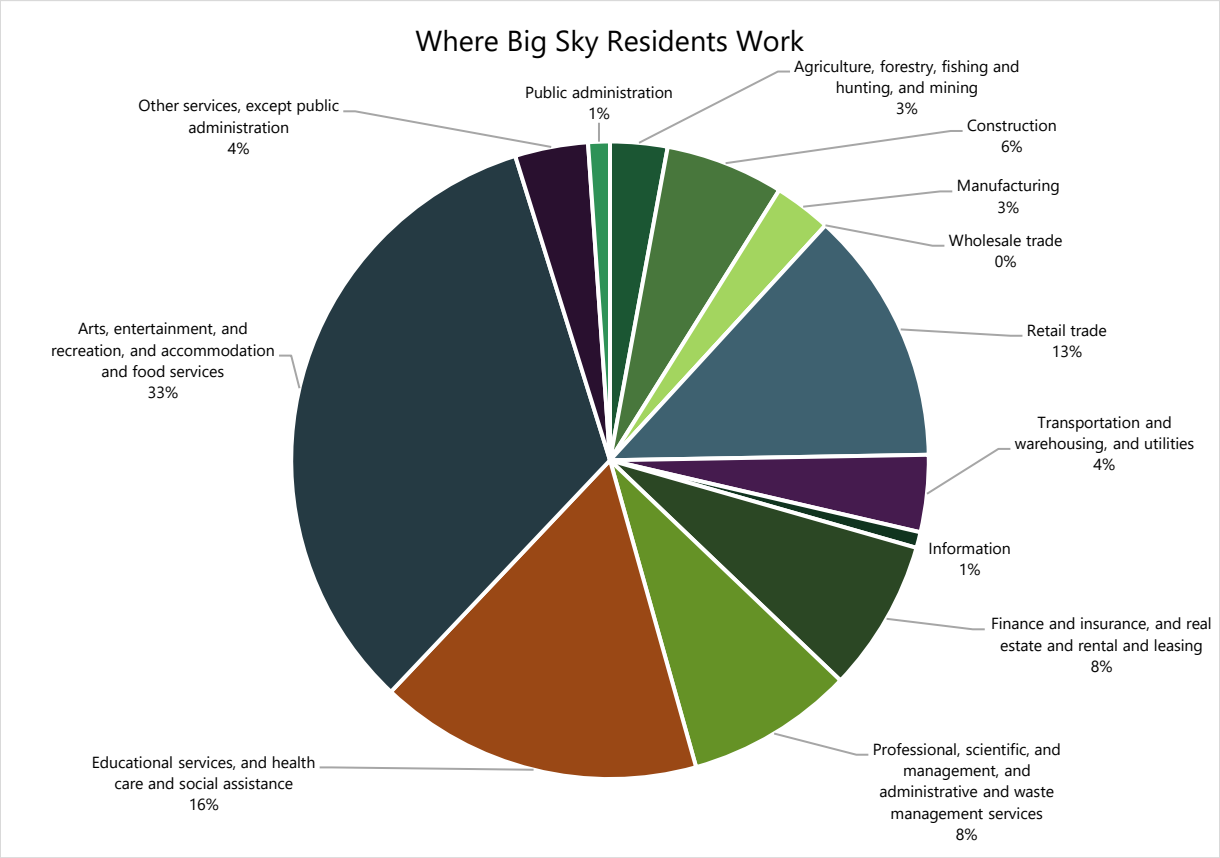


Figure 6: Share of Workforce by Industry, Big Sky.

Source: U.S. Census Bureau 2021 ACS 5-year estimates Table DP03, 2023.

The highest share of Big Sky jobs is in seasonal, part-time roles in hospitality and food service. As a result, 44% of Big Sky employees make less than $1,250 per month according to Longitudinal Employer-Household Dynamics (LEHD) data maintained by the United States Census Bureau. As mentioned in the Big Sky RAISE application, at 77%, the majority of employees in Big Sky live outside of the community, making the long journey from communities to the north. More than half of the employees in Big Sky have a commute of over 25 miles, and a quarter of Big Sky employees travel more than 50 miles.

Within Gallatin County Montana State University is the largest employer. At its peak seasonal hirings Big Sky Resort employs nearly 1,800 people.[2] Other top employers (over 250 employees) in the Big Sky area include the Yellowstone Club, Big Sky Resort, Montage Resort, Spanish Peaks Mountain Club, Bozeman Deaconess Hospital, Kenyon Noble Lumber & Hardware, Oracle America, Town Pump, and Walmart.[3]

Transit Dependent Population Characteristics[4]

The demographic characteristics of the Big Sky population appear to be associated with reduced reliance on public transit. In Big Sky, all households with employed residents have access to their own vehicles. Nevertheless, it's worth noting that 19.3 percent of households with commuters possess just one vehicle, implying that households with multiple workers might opt for carpooling or public transportation. An important aspect is that the Big Sky area mainly attracts employment commuters from other regions; a significant 77% of employees reside outside of Big Sky, resulting in a limited number of individuals who both live and work within the area. Furthermore, around 44% of Big Sky employees earn less than $1,250 per month, with the majority of jobs concentrated in the Accommodation and Food Service sector – typically characterized by lower wages. This industry distribution generally translates to diminished income and a heightened reliance on public transit.

Higher poverty levels also tend to correlate with higher transit ridership. Big Sky has 8.5 percent of residents living below the poverty level, which is lower than the national level of 11.6 percent.

Older adults and people with disabilities also tend to use transit at higher rates than the general population. In Big Sky, adults 65 years of age and older account for 9.1 percent of the population, vs. 16.8 percent nationally, and 12 percent of individuals under the age of 65 have a disability, compared to 8.6 percent nationally. Given these demographics, it's reasonable to speculate that although Big Sky residents may not contribute disproportionately to transit ridership, the region might possess a greater potential for transit dependence compared to the national norm.

Additionally, the tourism-based economy, parking capacity constraints, challenging roadway conditions, distant employee housing, and service industry employment collectively contribute to a higher ridership in Big Sky, extending beyond the typical transit-dependent groups.

Traffic and Travel Patterns

Traffic within the BSTD service area has more than doubled in the last 10 years, and it is expected to continue climbing. Like many desirable places to live in the American West, Big Sky and Gallatin County have experienced substantial population growth in recent years, which was accelerated by the COVID-19

[2] Big Sky Resort Sustainability, https://bigskyresort.com/sustainability/community
[3] Greater Triangle Area Transportation Plan, https://www.triangletransportationplan.com/?pgid=khuu573y-d1da3f0e-e791-4498-b9dc-786eacdbaa87
[4] American Community Survey (ACS), 2021 5-year estimates

pandemic. Adding to that a surge in interest in remote, recreational destinations, traffic within the BSTD service area has nearly doubled in the past ten years as recorded by the Montana Department of Transportation (MDT).

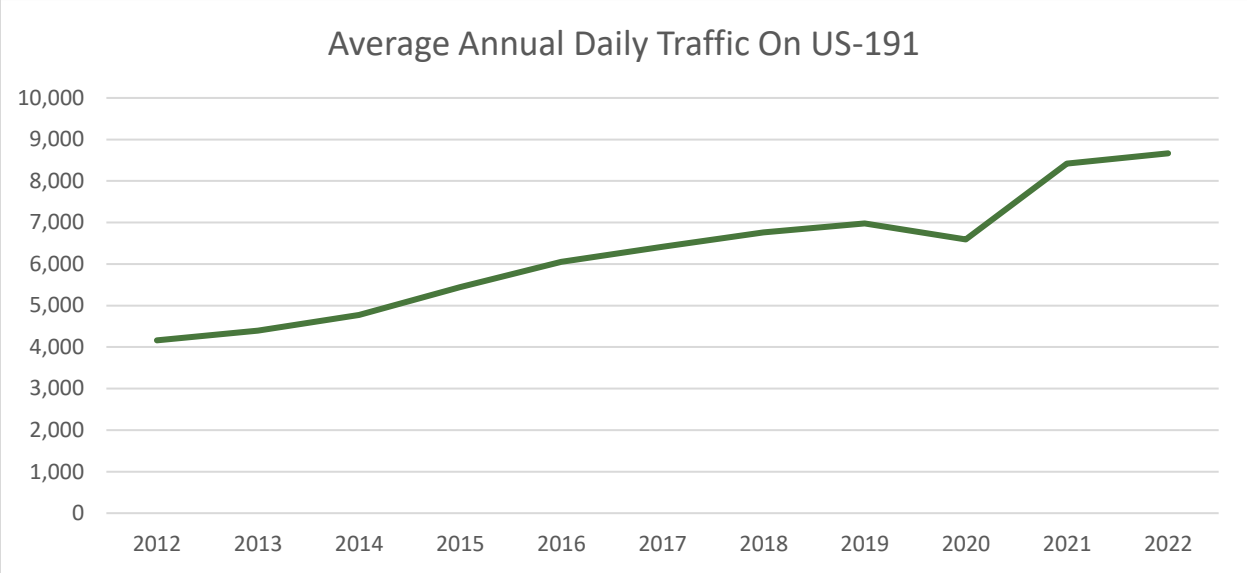


Figure 7: Average Annual Daily Traffic on US-191.
Source: Montana Department of Transportation ATR A-043, 2023.

This growth has presented many challenges, and a renewed focus on sustainability, as much of the American West faces unprecedented drought conditions, highlighting the need for sustainable transportation options. When paired with broader conversations regarding equity and access to opportunity, improved transit service is increasingly crucial to the economic vitality and overall livability of Big Sky and Gallatin County.

Traffic increases through the MT-64 corridor, which connects to US-191 through the town of Big Sky and up into the Big Sky Resort area, are particularly concerning. While speeds are lower than nearby US-191, annual daily traffic volumes are generally higher, averaging 10,513 vehicles a day, offering significantly more potential for conflict as automobiles move through town and other pedestrian dense areas. The overall situation is further complicated by the ever-present concern for potential collisions with wildlife, which can be disastrous and often occur far away from help. These include collisions with large animals such as big horn sheep, deer, elk, and moose. Many of these hazards also carry over to US-191. As a primary freight corridor, US-191 is the only link Big Sky has to the wider region, a link which can be very vulnerable to breakdown. Of the 8,400 daily average vehicles (a number which fluctuates widely between seasons) seen on US-191 through the year, approximately 13% of these are some type of large commercial truck, often in the form of commercial delivery vehicles supplying Big Sky or heavily loaded logging trucks coming from the surrounding Custer-Gallatin National Forest.

These larger vehicles must move alongside other traffic, including BSTD buses, on the narrow and periodically congested roadway where the penalty for error can be high, especially during winter. These conditions underscore the need for additional investments into regional transit in order to provide a variety of reasonable options for travel for visitors and residents alike.

Travel Markets

Commute Characteristics

Of the workers in Big Sky, only 803 live and work in the immediate community and 601 workers commute outside Big Sky for work. Big Sky sees a large influx of workers each day with 2,672 individuals commuting into the community each day, representing 77% of the workforce.

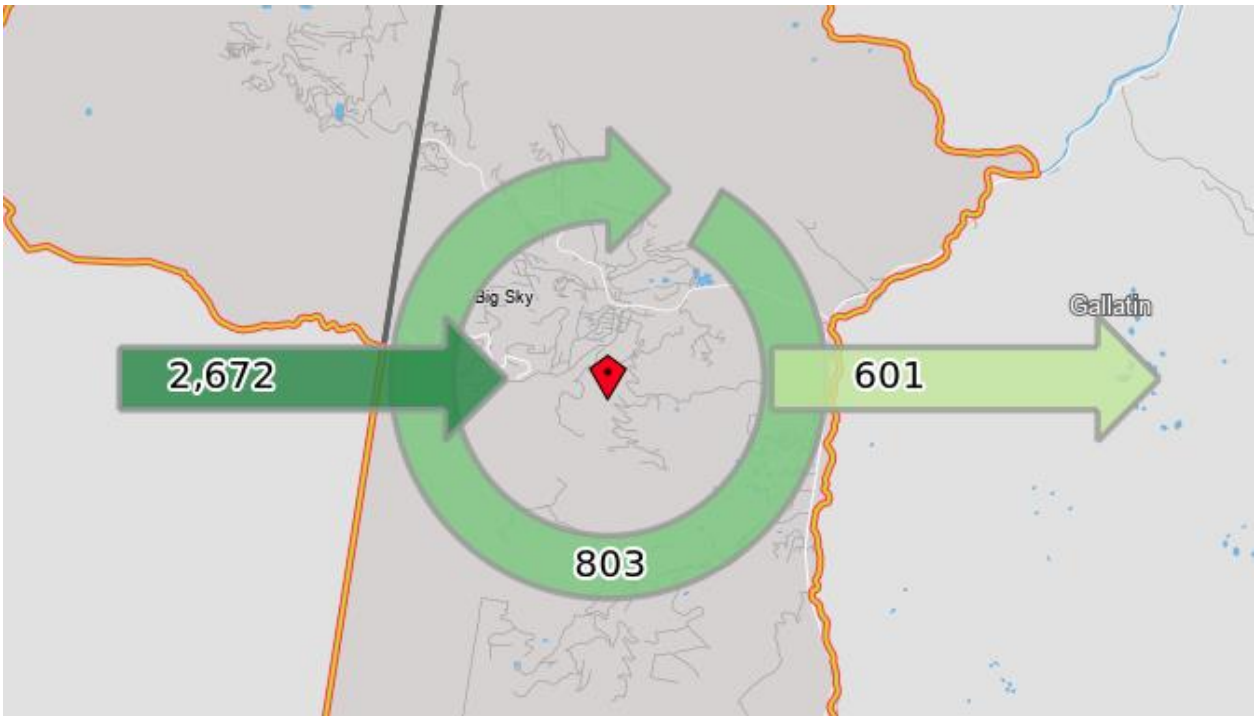


Figure 8: Big Sky Worker Commute Characteristics.
Source: US Census Bureau 2021, On The Map Tool, 2023.

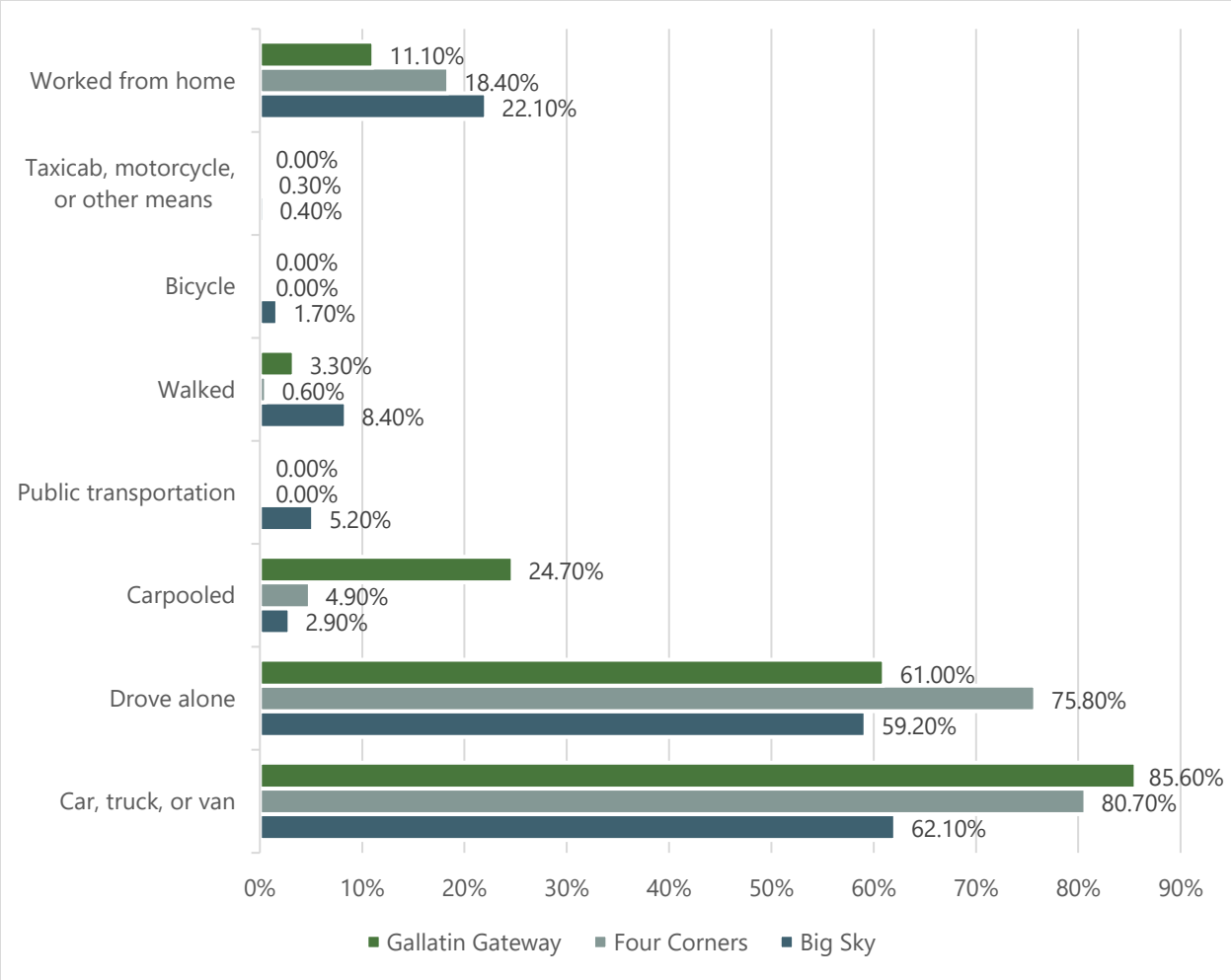


Figure 9: Means of Transportation to Work, Big Sky.

Source: U.S. Census Bureau 2021 ACS 5-year estimates Table S0802, 2023.

Because half of all work trips to and from Big Sky are 10-50 miles, with a quarter being more than 50 miles, there is ample chance that commuters will encounter a major safety hazard along the way. The same goes for visitors to the region, who continue to grow in numbers. Bozeman Yellowstone International Airport is Montana's busiest airport, and has seen flights increase every year, recently shattering the record with 2.26 million passengers passing through the airport in 2022. As a key gateway community to Yellowstone National Park (which has nearly 5 million annual visitors and is only a one-hour drive away), Big Sky receives large numbers of tourists as they stop over or pass through on their way to one of the country's most popular national parks. Big Sky itself is also a major magnet for tourists. During peak periods, Big Sky can host upward of 15,000 people at a time, despite only having a population of around 3,000. Over the course of the winter season, more than half a million people visit the town, contributing to roadway congestion at a time of year when safety is at its worst, as roads are prone to icing and whiteout conditions. Many of these visitors are not used to these driving conditions and present a significant safety risk to themselves and people around them, especially during the large surges in

directional traffic flows that occur during the most popular times of year. Additionally, these visitors often make the 45-mile trip from Big Sky after a tiring day of heavy recreation, resulting in drowsy driving, and some may even elect to travel with blood alcohol concentrations above the legal limit, presenting a clear safety concern that unfortunately cannot be easily mitigated through enforcement.

Primary Markets

The current markets are currently served by BSTD:

- Big Sky
- Bozeman
- Belgrade
- Gallatin Gateway
- Yellowstone Club

In addition, several other destinations and communities touching the BSTD service area that are currently underserved by the system include:

- Yellowstone National Park
- Belgrade
- Bozeman Yellowstone International Airport

Summary of Recent and Related Planning

Greater Bozeman Area Transportation Plan (2007)

The 2007 *Greater Bozeman Area Transportation Plan* update intended to emphasize non-motorized transportation in the community. The plan outlines many projects that are intended to reduce negative impacts of substantial growth in the region. Most projects outlined in the plan include street widening and intersection redesign.

Big Sky Forever 2030 Master Plan

The *Big Sky 2030 Master Plan*, highlights Boune Resorts sustainability goals. The actions to achieve their sustainability goals include improving efficiency and transitioning to clean energy sources.

Gallatin County Growth Policy

The 2020 *Gallatin County Growth Policy* summarizes the results of community focus groups on the topic of regional growth. The discussion is split up into categories including: Environment, Land Use, Transportation, and Utilities. The transportation section includes notes to expand public transportation and explore new regional connections.

Greater Triangle Area Transportation Plan

The *Greater Triangle Area Transportation Plan,* completed in 2022, focuses on current and anticipated transportation needs over the next 20 years. The plan found that over 80% of study area commuters drive to work, and over 10% of workers worked from home. Over the last 40 years employment has grown at 3.6% annually. Montana State University is the largest employer in Gallatin County. Other top employers (over 250 employees) in the county include: Bozeman Deaconess Hospital, Kenyon Noble Lumber & Hardware, Oracle America, Town Pump, and Walmart. The report projects that population and employment in the county will grow at roughly 2.5% annually over the next 20 years.

Big Sky Transportation Study

In 2017 the *Big Sky Transportation Study* resulted in a 10 million dollar federal TIGER Grant to fund transportation improvements in the area.

Big Sky SNO Climate Action Plan

The *Big Sky SNO Climate Action Plan*, includes a section on transportation goals. To achieve the goals set forth, the plan outlines strategies to pursue including: incentivize transit, improve bus transit by increasing frequency and communication, promote electric vehicles, develop complete street designs, alter land use, and begin educational campaigns.

Overview of Other Transit Providers

Yellowstone Club, Montage

Yellowstone Club operates 7-10 roundtrips per day from GGI and Town Center, AM and PM peak period only

Montage operates one bus from 4 AM – 1 AM with 2-hour break from Buck's T-4, Powderlight, TC to Spanish Peaks/Montage

Streamline

Zero fare bus and paratransit services operated in Bozeman and connects to Belgrade and Livingston. The service has 7 weekday routes and 4 weekend routes. The frequency varies from 30-minute headways to an hour. Service for regional (Belgrade and Livingston) routes is more intermittent. According to the national transit database Streamline provided 313,034 trips in 2019.

Route Performance Assessment

The following section details the performance of individual routes and stops within the BSTD service area, the aim of which is to contextualize the recommendations provided later in this report. Because winter is the time of year with the highest demand, routes will be assessed based on their performance during the winter season.

Routes

BSTD offers year-round transit services on 7 routes, serving Gallatin County daily. These services are primarily divided into two main seasons: the summer season, running from the third week of April to the third week of November, and the winter season, spanning from the third week of November to the third week of April. This winter schedule aligns with the ski season of the Big Sky Ski Resort, ensuring transportation accessibility for both residents and visitors enjoying the area's ski facilities. Couched within these two seasons are schedule variations in the form of short shoulder seasons, with the fall shoulder season running from the end of September to the third week of November and the spring shoulder season running from the third week of April to the end of May. During shoulder seasons, Link buses run daily between Big Sky and Bozeman, while local Big Sky service runs on-demand from Monday to Friday. Routes are coordinated at key destinations in the downtown Big Sky areas, providing passengers with opportunities to transfer between services. Many routes are interlined to improve operational efficiency and simplify transfers for passengers.

Microtransit

Given that BSTD has recently expanded its transportation services to microtransit, it is helpful to give a comparative overview of microtransit with other similar providers, shown below in **Table 7**. Microtransit is a form of demand response transit that leverages smartphone technology using a smartphone app, as well as a call-in option or online reservation system) to match trip requests in real-time to dynamic/flexible routes in a defined service area. For users, it is similar to using ride hailing services such as Uber or Lyft with the ability to request a trip within a short timeframe (typically 15 minutes or less) and be picked up and dropped off within a short distance of their origin and destination points (typically 1-2 blocks or less).

Microtransit has garnered positive feedback from riders due to its user-friendly approach. Its performance, which is closely tied to service design, generally outperforms underperforming fixed transit routes. Waiting times can vary, and while the concept of shared rides is inherent, it's important to note that the actual sharing of rides is not as widespread as expected. Additionally, costs tend to be lower than private rideshare app providers due to subsidization of microtransit, inherently a win from a rider perspective.

Table 7: Peer Microtransit Service Characteristics

Metric	Montbello Connector (Denver)	Citibus On-Demand (Lubbock)	High Valley Transit (Park City)	START On Demand (Jackson)	TART (Tahoe City)
Data time frame	Oct 2021 – July 2022	Jan 2022 – July 2022	Jan 2022 – July 2022	Jan 2022 – July 2022	Aug-21
Ridership	32,000	69,000	172,000	88,760	5,689
Passengers per service hour	5.7	1.9	3.6	8.9	4.4
Average Wait Time	19 minutes	28 minutes	N/A	8 minutes	9 minutes
Average Customer Rating	4.8/5	96%	4.7/5	4.92/5	4.94/5
Shared Rides	25%	53%	N/A	32%	31%
Call-in Rides	7%	60%	N/A	N/A	N/A
Average requests per rider	N/A	30	N/A	N/A	N/A
Average Ride Distance or Time	N/A	N/A	4.75 miles	5 minutes	9 minutes

Source: Fehr & Peers, 2023.

Microtransit continues to be well received in markets of varying sizes and needs. As indicated in **Table 3** above, services consistently report high ridership numbers along with impressive average customer ratings. These examples underscore the potential of microtransit in across mountain resort communities. However, this service often comes with substantially higher operating costs on a unit-basis (per ride/unit of distance) than fixed route service, and is not a viable alternative to all types of transit service.

Figure 10: Big Sky Connect.
Source: Explore Big Sky, 2023.

The Big Sky Connect microtransit service launched Big Sky Connect early January 2023 to much fanfare. Fewer stops have allowed buses to run more routes along the "core corridor" between the mountain and meadow, improving the effectiveness of both transit options.

Ridership and Performance Analysis

This section presents BSTD system performance, specifically focusing on ridership analysis. However, when considering the data, there are some limitations to be aware of. Notably, there is a lack of information available regarding the number of riders disembarking at each individual stop. While boardings are recorded for the majority of scheduled runs, there are instances where this information is not captured uniformly. Moreover, there is inconsistency in the tracking of boardings, evident in cases where the total route ridership does not align with the aggregated stop-level boardings.

Annual Ridership

BSTD ridership has experienced robust growth over the past decade, as shown in **Figure 11**, averaging around 168,603 annual passenger boardings from 2010 through 2019. The highest total annual ridership of 219,049 occurred in 2018 and the lowest annual ridership since the beginning of the decade at 131,292 occurred in 2021. It should be noted that ridership is recovering quickly, elapsing the 10-year ridership average at 179,733 annual passenger boardings in 2022.

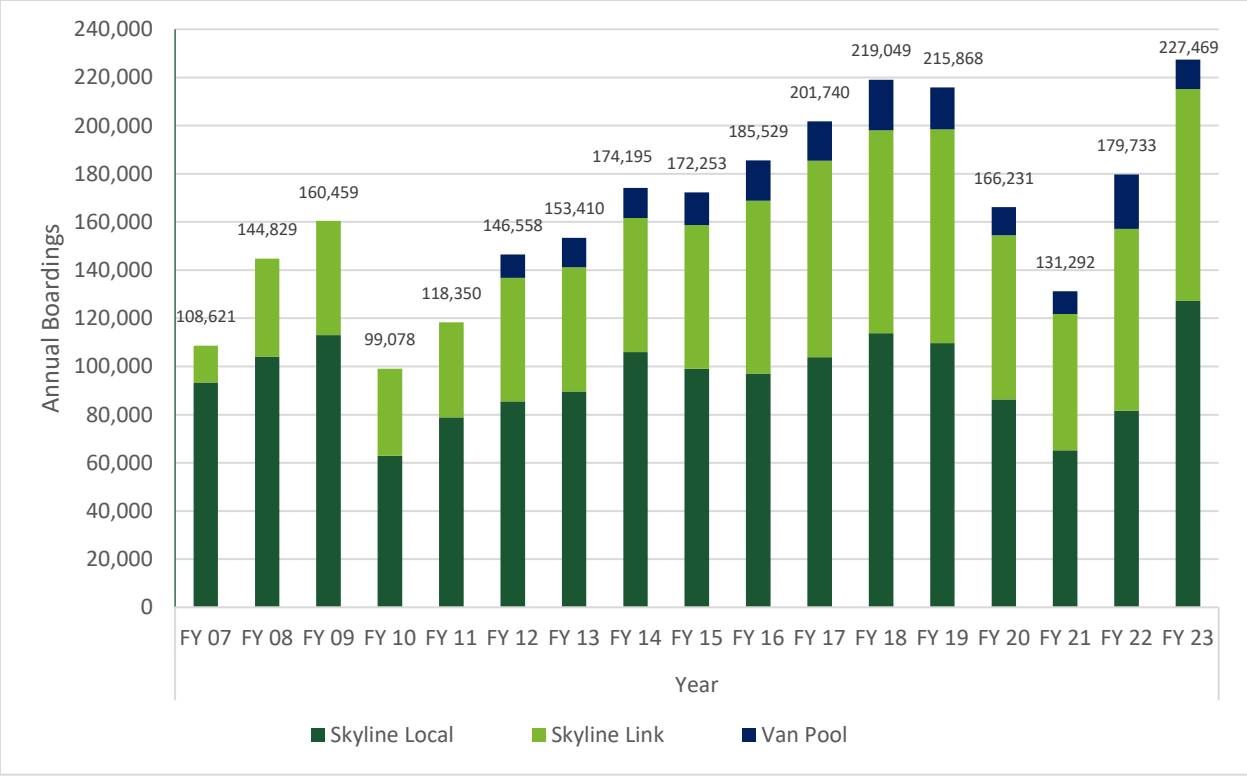


Figure 11: Skyline Ridership 2007 - 2023.

Source: BSTD, 2023.

The Skyline local and Link routes attract the bulk of ridership, accounting for 87 percent of the total BSTD ridership in 2022. Vanpool has steadily grown in popularity over the decade as well, while the recently introduced microtransit option likely will experience growth as its popularity grows.

BSTD has had to cut service levels over the past three years due to the persistent driver shortage – ridership would likely have been higher if there had been enough drivers to maintain consistent service levels, considering the growth in visitation that the Big Sky area has experienced in recent years. However, since the winter season of 2022-2023, operations were able to resume full service levels.

Trends by Route Type

As shown above, commuter routes and local routes perform comparatively well, driving the vast majority of ridership across the system. Vanpool ridership also carries a considerable chunk, recovering from the fall it experienced post-pandemic.

Ridership by Stop

An interesting trend emerges when analyzing the data distribution. With the exception of the Yellow and Green Routes, passenger boardings tend to be concentrated either at the start or the conclusion of the routes. This concentration is particularly pronounced at the top 10 stops, shown in **Table 8** below, which collectively contribute to 90% of total boardings. As expected, Mountain Village Center is the epicenter of the transit system, pulling the highest ridership followed closely by the Big Sky Town Center and to a lesser degree, Bozeman's Walmart stop.

Table 8: Ten Highest Ridership Stops (2021-2022)

Stop	Winter Ridership
Mountain Village Center	43,586
Town Center	32,255
Walmart	12,936
Buck's T-4	6,081
Meadow Village Center	5,196
Super 8	5,141
Whitewater Inn	4,082
Skycrest/Alpenglow/Mtn Lake	2,790
Gallatin Gateway Inn	2,255

Source: Fehr & Peers.

Further analysis reveals that a substantial portion of low ridership stops, shown below in **Table 9,** are situated along the Blue Route and on the Yellow/Orange Routes located to the south of Lone Mountain Trail and US-191. It is worth noting that this trend is contrasted by two outliers, Buck's T-4 and Whitewater Inn, which have higher ridership numbers.

Table 9: Ten Lowest Ridership Stops (2021-2022)

Stop	Winter Ridership
Lone Peak Parking Lot	56
Gallatin River House Grill	51
Moonlight (Madison)	22
Roxy's Market	21
Big Sky Nordic Center	19
Broadwater Condos	17
Ophir School	7
Big Sky Medical Center	6
Wilson Hotel	6

Source: Fehr & Peers.

The Mountain Village Center, Town Center, and Meadow Village Center emerge as key hubs within the transit network. These locations play a vital role in facilitating passenger movements and act as central points of connectivity within the broader system.

Local Routes

BSTD operates four fixed routes within the Big Sky community area, intended to operate as mountain circulators and short distance commuter routes.

Yellow

The Yellow Route catered to 22,944 riders with a daily service of 16.7 hours, shown below in **Figure 12**. Peak demand was at 8:10 AM. The route's average productivity stood at 16.3 riders per service hour, and during the peak hour, it reached a productivity of 42.7 riders per hour. This route requires 1 vehicle for its operations. As noted above, Buck's T-4 is a key stop on the line, the second highest in fact.

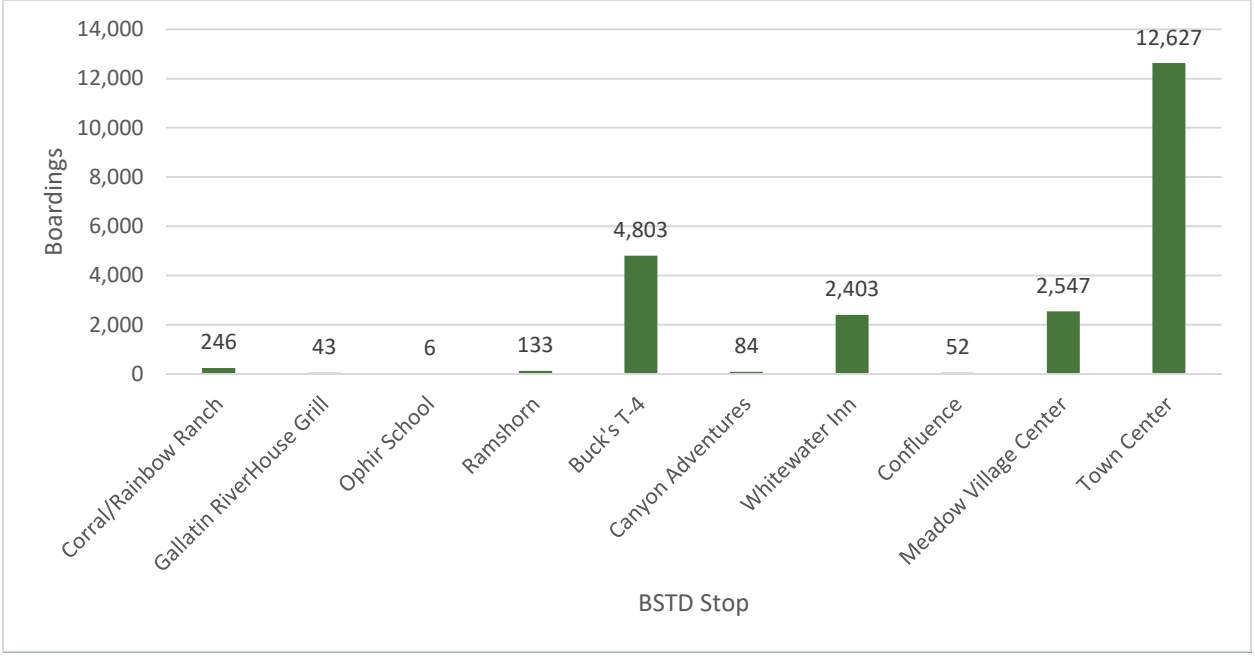


Figure 12: Yellow Route Ridership (2021-2022)

Source: BSTD, 2022

Orange

During the winter season, the Orange Route served 18,198 riders, operating for 14.7 hours each day, illustrated below in **Figure 13**. The peak demand time was at 4:15 PM. With an average productivity of 13 riders per service hour, it reached 63.2 riders per hour during the peak. Similar to the Yellow route, 1 vehicle is required to run the route.

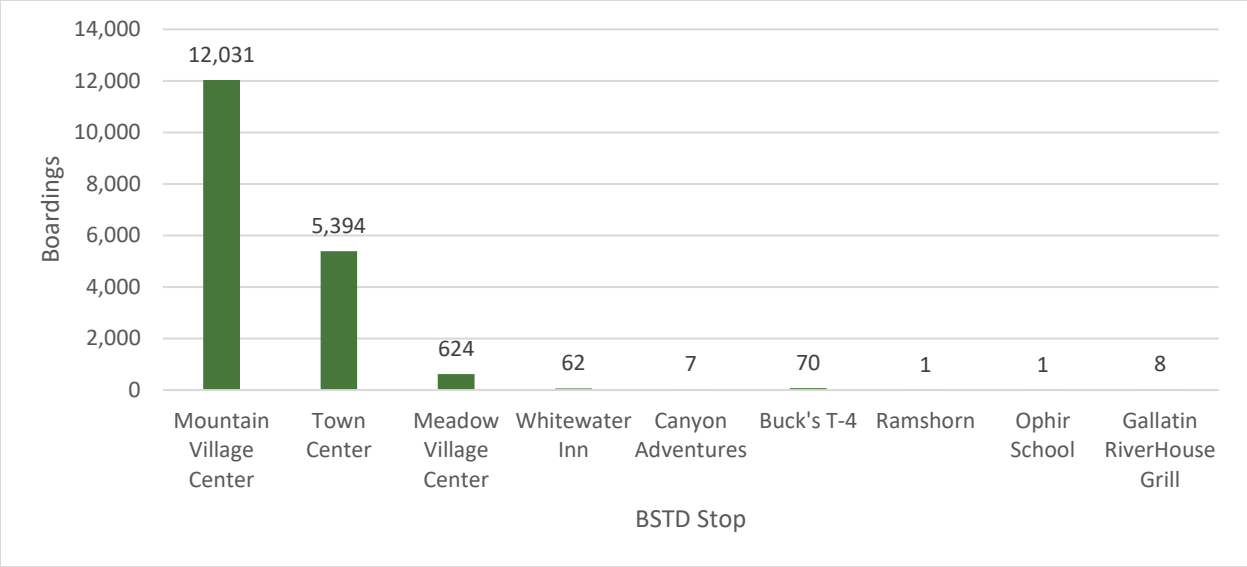


Figure 13: Orange Route Ridership (2021-2022)

Source: BSTD, 2022

Green

This route served 3,857 riders during a daily service of 1.4 hours, illustrated in **Figure 14**. Peak demand occurred at 6:45 AM. The average productivity reached 17.5 riders per service hour. This route required 1 vehicle.

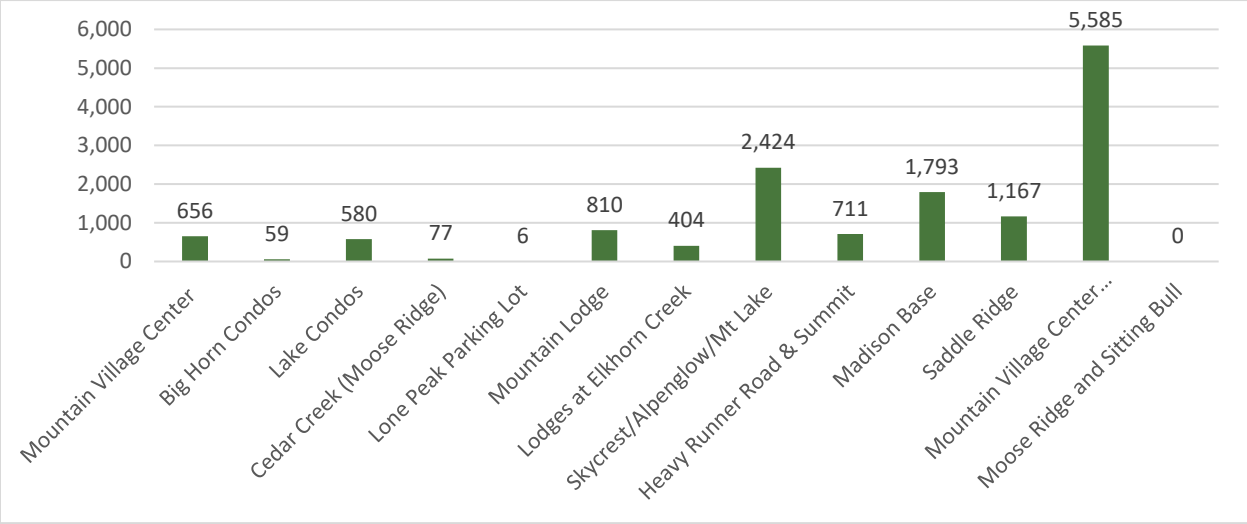


Figure 14: Green Route Ridership (2021-2022)

Source: BSTD, 2022

Blue

Now discontinued, the Blue Route was one of the least productive routes in the system, having experienced an average ridership of 8,032 passengers and operated for 13.9 hours daily. As illustrated in **Figure 15**, ridership was heavily concentrated at the Town Center, with the rest of stops experiencing much less ridership. Peak demand was at 7:35 AM. With an average productivity of 5.8 riders per service hour and peak productivity at 25 riders per hour, 1 vehicle was necessary for its operation.

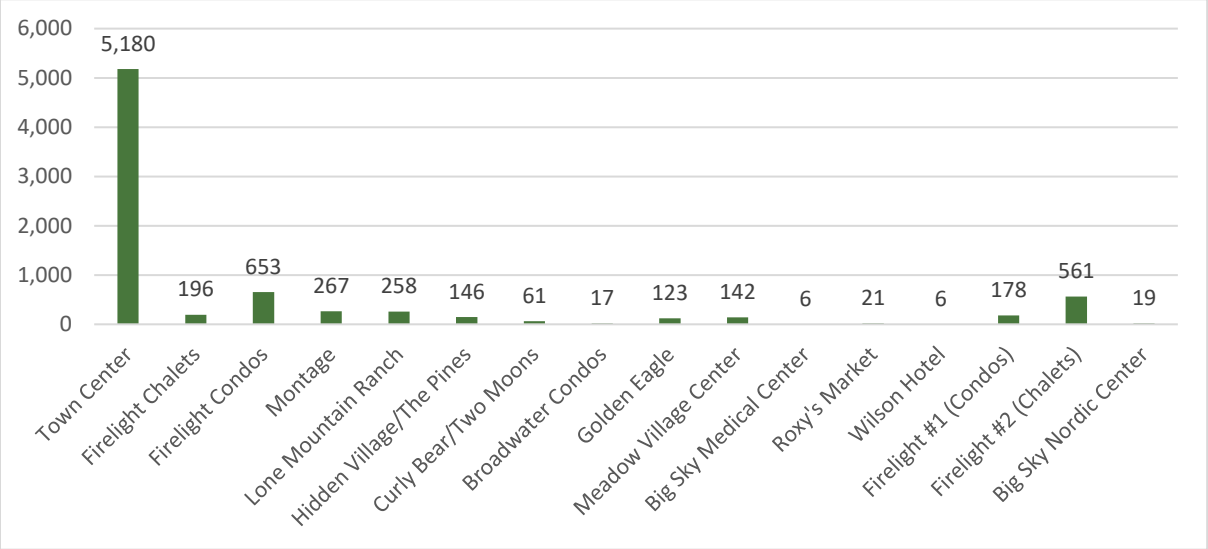


Figure 15: Blue Route Ridership (2021-2022)
Source: BSTD, 2022

Commuter Routes

In addition to local routes, BSTD also operates three intercity commuter routes that connect Big Sky to wider Bozeman region. These routes mainly service employees commuting to and from home, but also provide an option for visitors and residents of the Bozeman area to use transit as a means to visit Big Sky.

The Link

During the Winter 2021-22 season, the **Bozeman to Big Sky** direction of this route served 27,388 riders, as shown in **Figure 16**. The daily service hours amounted to 21.9, with peak demand occurring at 5:55 AM. The route's average productivity was 11.3 riders per service hour, and during the peak hour, it reached a productivity of 24.8 riders per hour. To operate this route, 3.5 vehicles were required.

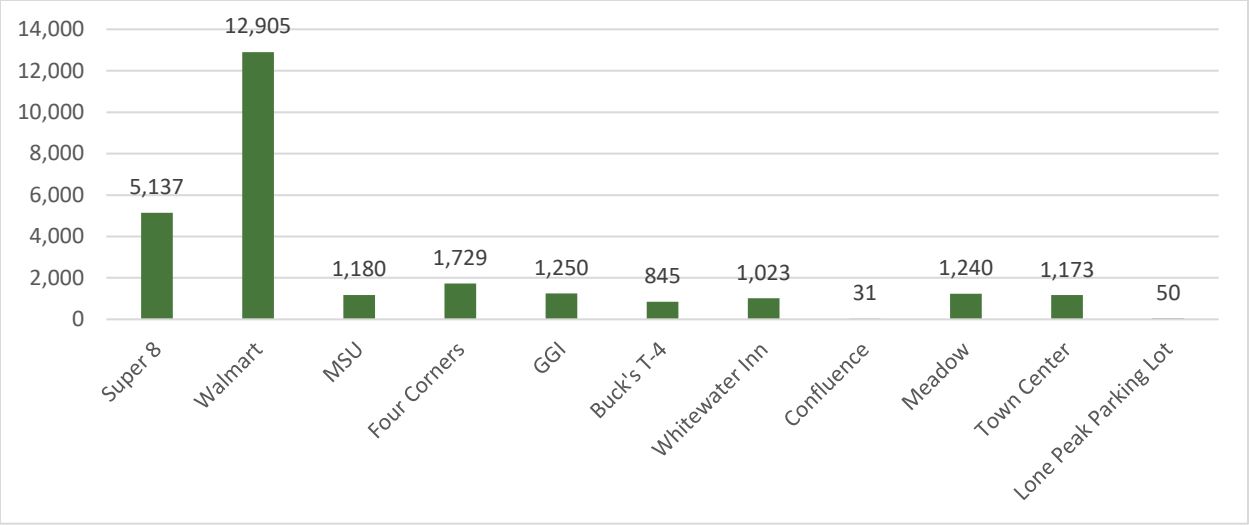


Figure 16: Bozeman to Big Sky Link Ridership (2021-2022)

Source: BSTD, 2022

The opposite direction (**Big Sky to Bozeman,** shown below in **Figure 17**) experienced ridership from 33,849 passengers during the same winter season. The daily service hours mirrored those of the first link at 21.9, with the highest demand observed at 4:45 PM. The average productivity was 11.4 riders per service hour, peaking at 22.1 riders during the busiest hour. Similar to the first link, 3.5 vehicles were needed for this route.

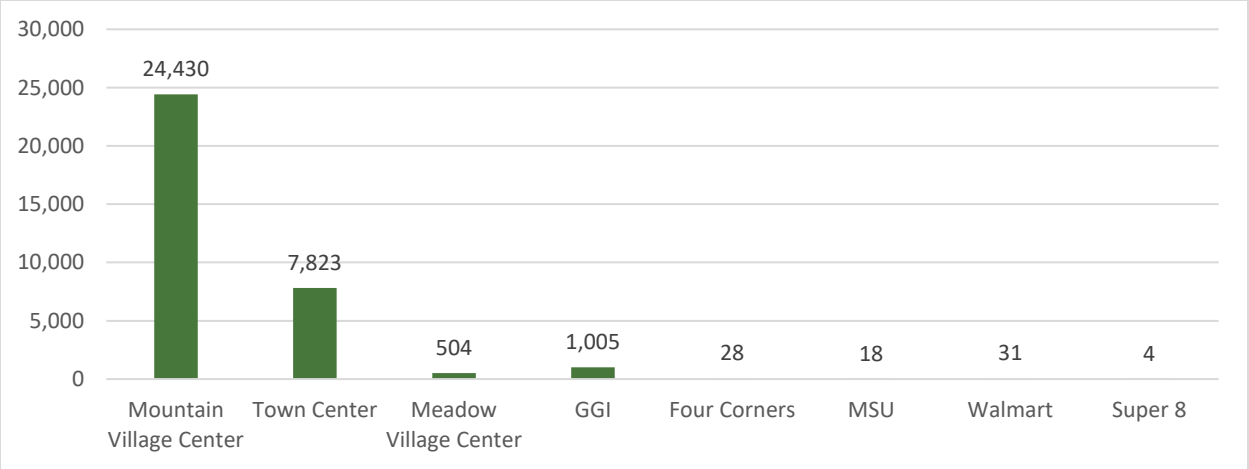


Figure 17: Big Sky to Bozeman Link Ridership (2021-2022)

Source: BSTD, 2022

Monthly Ridership

The ridership data shown below in **Figure 18** for local routes from 2021 to 2023 indicates a consistent trend of ridership growth over the years, indicating an increasingly quick recovery after the COVID-19 pandemic. Unsurprisingly, the winter season contains the bulk of annual ridership, peaking in January, while the autumn and spring shoulder seasons hold ridership dips.

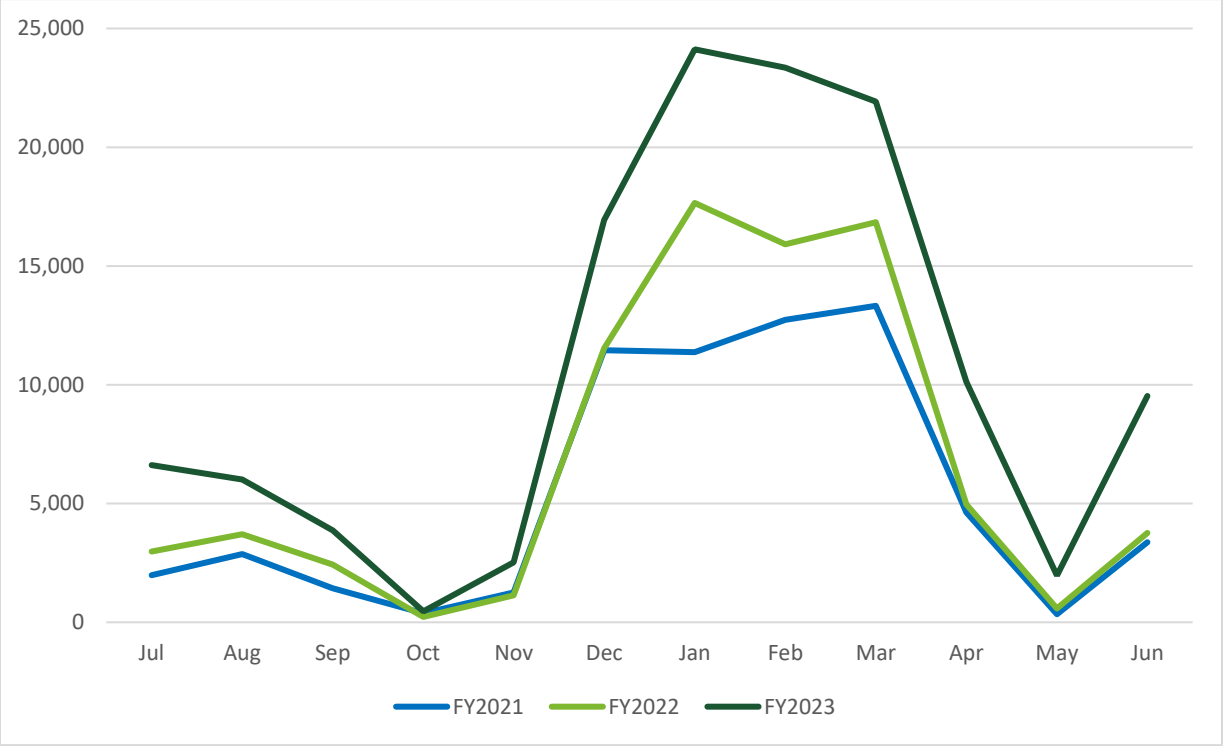


Figure 18: Skyline Local Ridership (2021-2023)

Source: BSTD, 2023.

The ridership data for the regional route from 2021 to 2023, shown below in **Figure 19**, nearly mirrors local ridership patterns in most ways. Ridership is recovering post-pandemic and, predictably, the winter months boast the highest ridership levels, reaching their zenith in January, while the transitional seasons of autumn and spring experience a decline in ridership. However, the ridership changes during the shoulder season are less severe, while summer service remains lower on the regional service when compared to local routes. These differences may owe to the intended purpose of each route type, as the regional route potentially caters to a higher share of employees whose commute patterns shift more gradually through the seasons, while also seeing less commutes in the summer.

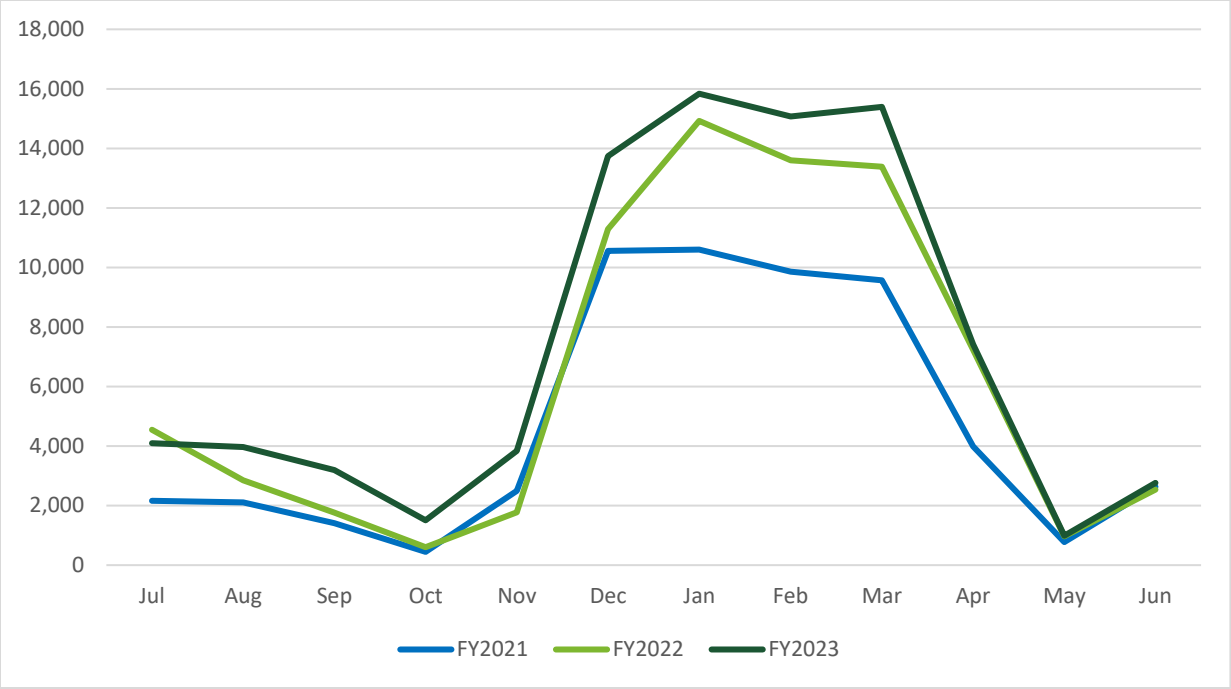


Figure 19: Skyline Link Express Ridership (2021-2023)

Source: BSTD, 2023.

Ridership by Time of Day

With the exception of the Green Route, routes can be broadly categorized as skewing towards serving either the morning or evening peak travel times. Although all routes see some ridership throughout each part of the day, demand does concentrate in the peak periods.

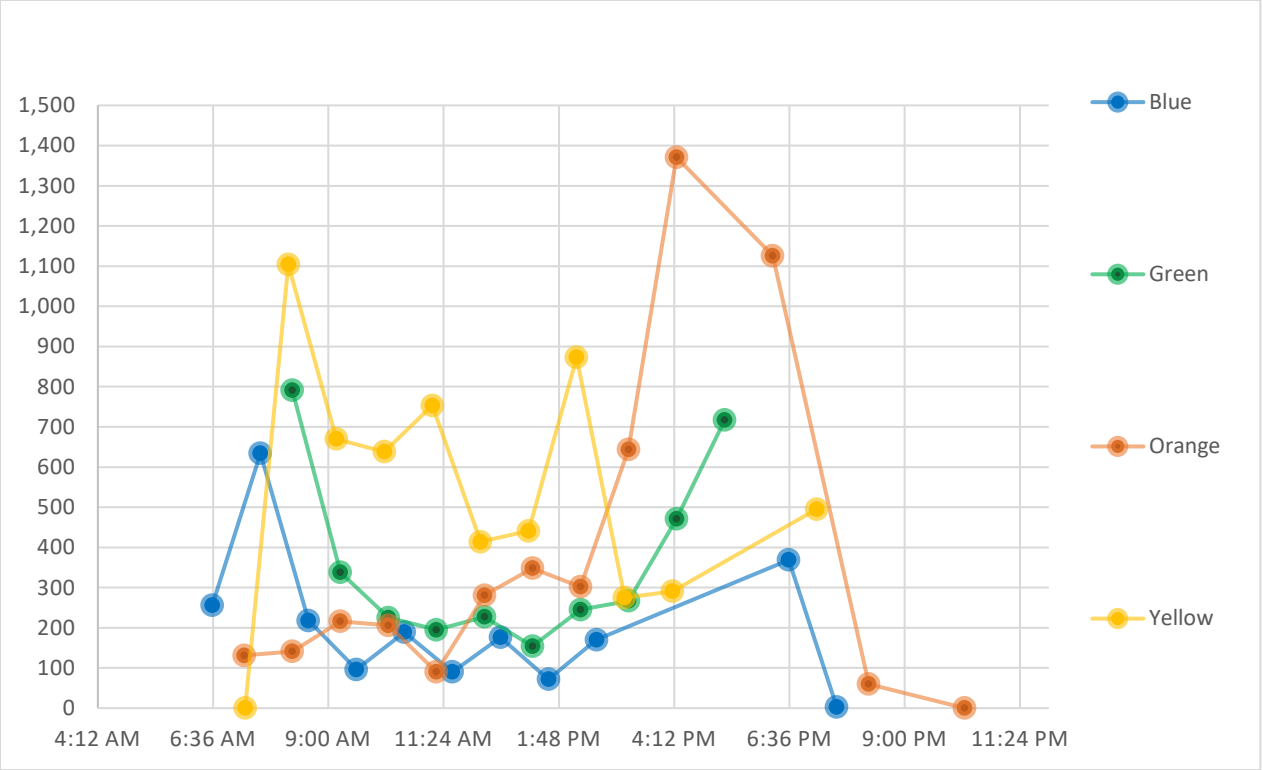


Figure 20: January 2022 – Average Daily Local Route Ridership by Time of Day

Source: BSTD, 2023.

As shown above in **Figure 20**, the Green Route shows relatively consistent ridership throughout the day, with noticeable peaks at 7:35 AM and 5:15 PM. The Blue Route exhibits a steady decline in ridership as the day progresses, with the highest ridership at 7:35, followed by a small spike in the evening around 6:35 PM. The Orange Route has a consistent but lower ridership compared to its counterpart the Yellow Route, while spiking heavily around 4:15 PM. The Yellow Route shows a substantial morning peak at 8:10 AM and a smaller one at 11:10 AM, with relatively lower ridership in the evening. Shown below in **Figure 21**, the Bozeman to Big Sky Link Route experiences the highest ridership during the early morning hours and late afternoon, while the opposite direction sees a peak around 2:15 PM.

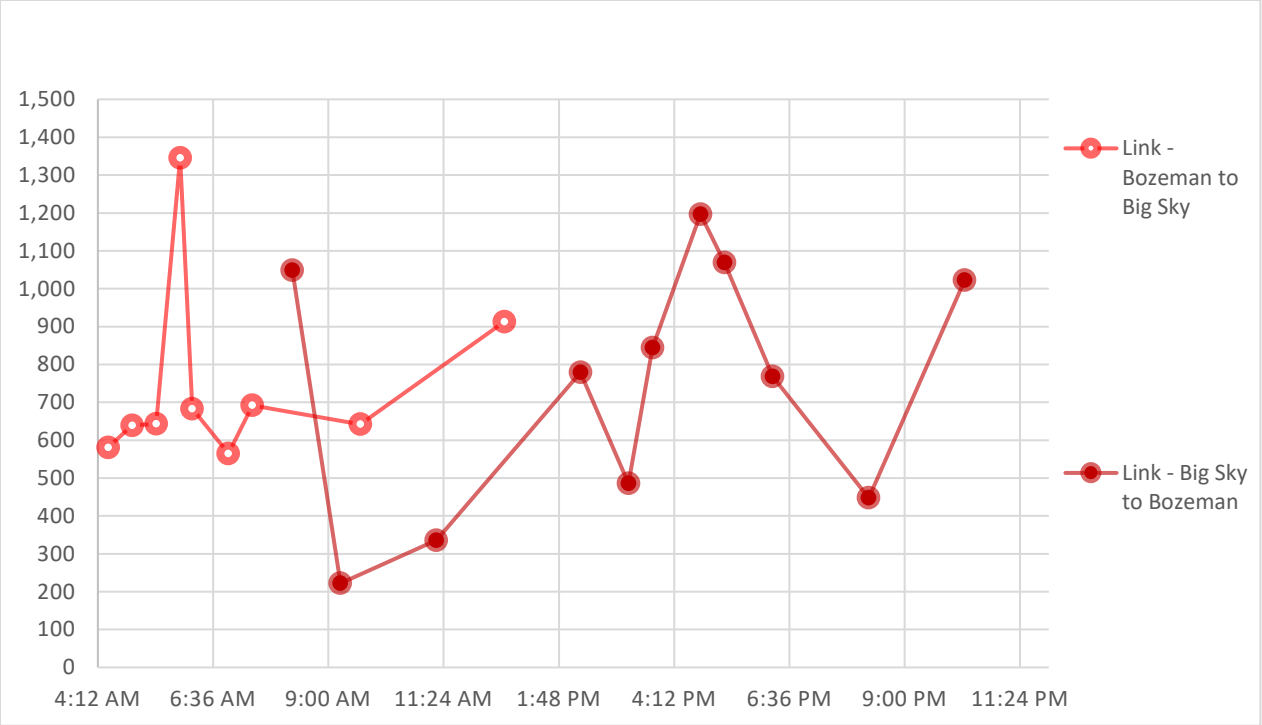


Figure 21: January 2022 – Average Daily Regional Route Ridership by Time of Day

Source: BSTD, 2023.

On Time Performance

Many transit agencies rely on an On Time Performance (OTP) metrics (typically defined as exceeding a maximum difference between scheduled and actual arrival at each route's stops no more than a defined percentage of the time) to evaluate route reliability. It is important to understand how different routes perform in terms of their reliability because it is one of the key metrics accountable for how riders perceive the quality of the service. BSTD's goal is to adopt a systemwide standard for OTP that is defined as having less than 0.5% of monthly trips result in missed trips (defined as no later than 15 minutes past the schedule pick-up time or missed entirely). OTP and other performance measures are discussed in further detail below, seen in **Table 28**.

Peer Comparison

Transit agencies in mountain resorts are no exception in tracking their performance. In fact, the more specialized nature of their service arguably requires these transit agencies to be more in tune with their performance. High quality transit service in a mountain resort environment is necessary to stay competitive when attracting and retaining employees who often commute long distances and providing a reliable and convenient transportation mode to visitors that has become a standard expectation for ski destinations. Transit services impact the overall success and attractiveness of mountain resorts and their surrounding communities. In other words, besides impacting the transportation world of the mountain

resort, effective and reliable transportation in a mountain resort like Big Sky can positively impact the economic and social environments of the resort.

Peer Metrics

Understanding what similar transit agencies track can be helpful in formulating the performance metrics for BSTD. Transit agencies located in several mountain resorts track performance metrics such as ridership, passenger trips per hour, agency cost per mile, etc. **Table 10** displays the comparison of these standard metrics, sourced from the National Transit Database, across different mountain resort transit agencies.

Table 10: Comparison of Mountain Resort Transit Agencies Service and Financial Effectiveness

Metric	BSTD (Big Sky, MT)	START[1] (Jackson, WY)	Mountain Rides (Sun Valley, ID)	Summit Stage (Summit County, CO)	RFTA (Aspen, CO)	Park City Transit (Park City, UT)	ECO Transit (Eagle County, CO)	Free Ride (Brecken-ridge, CO)
Ridership	202,248	1,057,494	576,573	1,747,746	5,212,525	2,677,927	1,117,311	1,308,780
Operating Expenses	$1,730,636	$3,785,746	$2,874,276	$10,630,010	$34,825,962	$12,602,292	$10,067,616	$4,721,751
Service Hours	23,308	63,255	40,910	81,428	276,514	138,529	83,246	53,545
Service Miles	534,099	869,784	903,174	1,476,471	4,946,740	2,241,211	1,806,527	496,347
Passenger Trips per Hour	8.7	16.7	14.1	21.5	18.9	19.3	13.4	24.4
Passenger Trips per Mile	0.4	1.2	0.6	1.2	1.1	1.2	0.6	2.6
Cost per Hour	$74.25	$60	$70.26	$130.54	$125.95	$90.97	$120.94	$88.18
Cost per Mile	$3.24	$4.35	$3.18	$7.20	$7.04	$5.62	$5.57	$9.51
Cost per Passenger Trip	$8.56	$3.58	$4.99	$6.08	$6.68	$4.71	$9.01	$3.61

Notes:
1. START Bus is FY2018 data, agency-reported.

Source: National Transit Database, 2019.

The Big Sky area has shown success in providing and growing transit service to their residents and visitors and currently performs relatively well to its peers. Over time, with a more concerted effort to track and monitor performance, BSTD can continue to grow and improve performance. Many resort transit agencies hold to the mantra of "you can't improve what you don't track."

Financial Analysis

BSTD's financial standing is sound, though current revenue sources have been effectively tapped out. Additional revenue sources should be explored in the immediate future. Owing to the timing of this plan, data from different fiscal years are presented below, thereby showing higher expenses than revenues. This difference is overstated and does not accurately reflect a balanced budget.

Operating Budget

BSTD's operating budget for FY 2024 (starting in July of 2023) is presented below in **Table 10**.

Table 11: BSTD 2024 Operating and Administrative Costs

Revenues	
Services	$177,000
Materials and Supplies Consumed	$266,000
Purchased Transportation Service	$1,807,000
Other Operating Expenses	$33,000
Labor	$110,000
Fringe Benefits	$12,000
Materials and Supplies	$2,400
Casualty and Liability Insurance	$325,000
Utilities	$20,000
Leases and Rentals	$39,000
Miscellaneous Expense	$39,000
Other Administrative Expense	$36,000
Total Revenue	**$2,866,400**

Source: Fehr & Peers, 2023.

Of note among the operating costs, fees paid to rent a vehicle storage facility are high compared to overall costs.

Revenue

Revenue is generated through a variety of sources, the largest of which is federal funds administered through the Montana Department of Transportation. This share of revenues from federal sources is similar to other rural transit agencies.

Table 12: BSTD 2023 Operating Revenues Sources

Revenues	
Montana Department of Transportation (FTA pass through)	$1,182,044
Big Sky Resort Area District	$ 950,000
Fare Revenue (intercity service)	$180,000
Gallatin County	$80,000
Madison County	$80,000
Yellowstone Club	$45,000
Bus Wraps	$30,000
Other	$14,513
Total Revenue	**$2,561,757**

Source: Fehr & Peers, 2023.

Future revenues will likely rely on additional taxation measures that have not been explored, and will require ballot measure approval.

Community Engagement

While the primary source of community input gathered for this plan was the BSTD board, a community survey was conducted that generated a surprisingly high volume of responses.

Board Input

The BSTD board is comprised of five volunteer members, representing both Gallatin and Madison counties, and a variety of businesses and other community stakeholders in Big Sky. The board, through multiple meetings and other communications, shared the following high-level takeways:

- Big Sky is eager to see more, and more reliable transit service to support community goals of sustainability and equity
- The board supports ambitious levels of growth for the district and are confident that the community will similarly support growth if a thoughtful plan is developed and followed
- In the short-term, the primary market for transit in Big Sky is employees working in and around Big Sky, but longer-term goals should enable "car-light" visits to and living in Big Sky

The Board has devoted substantial time over the past several years to support BSTD's ongoing operations and are excited by the momentum developing behind growth of BSTD and strengthening of partnerships with local stakeholders.

Skyline Community Survey Results

A community survey was developed with the goal of learning how existing riders use the Skyline system, what types if improvements those riders would like to see, what types service improvements or changes would be most valuable, and what types of barriers prevent non-riders from using the system. The Community Survey was developed for the Skyline Transit Service to ensure that this Plan would address the needs of the community.

The survey was available for over 4 weeks from March 2nd to April 3rd 2023. During that time, 1,850 individuals completed the survey. Over 35% of respondents reported that they road the Skyline service at least once a week. Over 15% of respondents reported that they have never used the Skyline service. The more detailed results of this question are presented in **Figure 22** below. Of the respondents to the survey roughly 35% lived in the Big Sky area, 23% lived in Gallatin Gateway area, and 14% each lived in Bozeman area and Four Corners area. Of the places that respondents worked 24% worked at Big Sky Resort, an additional 24% worked in the Big Sky area, and roughly 18% each worked at Montage/Spanish Peaks and Yellowstone Club.

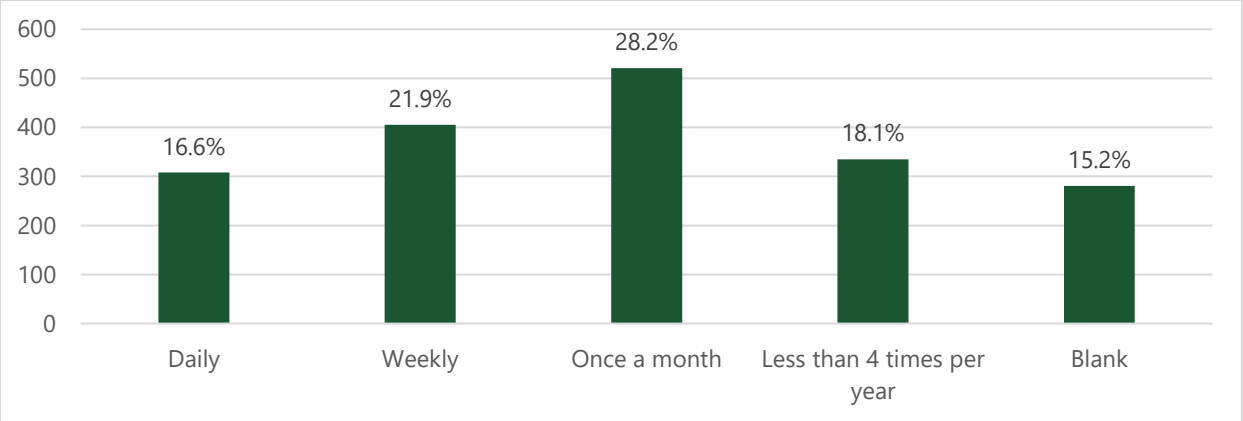


Figure 22: Survey Respondents Skyline Usage Frequency.
Source: BSTD, 2023

As seen in **Figure 23** below, of the 1,569 respondents that did ride Skyline over 84% of them would recommend the service to others.

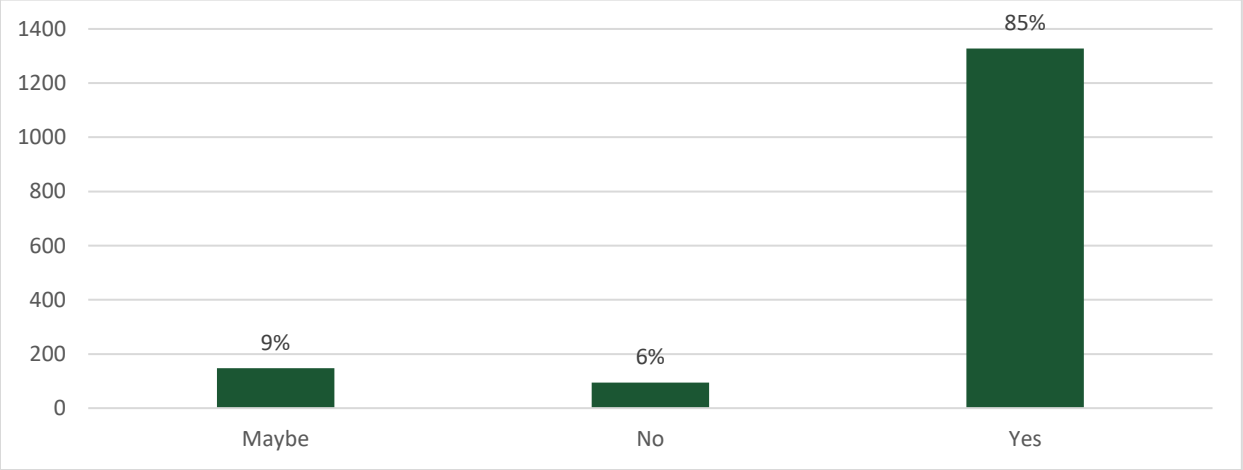


Figure 23: Survey Respondents Recommending Service.
Source: BSTD, 2023

Of the Skyline riders the roughly a quarter said they used Skyline because they wanted to avoid parking at work. Other top reasons to ride were affordability and/or for the environment/community. This poll allowed for multiple responses, the results are shown in **Figure 24** below.

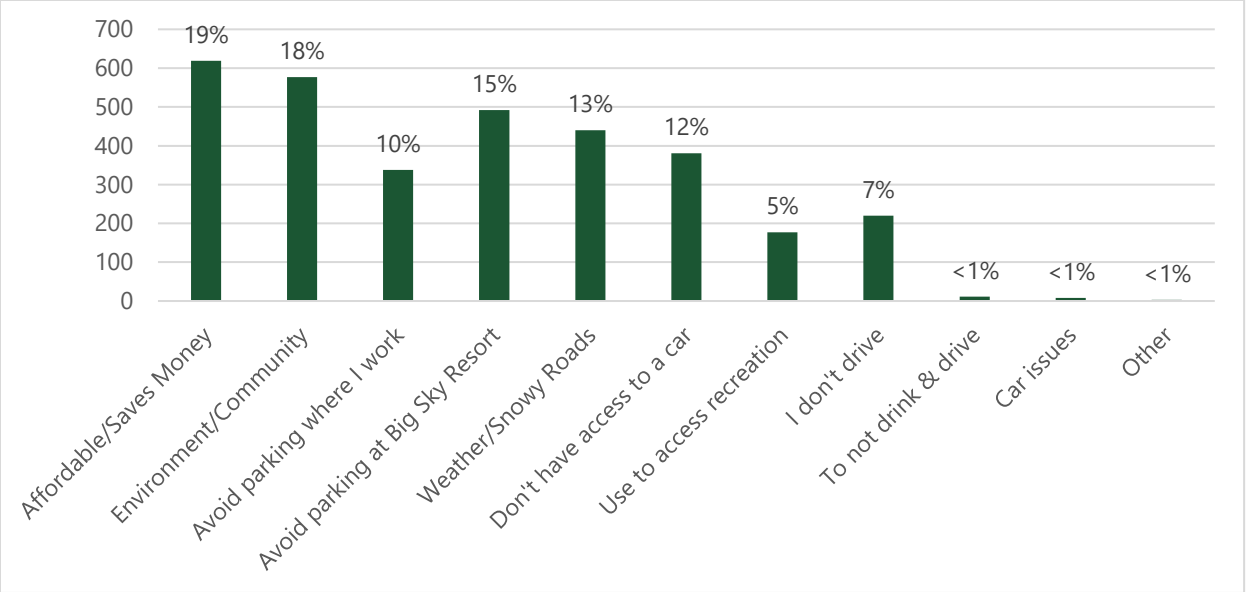


Figure 24: Reasons for Riding Skyline
Source: BSTD, 2023

Of the respondents that did not use Skyline the main reasons were that the bus was too slow, or that they won't get to their destination on time. The results from this question are shown below in **Figure 25.** The bus service, schedule or area, were the lowest ranked reasons for not taking Skyline.

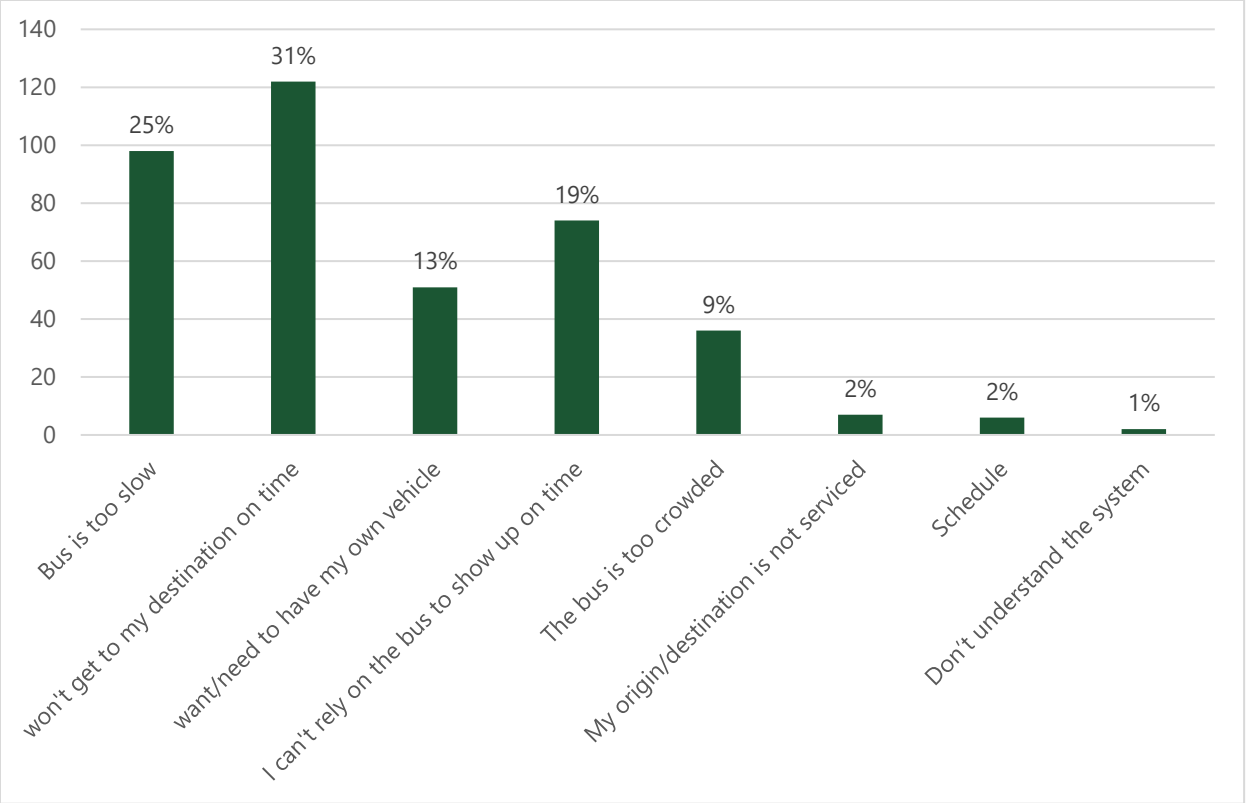


Figure 25: Reasons For Not Riding Skyline.

Source: BSTD, 2023

The survey also asked the respondents to list their desired improvements. Results are shown in **Figure 26** below. The top responses were shorter headways, later service hours, and better stops. Serving new areas was a relatively small portion of the responses, it's worth noting that 33% of respondents had answered that they used Skyline less than four times a year or never.

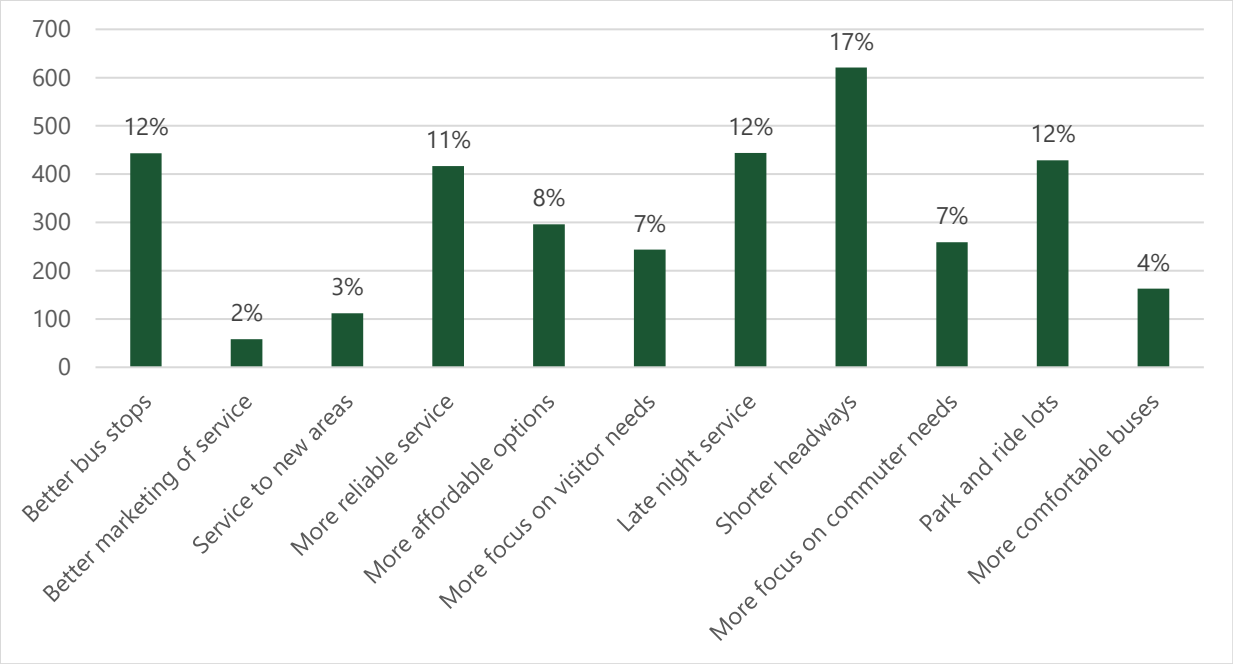


Figure 26: Skyline Desired Improvements.

Source: BSTD, 2023

Vision Development

With a recent change in leadership, sustained increases in visitation to Big Sky, and a focus on sustainability and access to opportunity for those in BSTD's service area, expansion of the District's services requires a focus vision to guide growth. Plan development relied on a visioning exercise with Board input that built on community input gathered earlier in the planning process.

Visioning Workshop

As stated in the BSTD by-laws, BSTD's current purpose is to "supply transportation services and facilities to district residents and other persons." Given the high-level nature of District's mission statement, the goal of the strategic visioning exercise was to develop a more growth-oriented vision with specific goals for the evolution of BSTD and Skyline service over the next five years.

Based on community input, board discussions, opportunity analysis, and historical service changes, four new or expanded route alternatives were identified, reviewed against the evaluation criteria, and presented to the board for feedback as part of a visioning process. These four alternatives differed based on the expected level of growth in service, needs for additional service types, and ongoing growth in Big Sky's year-round and seasonal population.

Service Alternatives

Shown below in **Table 13**, Scenario One envisions a modest approach that aims to bolster local service with minimal adjustments to regional service. Microtransit would be expanded to included a single point for trips to and from the Montage hotel, and a new zone would be established near the Big Sky Resort base. The Green Route will be simplified to compliment the new microtransit zone. This scenario increases total service hours by 53% and an operational budget increase of 52% to $4,254,525.

Table 13: Growth Scenario One

Measures	Goal	Description	Service Hours - Total (Winter)	Service Hours – Microtransit	Service Hours – Fixed Route	Fleet Needs – Microtransit	Fleet Needs – Fixed Route	Microtransit Operating Budget	Fixed Route Operating Budget	Total Operating Budget
Current Operating Plan	N/A	N/A	31,000	9,000	22,000	3	10	$594,000	$2,200,000	$2,794,000
Scenario 1 Modest Growth	Enhance local service with stable regional service.	Increase frequency between Canyon and Mountain with additional AM and PM trips, expand microtransit	47,144	13,525	33,619	5	11	$892,650	$3,361,875	$4,254,525

Source: Fehr & Peers, 2023.

Scenario Two - Moderate Growth

Shown in **Table 14**: Growth Scenario TwoScenario Two envisions moderate growth through the inclusion of all scenario one changes, the elimination of the Green Route in favor of an expanded microtransit zone near the Big Sky Resort base area. This scenario increases total service hours by 57% and an operational budget increase of 53% to $4,268,955.

Table 14: Growth Scenario Two

Measures	Goal	Description	Service Hours - Total (Winter)	Service Hours – Microtransit	Service Hours – Fixed Route	Fleet Needs – Microtransit	Fleet Needs – Fixed Route	Microtransit Operating Budget	Fixed Route Operating Budget	Total Operating Budget
Current Operating Plan	N/A	N/A	31,000	9,000	22,000	3	10	$594,000	$2,200,000	$2,794,000
Scenario 2 Moderate Growth	Enhance local service with stable regional service.	Eliminate existing Green Route and replace it with a new microtransit zone.	48,599	17,380	31,219	7	10	1,147,000	$3,121,875	$4,268,955

Source: Fehr & Peers.

Scenario Three - High Growth: Expanding Local and Regional Reach

Shown in **Table 15**, scenario three envisions a scenario with all changes proposed as part of scenarios one and two, and a substantial increase in service between Big Sky Town Center and Big Sky Resort, and between Big Sky Town Center and Four Corners This scenario increases total service hours by 77% and an operational budget increase of 75% to $4,882,705.

Table 15: Growth Scenario Three

Measures	Goal	Description	Service Hours - Total (Winter)	Service Hours – Microtransit	Service Hours – Fixed Route	Fleet Needs – Microtransit	Fleet Needs – Fixed Route	Microtransit Operating Budget	Fixed Route Operating Budget	Total Operating Budget
Current Operating Plan	N/A	N/A	31,000	9,000	22,000	3	10	$594,000	$2,200,000	$2,794,000
Scenario 3 High Growth	Significantly increase local and regional service.	Increase local service with express bus between Town Center and Big Sky Resort, increase regional service with express bus between Four Corners and Town Center.	54,736	17,380	37,356	7	13	$1,147,080	$3,735,625	$4,882,705

Source: Fehr & Peers.

Scenario Four – Extremely High Growth

Shown in **Table 16**, scenario four envisions an ambitious level of increased service that includes all changes from scenarios one, two, and three, as well as expansion of service to Montana State University and more daily trips during all time periods, and a new route between Gallatin Gateway and Montage Club/Spanish Peaks and Yellowstone Club. This scenario increases total service hours by 109% and an operational budget increase of 109% to $5,828,710.

Table 16: Scenario Four

Measures	Goal	Description	Service Hours - Total (Winter)	Service Hours – Microtransit	Service Hours – Fixed Route	Fleet Needs – Microtransit	Fleet Needs – Fixed Route	Microtransit Operating Budget	Fixed Route Operating Budget	Total Operating Budget
Current Operating Plan	N/A	N/A	31,000	9,000	22,000	3	10	$594,000	$2,200,000	$2,794,000
Scenario 4: Extremely High Growth	Enhance local service and significantly increase regional service.	Establish new fixed route service between Gallatin Gateway and Montage/Spanish Peaks and Yellowstone Club	62,220	18,923	43,928	7	14	$1,248585	$4,329,750	$5,578,635

Source: Fehr & Peers.

Strategic Questions

To further refine the degree of feedback during this process, Fehr & Peers led a visioning workshop organized around strategic questions posed to the BSTD Board of Directors for discussion. For each strategic question, a five-point "spiciness" scale, as shown in **Figure 27**, below was used with:

- "1" representing less change and more of a status quo approach, indicated as the "mild" option.
- "3" representing moderate change, innovation, or development, indicated as the "medium" option.
- "5" representing significant change, high levels of innovation, or extensive development and investment, indicated as the "spicy" option.

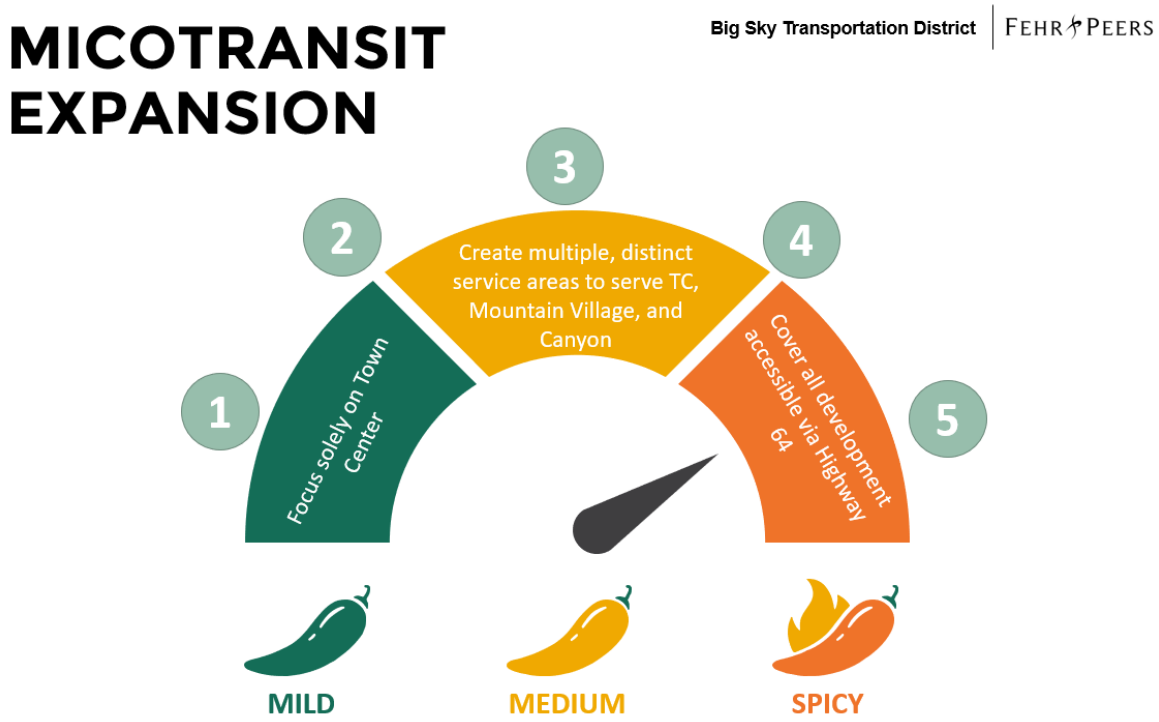


Figure 27: Example of Strategic Question and Scale Used for Board Workshop

For each strategic question, the board discussed the options and came to consensus on the desired direction. The strategic questions along with the range of options presented and board consensus for the desired direction for each strategy is shown below in **Table 17.**

Table 17: Strategic Questions Explored During Visioning Workshop

	Description of Range of Options			Board Consensus
	1	3	5	
Service Delivery	Continue contracting for service with private entity	Contract for some service, operate less than half directly	Operate almost all services directly with BSTD staff and vehicles	**2**
Multimodal Integration	BSTD as supporter and stakeholder in bike/ped work	BSTD as funder and partner in some bike/ped programs	BSTD funds, manages and operates bike/ped programs	**2**
Fleet Propulsion	Electric for microtransit only	Mixed fleet, appropriate to route demands (50% electric)	Full battery electric fleet, regardless of implications	**4.5**
Infrastructure Development	TC Transit Center, Hwy 64 bus stops, and 1 P&R complete	TC Transit Center, Hwy 64 stops, 2 P&Rs, and new maint, facility	TC Transit Center, Hwy 64 stops, 3 P&Rs, new maint. facility, BS Resort transit center, upgraded bus stops throughout	**4**
Public/Private Integration	BSTD coordinates with privately provided transit services	BSTD partners with 1-2 key private transit providers to take over operations and convert to public routes	BSTD takes over operations of all existing privately provided transit in exchange for partnership agreement/$	**3**
Geographic Expansion	Focus on existing connections, plus reduce need to go into Bozeman	Seek to serve 1-2 new additional areas (more of the Canyon, airport)	Seek to serve 3-4 new areas (airport, Ennis, West Yellowstone, etc.)	**1**

Operations Facilities Locations	Continue to rent a facility near Big Sky	Build/own new facility in Big Sky OR GG/4 Corners	Build/own new facilities both in Big Sky and in GG/4 Corners	**5**
Microtransit Expansion	Focus solely on Town Center	Create multiple zones to serve TC, BS Village, and Moonlight	Cover all development accessible via Highway 64	**2.5**
Coordination with Streamline	Maintain existing system overlap	Collaborate on routes for seamless rider connections between Streamline and Skyline	Highly collaborative with Streamline including shared facility, coordinated route planning, and sharing resources	**5**
Timeline for Seeking New Mill Levy Funding	Within one year	Within two years	Three or more years from now	**3**
Amount of Increased Funding	$500k of new operating funding and matching funds for smaller capital projects	Enough to fund $1M of new operating funding and several mid-size capital projects	$1-2M of new operating funding and many large capital projects	**5**
Appetite for Failure at Ballot Box	None – need to have strong sense that ballot measure will pass	Neutral – prepare enough to have a sense that ballot measure could pass	Open – put it out there and see what happens	**5**

Notes:
1. BS=Big Sky; P&R=Park-and-ride; TC=Town Center; GG=Gallatin Gateway.

Source: Fehr & Peers, 2023.

Key Takeaways

The results of the board discussion of strategic questions are summarized in **Figure 28** below.

Mild approach (rating of 1 or 2)

- **Delivery of service** - the board felt that contracted operations with a private transit provider was likely to be continued, both for fixed route and microtransit services.
- **Multimodal integration** - the board felt that BSTD should support development of improved bicycle/pedestrian infrastructure and programs but not be directly involved in funding or operations of multimodal options.
- **Expansion to new areas** - the board felt BSTD should focus on existing service area or perhaps even a smaller service area (for example, not going as far into Bozeman).

Medium approach (rating of 3)

- **Integration of private service** - the board felt that BSTD should pursue one or two key partnerships with private providers to shift commuters from private transit to BSTD routes through new agreement.
- **Microtransit growth** - the board agreed that microtransit should grow to multiple service zones within the Big Sky area.
- **Mill levy timeline** - the board wants to pursue new mill levy funding within two years.

Spicy approach (rating of 4 or 5)

- **Fleet propulsion** - the board wants to see a transition to battery electric buses sooner than later, especially for routes and services within Big Sky, realizing that the range of battery electric buses currently isn't enough to support multiple round-trips per day on the Link.
- **Infrastructure development** - the board wants to pursue significant capital infrastructure development in the coming years including park-and-ride lots, new transit center in Town Center, new transit center at Gallatin Gateway, and a new maintenance facility in 4 Corners and Big Sky.
- **Location of new operations facilities** - the board felt that having a new primary operations facility in Gallatin Gateway or Four Corners, as well as a smaller satellite facility in Big Sky is necessary to support growth in and reliability of operations.
- **Coordination with Streamline** - the board agreed unanimously that Skyline needs to be highly coordinated with Streamline.
- **Amount of new funding sought** - the board felt that pursuing significant new funding through a mill levy is necessary to support growth.
- **Willingness to fail first time on the ballot** - the board was comfortable with potentially failing the first time at the ballot box.

Figure 28: Board Visioning Workshop Results

The results of the BSTD visioning workshop informed the District's vision for growth an investment, described below.

New Strategic Vision for BSTD

Based on previous outreach efforts including stakeholder interviews, board meetings, and history of public comments, new strategic focus areas have been developed for framing the evolution of BSTD and transit within Big Sky in the next 5-10 years, organized around the five key themes shown below.

Employees Are the Focus

Employees are and will remain the focus of Skyline service for the foreseeable future. Moving a large volume of employees from Gallatin Gateway, Four Corners, and Bozeman is the most critical role for BSTD/Skyline to play in the near future.

BSTD Needs to Grow to Better Serve Local Needs Within Big Sky Long-Term

As Big Sky continues to grow rapidly, BSTD and Skyline must increase its impact on the community with easy to use, frequent, and accessible service within the Big Sky community. The newly started microtransit service, Big Sky Connect, is a step towards this longer-term need.

Significant Need for New Facilities

To further enhance transit's viability and appeal, BSTD should develop better transit-supportive facilities such as park-and-rides in areas north of Big Sky, high-quality bus stops at all Skyline-served locations, and an in-town mobility hub.

Opportunities for Increased Partnerships

Going forward, BSTD should increase partnerships, both with private entities and public agencies, to help facilitate more integrated and efficient delivery of transit services locally and regionally. Partnerships with private entities also providing transportation services, such as Yellowstone Club, and public transit providers, such as Streamline in Bozeman will support this outcome.

Skyline is Part of a Making Big Sky More Sustainable

A goal for BSTD is to enable a car-optional lifestyle in and around Big Sky, with visitors being able to park once and otherwise rely on Skyline services. This does not require establishing connections to Bozeman Yellowstone International Airport (BZN). Getting more locals riding will also help maintain quality of life and improve transportation sustainability.

These themes coalesced into a final set of goals for BSTD to commit to, identified as the "Five I's" of the future strategic vision for the agency. The Five I's drive the agency to invest in necessary infrastructure and

innovation, increase service levels and accessibility, improve quality and convenience, and seamlessly integrate with the wider transportation system.

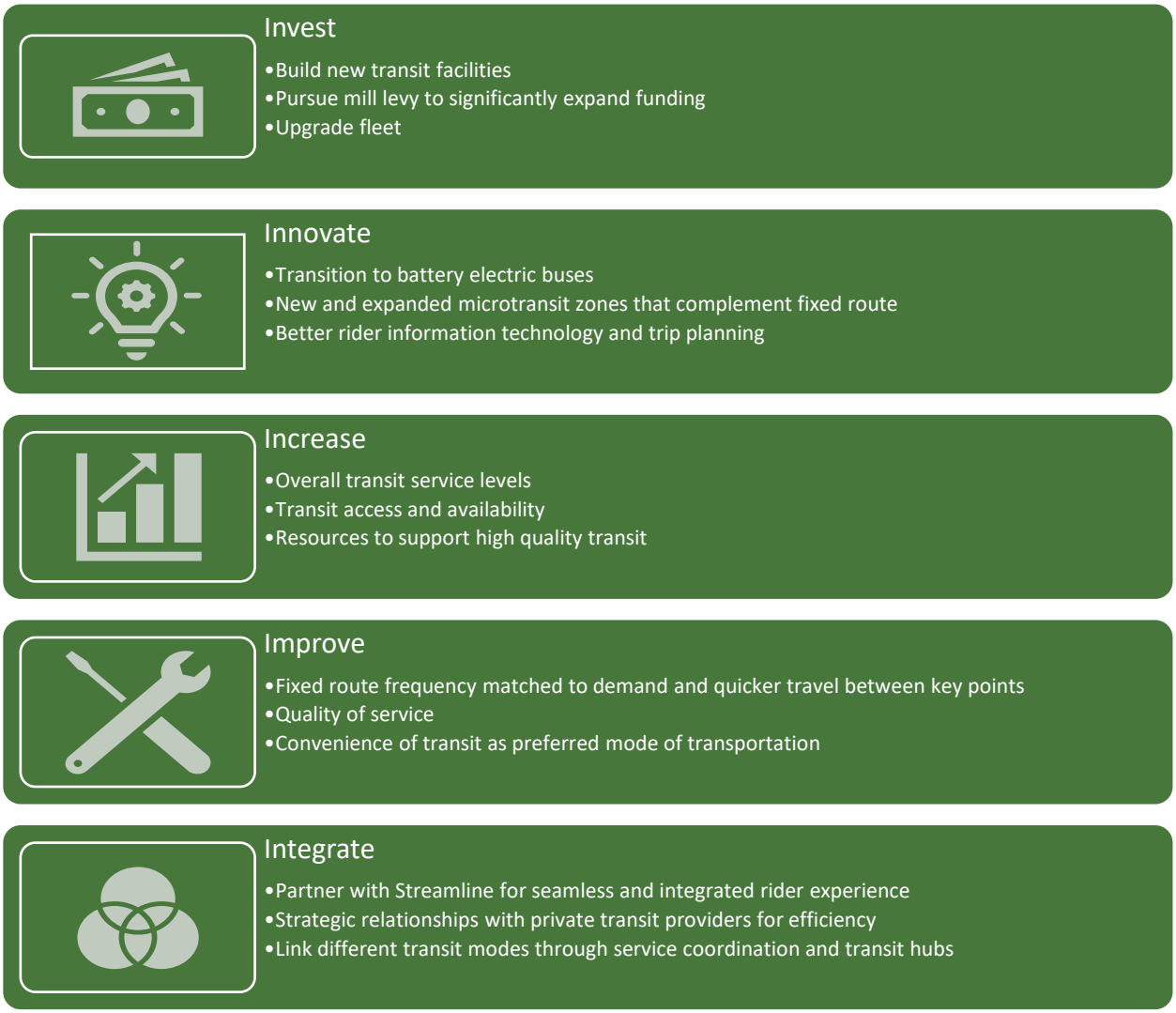


Figure 29: Strategic Vision for BSTD – the Five I's.

New Vision Statement

In addition to the strategic concepts is the need for an overarching vision statement that guides all of BSTD's work and helps the community understand what BSTD is working to achieve.

Based on the workshop and previous board meetings, the proposed, new vision statement is:

Big Sky Transportation District, through its Skyline services, seeks to provide the Big Sky community – its residents, homeowners, visitors, businesses, and employees – with best-in-class public transportation services that are safe, convenient, accessible, innovative, and dependable.

Service Alternatives Development and Analysis

The section details the process, outcomes, and recommendations that make up the service alternatives of this plan. Drawing upon prior workshop engagements, community outreach, and the identification of opportunities, this process aimed to refine the opportunities for improvement into five distinct service options. At the heart of the effort lies a key driving change — the approximately 14 service hours per day unlocked through the suspension of the Blue Route. These newfound hours trigger an analysis of possible alternatives to kickstart BSTD's transit service, allowing for a strategic shift of resources across the system to where they are needed most. This analysis identified the following possibilities as high-value opportunities to leverage newly reallocated resources:

- **Adding Targeted Service to Routes:** Enhance both the Yellow and Orange routes during the afternoon to early evening hours (from 4 PM to 8 PM) with additional service, to better meet the needs of current riders.
- **Introducing Evening Services:** Recognizing the importance of extended evening service hours for commuters, increase the overall evening service hours across the system.
- **Exploring Microtransit:** Investigate the viability of incorporating microtransit to provide a flexible and effective transportation solution in the absence of the Blue Line while still supporting transit coverage in both the resort and town areas.
- **Enhancing Bozeman-Big Sky Link Route:** Strengthen service along this core route, particularly during periods of heightened demand to accommodate long distance commuter needs.

Complementing these options were considerations aimed at optimizing bus stop locations based on stop performance and evolving needs of the community. These additional considerations included:

- **Curbing Service at Low-Ridership Stops:** Explore the possibility of curtailing or suspending service at bus stops with historically minimal ridership, such as the Corral/Rainbow Ranch, Gallatin River House Grill, and Ophir School. The removal of these stops not only frees up resources to be applied elsewhere but holds potential to improve the speed and reliability of both routes.
- **Introducing Stops:** Consider the inclusion of new bus stops where appropriate, particularly when catering to the transportation requirements of employee housing, such as the upcoming Powder Light housing development.

Such an approach takes into account both prevailing service patterns and the shifting landscape of community demands to better ensure that transit solutions are not only effective but also responsive to the evolving needs of BSTD's riders. Together, these additional opportunities formed the final piece of this analysis and subsequent service alternatives detailed below.

Background on Planning Basics

To better understand how this strategic plan arrives at the identified service alternatives, the following rationale was used to determine appropriate service adjustments for BSTD's transit options.

As a dedicated transit agency, BSTD service spans across a large area, supporting two counties and numerous communities across the greater Bozeman/Big Sky area. The objective is clear: to provide high-quality transit service that accommodates as many individuals as possible. Yet, the practical reality reveals a challenge. While BSTD's commitment is steady, available resources are limited, and the provision of transit comes at a substantial cost. Therefore, effectively allocating resources calls for careful decisions which balance and maximize the needs of each community in our service area. This is a core challenge of the transit planning process.

To be successful, BSTD must at times think like a business, carefully choosing where to allocate resources. Just as successful franchises don't establish locations on every block, transit services can't cover every nook of our communities. However, unlike businesses, BSTD's commitment extends beyond this rationality in that we are bound by an obligation to consider all communities for service, even in areas where ridership potential is lower. This necessitates a trade-off between two goals: achieving reliable ridership and ensuring appropriate coverage, with success found somewhere between these two objectives.

For strategic planning purposes, understanding what success entails is crucial. With unlimited funding, transit can go nearly anywhere. Lacking that, effective decision making depends on a thoughtful use of resources. The path one chooses hinges on chosen values and objectives, prioritized by a community's transit goals. Some communities opt for a strategy that channels resources towards areas with the greatest ridership potential. These kinds of services are most effective in places where clusters of people and destinations exist. Higher ridership not only serves more individuals but also optimizes resource utilization, leading to improved services and expanded offerings. By doing so, transit becomes an essential and widespread resource, unlocking benefits such as reduced congestion, economic growth, and enhanced accessibility.

On the other end of the spectrum, transit service can be used to support regions with lower ridership but critical needs. These coverage services, essential for those dependent on transit, often come at a higher cost per rider. However, they ensure accessibility and mobility in the community, acting as vital lifelines for our neighbors. While demanding on resources, coverage routes mirror the role of essential public services, such as fire departments, public utilities, and schools.

Figure 30: Buses can accommodate all users.
Source: Streamline Bus, 2023

In reality, few transit networks operate exclusively with ridership or coverage in mind. The aim is to strike a balance that best serves the community's evolving needs and priorities. BSTD achieves this through collaboration with community partners and a shared vision, and while choices aren't intrinsically right or wrong, they mold a service level that aligns with cost-effectiveness and rider usefulness. Therefore, the following tradeoffs, shown in **Table 18** are considered when evaluating new transit service plans, including when considering the creation or elimination of a route.

Table 18: Transit Priorities Tradeoffs

Option A	Priority Area	Option B
Cover a larger geographic area with less frequent service	Area Covered	Cover a smaller geographic area with more frequent service
Provide less frequent service but for more hours of the day	Hours of Service	Provide more frequent service but for less hours of the day
Provide less service per day but for all seven days of the week	Days of Service	Provide more service on weekdays and less or no service on weekends
Provide consistent service throughout the year that more locals/year-round users can depend on but with less frequency and hours of service	Seasonality	Provide more intense and frequent service at times of year with highest demand
Operate more routes that provide direct connections with less frequent service	Transfers	Operate less routes that may require transfers but are more frequent
Pick riders up closer to their origin and destination (less walking) but bus trip time is longer	Directness	Require riders to walk further to bus stops but bus trip time is shorter
Invest in local bus services	Local vs. Regional Needs	Invest in regional/commuter bus services
Allocate service according to funding source (jurisdiction/boundary)	Funding vs. Need	Allocate service according to need
Run larger buses everywhere (including lower density neighborhoods) for consistency and peak demand	Vehicle Fleet	Run a mix of larger and smaller vehicles right-sized to each route but requiring possibly more vehicles
Provide more stops that require less walking but make the bus slow	Stop Spacing	Provide less stops that require more walking but make the bus quicker
Provide less frequent service but for more hours of the day	Hours of Service	Provide more frequent service but for less hours of the day

Source: Fehr & Peers.

Understanding how these tradeoffs relate to potential ridership is integral to BSTD's planning. This is assessed based on factors like land use and observed ridership, alongside conversations with key stakeholders. Local conditions tend to drive the effectiveness of transit more than anything else. Areas with compact, linear layouts enable efficient travel and optimize resource usage, amplifying ridership and allowing transit to serve more people effectively. In Big Sky, the Town Center is an excellent example of an environment that is easy to serve via transit, a place that buses can conveniently serve many people. With exceptions, places that will attract a higher number of riders, especially employees (who have been identified as BSTD's key riders) tend to be the key areas BSTD seeks to serve in order to ensure it remains useful for as many people as possible.

System Alternatives

This plan examines four distinct scenarios, each illustrating a unique trajectory for the BSTD's transit operations, having been developed from the four scenarios described in the visioning process. In addition to ridership projections, these scenarios give detailed figures for expected daily roundtrips, local and regional ridership, and budgetary implications. By comparing these scenarios against the current operating plan, the goal was to equip the BSTD board with a comprehensive overview of options, enabling well-informed decisions that resonate with the agency's objectives and vision.

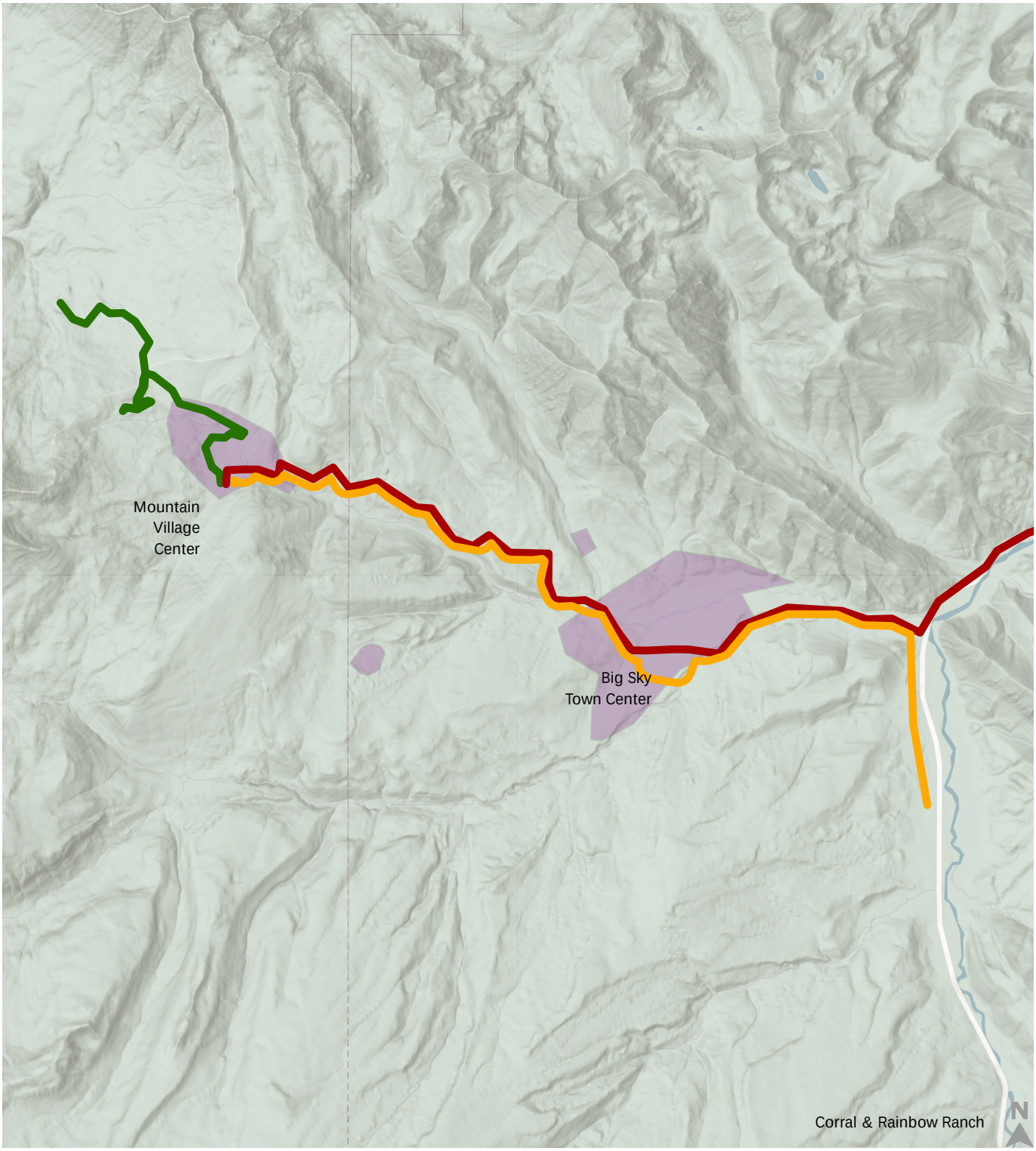
Scenario One

In Scenario One, the transit system is marked by higher frequency regional service and an increase in the frequency of local fixed route services. Notably, it simplifies the Green route for improved efficiency and includes limited service to Montage from the Town Center and a microtransit zone catering to Big Sky Resort base. The cost for Scenario One is $1.46 million more than the current system, with a service distribution of 71% Fixed Route and 29% microtransit. It also maintains a regional/local service split of 36% Regional and 64% Local.

Some characteristics of this option include:

- Winter hours of operation between 5:00 AM - 12:00 AM
- Peak hour service every 30-60 minutes during the winter
- A total of three fixed routes and two microtransit coverage areas during the winter
- Requires one additional bus and 2 additional microtransit vehicles
- Adds 16,144 new total vehicle service hours per year
- The addition of a shoulder season service made up of one route that operates from 5am to 11pm, operating on frequencies that range from 60 to 240 minutes.

The conceptual route map is shown below in **Figure 31**.



Routes

- Green Moonlight Connector
- The Link (To Bozeman)
- Yellow-Orange Canyon
- Microtransit

Scenario One

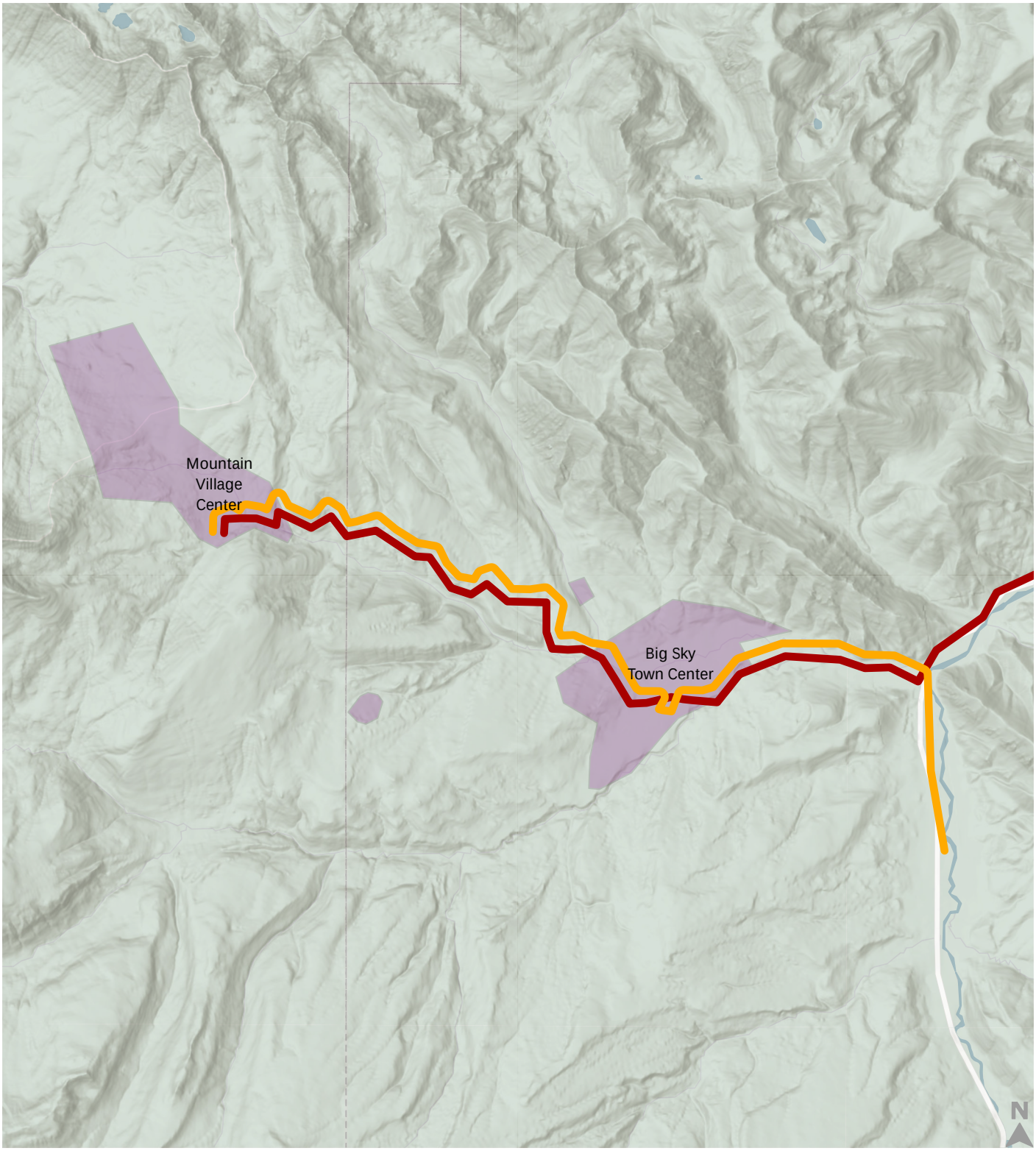
Scenario Two

Scenario Two builds upon the improvements seen in Scenario One. It continues to offer higher frequency regional service and local fixed route services but eliminates the Green route entirely in favor of microtransit. Additionally, Scenario Two introduces additional service to Montage and restricts Moonlight Basin and the Base area to microtransit services. Scenario Two costs $1.48 million more than the current system. It has a service distribution of 64% Fixed Route and 36% microtransit and a regional/local service split of 35% Regional and 65% Local.

Some characteristics of this option include:

- Winter hours of operation between 5:00 AM - 12:00 AM
- Peak hour service every 30 minutes during the winter
- A total of two fixed routes and two microtransit coverage areas during the winter
- Requires no additional buses and 4 additional microtransit vehicles
- Adds 17,599 new total vehicle service hours per year
- The addition of a shoulder season service that operates from 5am to 11pm, operating on frequencies that range from 60 to 240 minutes across two routes

The conceptual route map is shown below in **Figure 32**.



Routes

- The Link (To Four Corners)
- Yellow-Orange Canyon
- Microtransit

Scenario Two

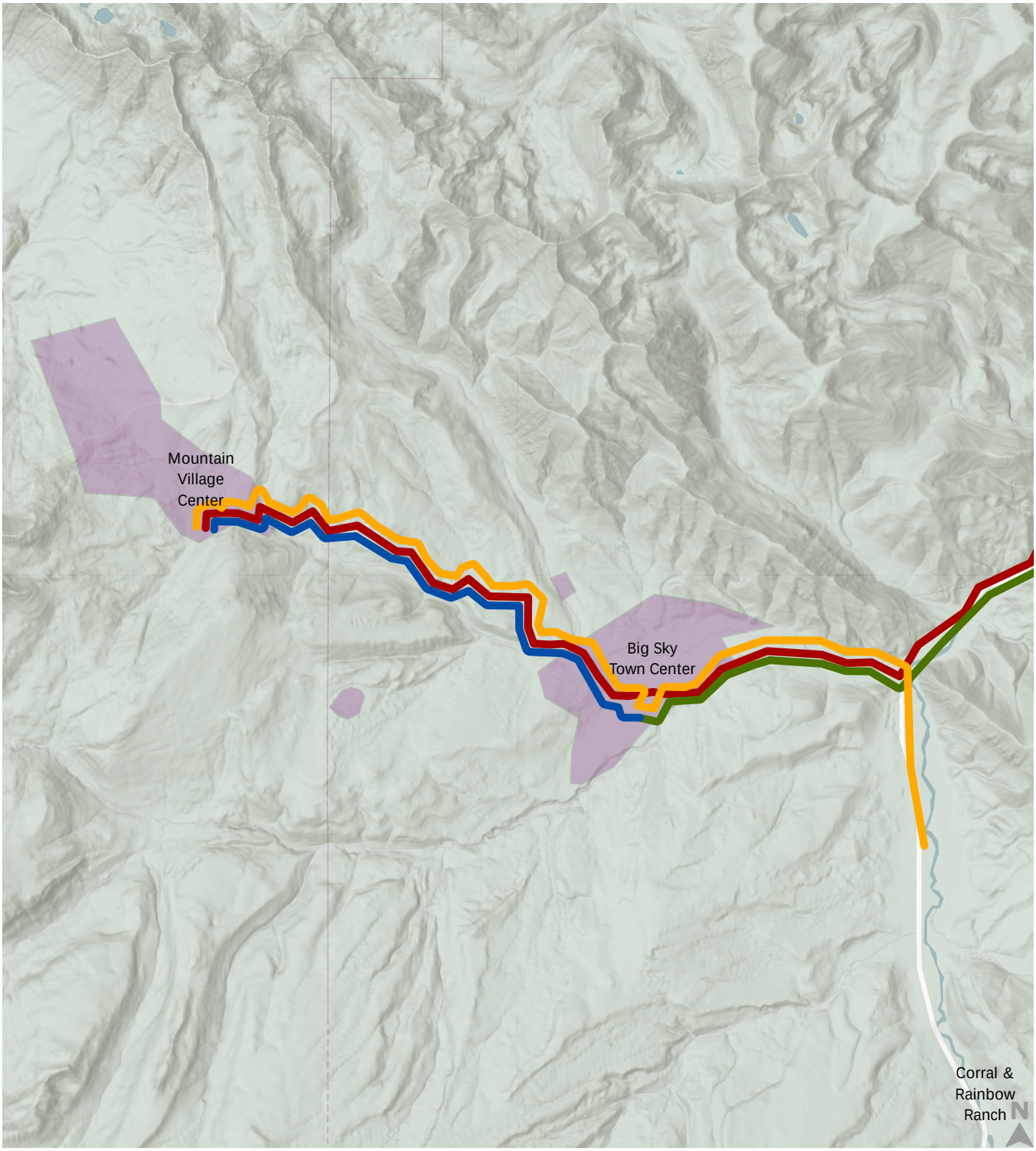
Scenario Three

In Scenario Three, the transit system maintains higher frequency regional service and introduces a Town Center Express Route connecting the town center and the resort base. The on-demand service levels and coverage in Scenario Three remain similar to those in Scenario Two, making it a balanced option between microtransit and fixed routes. Scenario Three costs $2.09 million more than the current system. It has a service distribution of 68% Fixed Route and 32% microtransit, along with a regional/local service split of 24% Regional and 76% Local.

Some characteristics of this option include:

- Winter hours of operation between 5:00 AM - 12:00 AM
- Peak hour service every 30-60 minutes during the winter
- A total of four fixed routes and two microtransit coverage areas during winter
- Requires three additional buses and 4 additional microtransit vehicles
- Adds 23,736 new total vehicle service hours per year
- The addition of a shoulder season service that operates from 5am to 11pm, operating on frequencies that range from 120 to 240 minutes on a single route

The conceptual route map is shown below in **Figure 33**.



Routes

- The Link (To Four Corners)
- Link Express (To Four Corners)
- Town Center Express
- Yellow-Orange Canyon
- Microtransit

Scenario Three

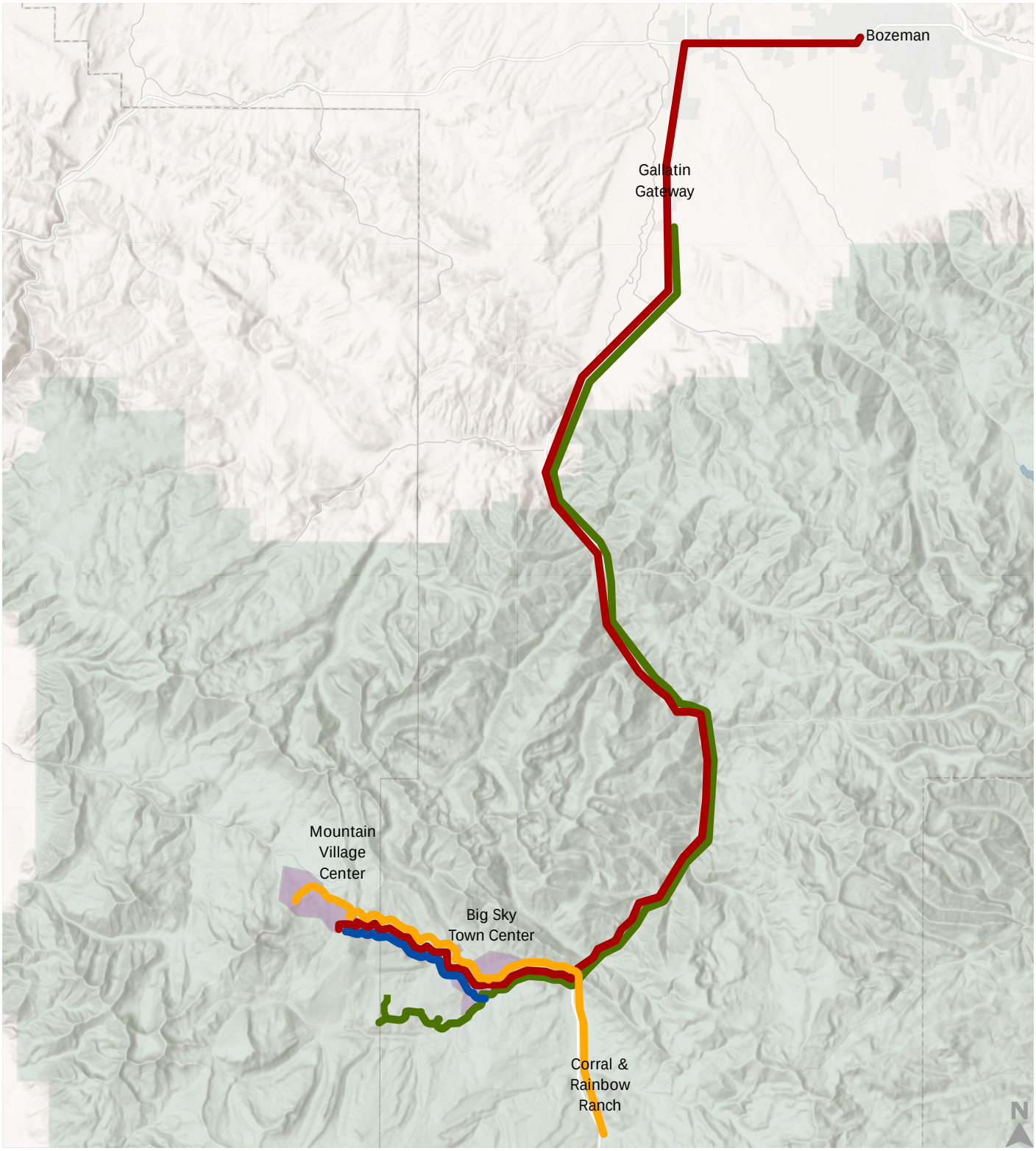
Scenario Four

Scenario Four represents a comprehensive transit solution with higher frequency regional service that extends all the way to Bozeman. It includes higher frequency Yellow/Orange service and adds an extra Town Center Express Route connecting the town center and the resort base. This scenario offers full on-demand zones for both Town Center/Meadows and Big Sky Resort Base/Moonlight Basin. However, it comes at a higher cost of $3.04 million more than the current system. Scenario Four's service distribution is 70% Fixed Route and 30% microtransit, with a regional/local service split of 30% Regional and 70% Local.

Some characteristics of this option include:

- Winter hours of operation between 5:00 AM - 12:00 AM
- Peak hour service every 30-60 minutes during the winter
- A total of four fixed routes and two microtransit coverage areas during the winter
- Requires four additional buses and four additional microtransit vehicles
- Adds 33,874 new total vehicle service hours per year
- The addition of a shoulder season service through a single route that operates from 5am to 11pm, operating on frequencies that range from 60 to 240 minutes.

The conceptual map for this scenario is shown below in **Figure 34.**



Routes

- Four Corners-TownCenter-Yellowstone Club Link
- The Link (To Bozeman)
- Town Center Express
- Yellow-Orange Canyon
- Microtransit

Scenario Four

Key Take-Aways

This plan presents four scenarios for the BSTD's transit operations, each offering a different approach to improve services, detailed below in Error! Reference source not found.. Scenario One focuses on higher frequency regional and local services with some microtransit zones, costing $1.46 million more than the current system. Scenario Two builds on Scenario One by eliminating the Green route in favor of microtransit and costs $1.48 million more. Scenario Three maintains high-frequency regional service, introduces a Town Center Express Route, and has a balanced mix of fixed routes and microtransit, costing $2.09 million more. Scenario Four is the most comprehensive, with higher frequency regional service extending to Bozeman, multiple Express Routes, and full on-demand zones, but it comes at a higher cost of $3.04 million more than the current system. These scenarios provide detailed insights into ridership, costs, and service distribution to help the BSTD board make informed decisions aligned with their objectives and vision for the transit system. The scenarios were compared by the board and relevant stakeholders, concluding with decisions that led to the Final Five-Year Service Vision, detailed in the subsequent section of this plan.

Table 19: Growth Scenario Service Cost Allocation

Metric	Scenario 1	Scenario 2	Scenario 3	Scenario 4 - Preferred
Cost Increase Over Existing	$1,460,525	$1,474,955	$2,088,705	$3,034,710
Share of Service on Fixed Route vs. On-Demand	71%	64%	68%	70%
Share of Service on Regional vs. Local	36%	35%	24%	30%
Regional Service Hours	16,969	16,969	13,369	19,714

Source: Fehr & Peers. 2023.

Final Five-Year Service Vision

This chapter details the final service vision for BSTD's future transit network and offers recommendations for the coming five or more years. The goals and recommendations are informed by the BSTD system analysis, the community survey, stakeholder and board input, and a realistic approach to achievability over the next five years. The final Strategic Plan recommendations are built around the following approaches:

- Adding new routes to make travel between major destinations quicker, including additions to evening service for commuters.
- Eliminating routes with lower performance and replacing them with microtransit to offer viable improvements for the system.
- Strengthening regional connections, particularly during times of high demand.
- Supporting ongoing and future investments in capital equipment and infrastructure projects, including fleet and mobility hub upgrades.

A refined version of Scenario Three was selected as the Preferred Scenario for this vision. Upon feedback from the board, adjustments were made to better reflect organizational priorities, resulting in the final Preferred Scenario, detailed below.

Table 19: Five-year Service Vision Characteristics

Metric	Current	Preferred Scenario
Cost	$2.79 M	$5.83 M
Share of Service on Fixed Route vs. On-Demand	80% Fixed Route	70% Fixed Route
	20% On-Demand	30% On-Demand
Share of Service on Regional vs. Local	38% Regional	30% Regional
	62% Local	70% Local

Source: Fehr & Peers, 2023.

An integral aspect of the agency's service structure relates to the balance between fixed route and on-demand services, illustrated in **Table 19**. Currently, 80% of services are allocated to fixed routes, with the remaining 20% as on-demand offerings. The Preferred Scenario aims for a more refined distribution, targeting 72% for fixed routes and 28% for on-demand services. This shift recognizes the evolving travel preferences of the community, aligning the agency's services more closely with the changing demands of its riders. In comparing the existing transit service with the recommended preferred scenario, several key differences are noted:

Cost Efficiency: Cost considerations play a key role in the agency's strategic direction. Under the Preferred Scenario, there is a projected cost increase to $3.29 million, aimed at driving improvements in across the transit service.

Service Distribution: Fixed Route vs. On-Demand: The current transit service predominantly operates along fixed routes, with 80% of the service falling under this category. However, the Preferred Scenario introduces a strategic balance between fixed route and on-demand services. With 72% of service designated for fixed routes and 28% for on-demand, the transit system becomes more flexible and responsive to the transportation needs of riders. This adjustment seeks to bridge the gap between scheduled routes and personalized, adaptable services.

Regional vs. Local Focus: In terms of service distribution, the Preferred Scenario envisions a more localized approach. While existing service allocates 38% of its resources to regional transit and 62% to local transit, the recommended scenario rebalances this distribution, shifting towards more prioritized local transit, with 71% of resources dedicated locally and 29% regionally.

The Preferred Scenario represents a strategic vision that seeks to optimize the transit service by distributing resources more efficiently, enhancing flexibility through on-demand services, and addressing local transit needs with a higher level of attention. While there is an anticipated increase in costs, the potential benefits in terms of improved service quality, accessibility, and adaptability are the result. Reflecting these goals is the recommended Preferred Scenario for both fixed route and microtransit service throughout BSTD's service area, briefly summarized as:

Fixed Routes

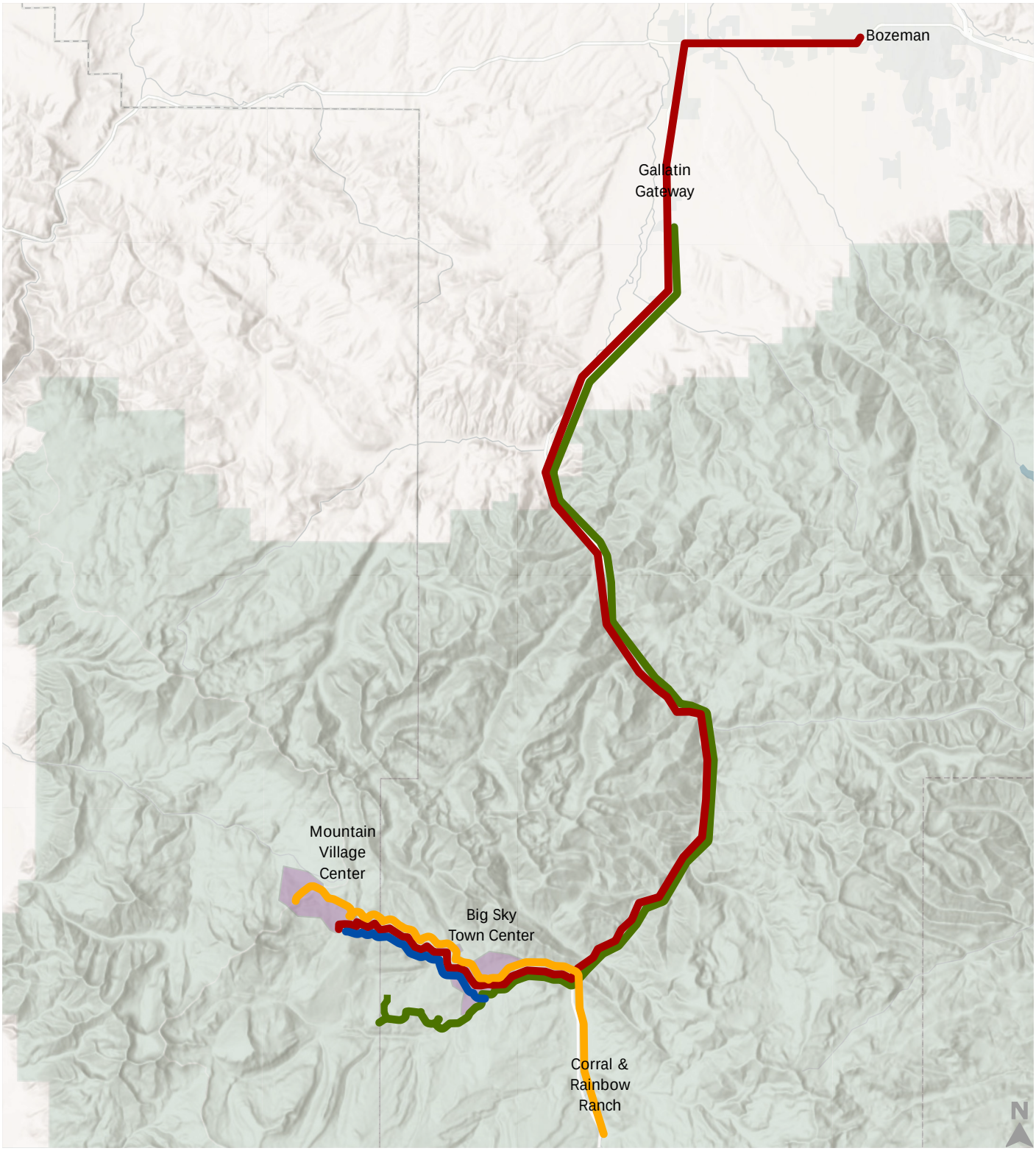
- Maintaining the Big Sky Link as a commuter route between Four Corners and Big Sky, with extensions closer to Bozeman in the short term until Streamline connects service to Four Corners.
- The creation of a second regional Link Express Route which will offer service between Four Corners, the Yellowstone Club, Spanish Peaks and the Montage.
- Yellow/Orange Full Canyon Route up to Big Sky and Moonlight (Similar to how this operates in summer now)
- The creation of a Town Center Express Route offering service from Big Sky Town Center to Mountain Base Area Express, catering to both winter skiers and summer cyclists.
- The Green Route will be eliminated in lieu of microtransit.

Microtransit Zones

- Maintaining the Town Center/Meadows On-Demand zone, covering all of Town Center/Meadows, similar to today.
- The creation of a Big Sky Resort Base Area/Moonlight microtransit area for all of Big Sky Resort and Moonlight resort areas

Maps

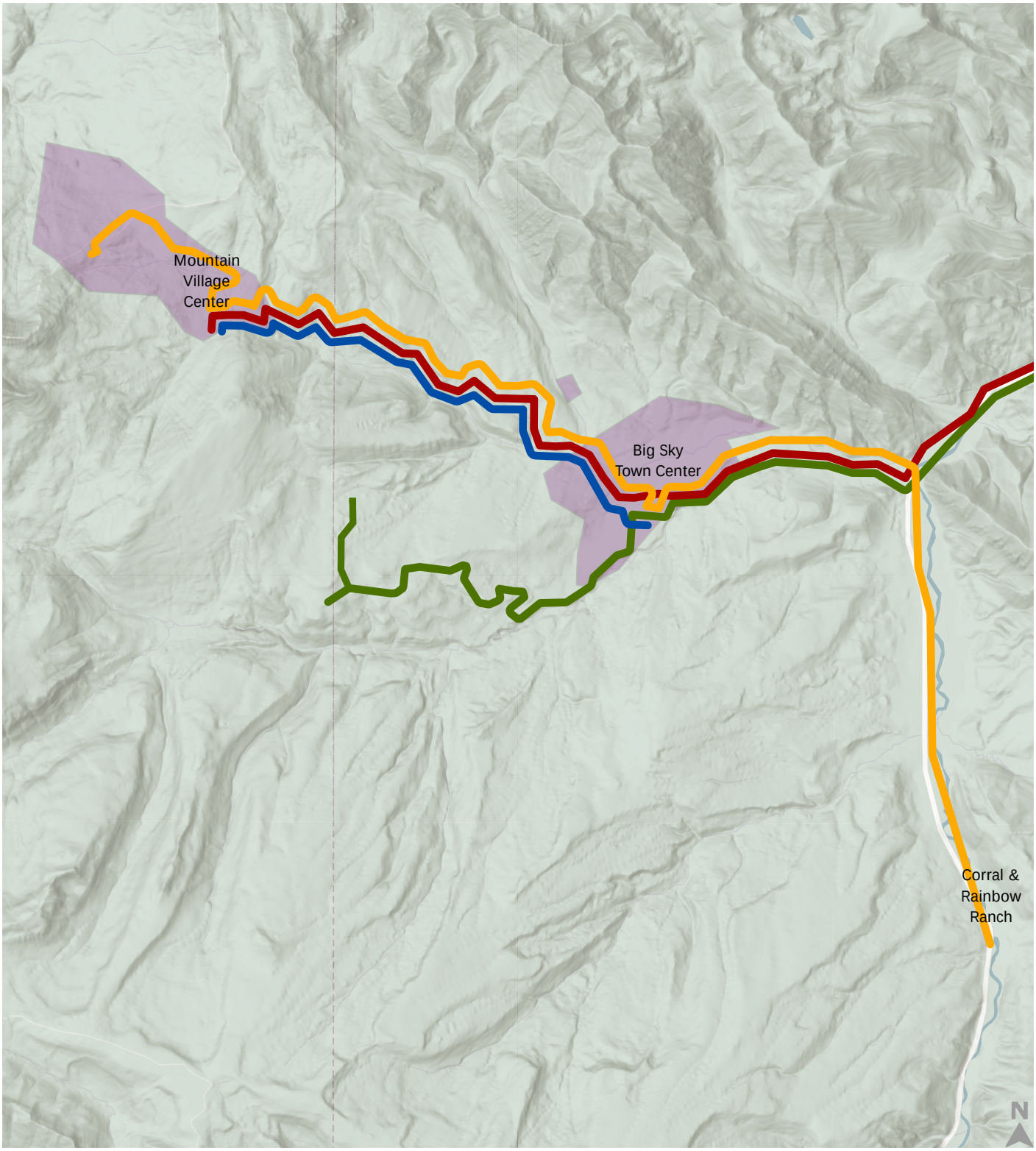
Shown below in **Figure 35** is the comprehensive route while **Figure 36** illustrates the local service options within Big Sky proper.



Routes

- Four Corners-TownCenter-Yellowstone Club Link
- The Link (To Bozeman)
- Town Center Express
- Yellow-Orange Canyon
- Microtransit

Preferred Scenario - Regional



Routes

- Four Corners-TownCenter-Yellowstone Club Link
- The Link (To Bozeman)
- Town Center Express
- Yellow-Orange Canyon
- Microtransit

Preferred Scenario - Local

Service Levels

The following presents three service tables for different seasons in the Preferred Scenario, providing a detailed breakdown of service characteristics and seasonal hours. In the winter service, shown in **Table 20**, it includes four routes with daily operating hours spanning commuter peaks, resort peaks, midday, and evenings, offering the most comprehensive service through higher frequencies and wider service spans. In summer, shown in **Table 21**, service sees some reductions but keeps a similar scheduling emphasis as winter, with adjusted operating hours and frequencies on routes intended to either cover longer distances or cater towards winter use. The shoulder season service, shown in

Table 22, has reduced operations and fewer vehicles, mainly relying on microtransit for travel within Big Sky while relying on connections to Gallatin and Four Corners through a tightened schedule.

Table 20: Preferred Scenario – Winter Service

Winter Service	Big Sky Link	YC/SP/ Montage Link	Yellow/Orange	Town Center Express	Microtransit - Town Center/ Meadows (similar as today)	Microtransit - Big Sky Resort Base Area AND Moonlight/ Madison
Daily Operating Hours						
Commuter Peak - 5AM-9AM, 3PM-7PM	8	-	-	-	-	-
Resort Peak - 5AM/6AM-9AM, 3PM-6PM	-	9	6	4	6	6
Midday - 9AM-3PM	6	-	6	6	6	6
Evening - 6/7PM-11PM/12AM	5	-	4		5	1
Service Frequency (minutes)						
Peak	60	30	30	15	-	-
Midday	60	-	60	30	-	-
Evening	60	-	60	-	-	-
Number of Vehicles in Operation						
Peak	4	5	4	3	4.0	2.5
Midday	4	-	2	2	2.5	1.5
Evening	4	-	2	-	2.0	1.0
Route timings						
Cycle Length (minutes)[1]	210	150	120	45	-	-
Daily Vehicle Hours of Service	67	45	44	21	49	25
Seasonal Hours by Route	9,975	6,750	6,600	3,150	7,350	3,750

Notes:
1.) Cycle length includes roundtrip time with dwell/recovery time.
Source: Fehr & Peers, 2023.

Table 21: Preferred Scenario – Summer Service

Winter Service	Big Sky Link	YC/SP/ Montage Link	Yellow/Orange	Town Center Express	Microtransit - Town Center/ Meadows (similar as today)	Microtransit - Big Sky Resort Base Area AND Moonlight/ Madison
Daily Operating Hours						
Commuter Peak - 5AM-9AM, 3PM-7PM	8	-	-	-	-	-
Resort Peak - 5AM/6AM-9AM, 3PM-6PM	-	9	6	4	6	6
Midday - 9AM-3PM	6	-	6	6	6	6
Evening - 6/7PM-11PM/12AM	3	-	2	-	5	-
Service Frequency (minutes)						
Peak	60	30	30	30	-	-
Midday	60	-	60	30	-	-
Evening	120	-	120	-	-	-
Number of Vehicles in Operation						
Peak	4	5	4	2	3.0	1.5
Midday	4	-	2	2	2.0	1.0
Evening	2	-	1	-	1.5	0.0
Route timings						
Cycle Length (minutes)[1]	210	150	120	45	-	-
Daily Vehicle Hours of Service	54	45	38	15	38	15
Seasonal Hours by Route	6,781	5,625	4,750	2,250	4,688	1,875

Notes:
1.) Cycle length includes roundtrip time with dwell/recovery time.
Source: Fehr & Peers, 2023.

Table 22: Preferred Scenario – Shoulder Season Service

Winter Service	Big Sky Link	YC/SP/ Montage Link (no service)	Yellow/Orange (no service)	Town Center Express (no service)	Microtransit - Town Center/ Meadows (similar as today)	Microtransit - Big Sky Resort Base Area AND Moonlight/ Madison
Daily Operating Hours						
Commuter Peak - 5AM-9AM, 3PM-7PM	4	-	-	-	-	-
Resort Peak - 5AM/6AM-9AM, 3PM-6PM	-	-	-	-	4	-
Midday - 9AM-3PM	6	-	-	-	6	-
Evening - 6/7PM-11PM/12AM	3	-	-	-	0	-
Service Frequency (minutes)						
Peak	60	-	-	-	-	-
Midday	120	-	-	-	-	-
Evening	240	-	-	-	-	-
Number of Vehicles in Operation						
Peak	4	-	-	-	2.0	-
Midday	2	-	-	-	1.0	-
Evening	1	-	-	-	-	-
Route timings						
Cycle Length (minutes)[1]	210	-	-	-		-
Daily Vehicle Hours of Service	27	-	-	-	14	-
Seasonal Hours by Route	2,441	-	-	-	1,260	-

Notes:
1.) Cycle length includes roundtrip time with dwell/recovery time.
Source: Fehr & Peers, 2023.

Frequencies

The service frequencies outlined in the provided tables for the Preferred Scenario vary based on different seasons and time periods. During the commuter peak hours in winter, the service operates at 60-minute intervals for the Big Sky Link route and 30-minute intervals for the YC/SP/Montage Link and Yellow/Orange routes, while the Town Center Express during peak hours a 15-minute frequency. Midday service in winter maintains 60-minute frequencies for the Big Sky Link, while the Yellow/Orange route operates every 60 minutes, and the Town Center Express reduces to 30 minutes. As a commuter, the YC/SP/Montage Link does not offer service outside of peak hours. In the evening during winter, both the Big Sky Link and Yellow/Orange routes maintain a 60-minute frequency, while Town Center Express ends

service for the day. Microtransit connecting to the resort base also tapers off service at this time. Summer service for all routes maintains a similar distribution, while shoulder season service reduces down to a single fixed route and microtransit. For the microtransit services across the year, the frequencies vary depending on the specific season and time of day, with adjustments made to cater to different ridership needs and demand patterns.

Long-Term Considerations

Future transit services in Big Sky will likely need to be adjusted to account for several key changes in the region. These adjustments are crucial for ensuring that the transportation infrastructure in the region continues to meet the evolving needs of its residents and visitors. One of the foremost considerations in Big Sky revolves around the potential changes in demographics. Much like many other Mountain West communities, the region is experiencing considerable growth in its population and visitation. As more people choose to visit or call Big Sky home, the dual pressures of roadway demand and desire for efficient and accessible transportation options are expected to rise accordingly. Within this transit demand, a notable shift in preference for more localized transit services is another significant factor guiding future adjustments. Recent trends indicate that people are increasingly inclined towards local service options, a pattern that should be reflected in the overall service provided by BSTD.

As such, BSTD expects microtransit will become a bigger part of the local transit landscape in Big Sky. But the expansion of microtransit should be approached thoughtfully. As microtransit popularity increases, it is likely that some may advocate for its deployment in locations where it may not be the most practical solution, where fixed route options may instead offer a more effective service. Resolving this tension between microtransit and fixed route service will likely become a necessary challenge in the future. To do so, it is imperative to identify where microtransit is best suited. Microtransit is particularly effective for short trips, serving smaller zone sizes efficiently. It excels at connecting housing to a combination of services and destinations, providing flexibility that fixed routes may lack. Microtransit can also complement high-capacity fixed routes by serving as a feeder service, ensuring that passengers can easily access major transit hubs. Outside of these contexts, microtransit services can quickly become less cost-effective, draining resources away from other more impactful opportunities. Identifying when and where to apply this service alongside a range of others is key to providing an effective overall transit system,

Finally, in order to accommodate and support the needs of the growing workforce in Big Sky, there will be an ongoing heightened emphasis on prioritizing employee transportation. Ensuring that workers have reliable and convenient transit options can have a direct impact on both the local economy and the overall quality of life for both employees and residents, whether it be through increased provision of higher quality internal service or links to the broader region, where more affordable housing opportunities and other resources are available. These transportation changes will likely happen alongside future investments in housing and will seek to correspond with the needs of employees.

In order to adjust for these expected changes, BSTD's Strategic Plan should be updated iteratively, ideally on an annual basis, in order to account for the challenges and changes described above. In addition to

these, the community of Big Sky will likely also experience changes in land use, broader transportation preferences, administration, and funding availability through grants and local resources, which all tie together into an everchanging landscape that necessitates creativity, collaboration, and proactive planning.

Transit Supportive Strategies

Providing improved transit service by itself will not lead to dramatically increased ridership or reduction in reliance on private vehicles. Far outside the purview of BSTD, supportive strategies are recommended for many of BSTD's partners including, but not limited to:

- Reduced parking supply in and around Big Sky
- Charing for parking in higher-demand areas
- Relying on large employers to promote transit use among Big Sky's workforce
- Relying on resorts and hotels to promote transit use among Big Sky's guests
- Developing non-auto alternatives for short trips, such as bikeshare
- Developing non-auto infrastructure, such as sidewalks and cycling facilities, to promote travel by active modes
- Establishing a more balanced mix of land uses and development types within the BSTD service area to enable more non-automobile trips

With active and healthy partnerships, BSTD can provide valuable service that enables Big Sky to get closer to its community vision of being less reliant on private automobiles. However, it will take concerted efforts from all community partners to achieve that outcome.

Financial Plan

Five-Year Operating Financial Plan

Table 23 shows the estimated operating financial plan for implementation of the five-year vision. Key points about the operating financial plan include:

- All expenditures and revenues are shown in constant 2023 dollars – it is estimated that inflation in expenses will be balanced by corresponding in growth in revenue sources.
- The existing 2023-2024 BSTD operating budget was used as baseline and supports ongoing routes and services.
- New services and associated expenses are shown by route and service and were estimated using BSTD existing cost structure for fixed route and microtransit.
- Current revenue sources are estimated to continue at current levels.
- A new local funding source (mill levy or other) will be required to fulfill the service vision – this need is shown as the gold highlighted row and has an estimated need of $3.299 million at full implementation.

Table 23: 5-year Operating Budget

CATEGORY	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028
OPERATING EXPENSES					
Status Quo Service Operating Expenses (2023/2024 baseline)	*$3,041,400*	*$3,041,400*	*$3,041,400*	*$3,041,400*	*$3,041,400*
New Operating Expenses to Implement 5-year Plan					
Microtransit					
Microtransit - peak seasons, both zones (TC zone and Big Sky/Moonlight zone)	$0	$393,000	$393,000	$393,000	$393,000
Microtransit - year round, both zones	$0	$0	$262,000	$262,000	$262,000
Improvements/Changes to Existing Routes					
Increased Big Sky Link frequencies/hours	$0	$0	$1,065,000	$1,065,000	$1,065,000
Canyon Route - service improvements for winter	$0	$213,000	$213,000	$213,000	$213,000
Canyon Route - service improvements for winter and summer	$0	$0	$0	$213,000	$213,000
New Routes					
Implement new YC/SP/Montage Link	$0	$0	$0	$639,000	$639,000
Town Center Express - summer and winter 30 minute freq.	$315,000	$315,000	$315,000	$315,000	$315,000
Town Center Express - summer and winter 15 minute peak freq.	$0	$0	$188,000	$188,000	$188,000
Total New Operating Expenses from Plan Recommendations	*$315,000*	*$921,000*	*$2,436,000*	*$3,288,000*	*$3,288,000*
Total Operating Expenses (Status quo plus recommendations)	**$3,356,000**	**$3,962,000**	**$5,477,000**	**$6,329,000**	**$6,329,000**
REVENUES					
Big Sky Resort Area District	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Operating Assistance Grants (5311)	$1,200,000	$1,200,000	$1,200,000	$1,200,000	$1,200,000
Partnership Revenue (Counties, Resorts)	$250,000	$300,000	$350,000	$600,000	$600,000
Advertising	$30,000	$30,000	$30,000	$30,000	$30,000
Commuter Fares	$200,000	$200,000	$200,000	$200,000	$200,000
New Mill Levy (or other new local funding sources)	$676,000	$1,232,000	$2,697,000	$3,299,000	$3,299,000
TOTAL REVENUE	**$3,356,000**	**$3,962,000**	**$5,477,000**	**$6,329,000**	**$6,329,000**
NET REVENUE MINUS EXPENSES	**$0**	**$0**	**$0**	**$0**	**$0**

Source: Fehr & Peers, 2023.

Five-Year Capital Project Plan

The five-year capital project plan should be revisited on a regular basis to ensure that projects included in this plan are still relevant to current needs.

Table 24: Five Year Capital Expenses and Revenues

Capital Expenses						
Category	***TOTAL ESTIMATED PROJECT COST***	***FY 2023/24***	***FY 2024/25***	***FY 2025/26***	***FY 2026/27***	***FY 2027/28***
Ongoing Fleet Replacements/Upgrades	$3,750,000	$750,000	$750,000	$750,000	$750,000	$750,000
New Buses to Support Expansion - 45' Commuter Coach	$5,000,000		$2,000,000	$3,000,000	$-	$-
New Buses to Support Expansion - 40' Low Floor for local FRs	$4,800,000	$1,200,000	$1,200,000	$2,400,000	$-	$-
New Microtransit Vans to Support Expansion - Minivan	$455,000	$130,000	$195,000	$130,000	$-	$-
Bus Stop Improvements (shelters, benches, bike/ped connect)	$1,000,000	$100,000	$200,000	$200,000	$300,000	$200,000
Park & Ride Lot - 4 Corners	$5,500,000	$-	$-	$-	$1,100,000	$2,200,000
Park & Ride Lot - Gallatin Gateway	$2,700,000	$-	$540,000	$1,080,000	$1,080,000	$-
Big Sky Town Center Transit Hub	$3,500,000	$-	$700,000	$1,400,000	$1,400,000	$-
Maintenance and Administration Facility - 4 Corners/Bozeman	$15,000,000	$-	$-	$-	$3,000,000	$6,000,000
Maintenance and Administration Facility - Big Sky	$5,000,000	$-	$-	$-	$-	$1,000,000
Transit Technology	$250,000	$-	$125,000	$125,000	$-	$-
Total Expenses	**$46,955,000**	**$2,180,000**	**$5,710,000**	**$9,085,000**	**$7,630,000**	**$10,150,000**
Capital Revenues						
Category	***TOTAL ESTIMATED REVENUE***	***FY 2023/24***	***FY 2024/25***	***FY 2025/26***	***FY 2026/27***	***FY 2027/28***
Local/County/State	$12,164,250	$763,000	$1,998,500	$3,179,750	$2,670,500	$3,552,500
Federal	$22,590,750	$1,417,000	$3,711,500	$5,905,250	$4,959,500	$6,597,500
Total Revenues	**$34,755,000**	**$2,180,000**	**$5,710,000**	**$9,085,000**	**$7,630,000**	**$10,150,000**

Source: Fehr & Peers, 2023.

Fleet

As part of the project, BSTD also seeks to purchase low-floor battery electric buses (BEBs) to replace a portion of the current ageing diesel fleet, specifically replacing the vehicles that provide in-town service. BEBs are a very environmentally friendly replacement as they produce no harmful direct GHG emissions and less noise, making them an excellent choice for a mountain environment where direct emissions can have a significant impact on the sensitive local ecosystem. BSTD's current fleet is near the end of its usable lifespan and is a significant individual source of emissions and maintenance costs. As vehicles approach retirement, BSTD seeks to prioritize the phasing out of diesel to BEBs as soon as possible in order to avoid committing to another full lifecycle of diesel vehicles. By making the transition to zero-emission electric vehicles, BSTD will be able to shift the direct operational emissions away from its existing vehicles, paving the road for future transitions to more sustainable methods of energy provision and distribution.

SFY to Apply for Funding	Anticipated Vehicle Description (Including Passenger Capacity)	Number of Units	Replacement or Expansion	Match Source
2024	40-45 passenger motor coach type bus	1	Expansion	Gallatin & Madison Counties
	27-passenger bus	1	Replacement	Gallatin & Madison Counties
2025	27-passenger bus	1	Replacement	Gallatin & Madison Counties
	35-passenger bus	2	Replacement	Counties
	4-wd vans	2	Expansion	Resorts
2026	27-passenger bus	2	Replacement	Mill Levy
	4-wd vans	2	Replacement	Mill Levy
2027	35-passenger bus	1	Replacement	Mill Levy
		1	Expansion	
	27-passenger bus	1	Replacement	Mill Levy
	4-wd vans	2	Replacement	Mill Levy
2028	40-45 passenger bus	1	Expansion	Mill Levy
	27-passenger bus	1	Replacement	Mill Levy
	4-wd vans	2	Replacement	Mill Levy

Note: The 27-passenger bus to be replaced in the FY24 request is Bus 518, VIN 1FDUF5GNXLDA14933

Figure 37: Big Sky Transportation District Fiscal Year 2024 Coordination Plan. Source: BSTD

Facilities

Improved facilities for BSTD fall into three main categories:

Town Center Mobility Hub

A mobility hub is an enhanced transit stop where riders can connect multiple transportation options. Building a comfortable and efficient hub can help meet travel demand throughout a population center and influence travel behavior by making non-drive alone modes more appealing. With Town Center emerging as a focused center of population and employment, a central connection point for residents, employees, and guests will be essential to supporting BSTD's growth and utilization.

Capital costs for constructing a Town Center Mobility Hub are being developed as part of a separate, unrelated effort.

Remote Park and Ride Lots

Given the magnitude of current and future BSTD ridership in the northernmost portions of their service area, BSTD should pursue developing dedicated park and ride facilities in Four Corners and Gallatin Gateway. This allows for more efficient collection points, potential coordination with other service providers (most notable, Streamline), and improved passenger amenities to improve the comfort and safety of riding transit.

Maintenance Facilities

Developing dedicated, BSTD-owned maintenance facilities for all fleet vehicles will enable improved reliability of service and access to important labor pools for ongoing maintenance. BSTD should pursue two maintenance facilities of different sizes: a smaller, locally-focused maintenance facility closer to Big Sky which would focus on storage of vehicles dedicated to local service (including microtransit), and a larger facility near Four Corners that would allow for maintenance on all vehicles. This would limit non-revenue mileage and allow maintenance to be performed closer to available labor.

Other facility improvements will likely take place at distributed stops throughout BSTD's service area and other facilities controlled by partner agencies that opt to improve transit facilities on private property.

Funding Adjustments

As BSTD moves ahead with the implementation of the 5-year system vision, unforeseen opportunities and potential challenges may make it necessary to adjust implementation, moving quicker or slower in response to changing circumstances. Staying nimble and flexible will allow BSTD to react accordingly and continue to make overall progress with implementation. Capital and operating funding may not follow the plan and create the need to follow the strategies shown in **Figure 38** help stay opportunistic.

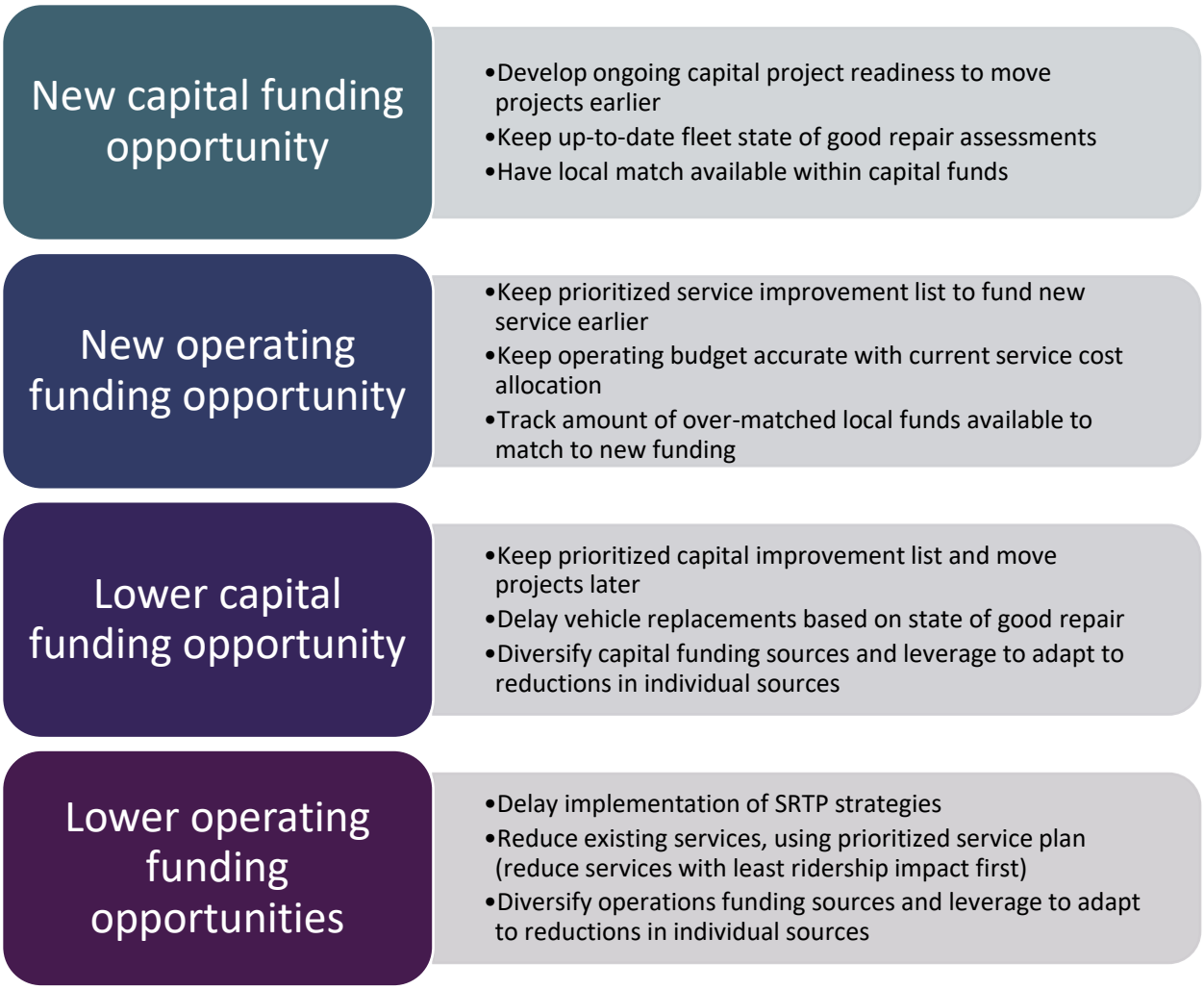


Figure 38: Opportunistic strategies

Local Funding Mechanisms

To fund operations, fleet, and infrastructural investments, BSTD has several potential revenue sources available from a variety of local funding mechanisms, as shown in **Table 25.**

Table 25: Regional Transportation Authority Financing Tools

Financing Mechanism	Description
Mill Levy	Governing authorities may impose a uniform mill levy on all taxable property within the territory of the authority, the maximum number of which is to be determined procedurally according to Montana State Code Section 15-10-420.
Resort and Local Option Tax	Resort and local option taxes serve the function of creating a funding source for local transportation to finance a variety of transportation system improvements. They are collected in certain Montana communities with populations under 5,500 who meet specific resort qualifications. The fundamental idea behind resort taxes is to allow places with high numbers of visitors but relatively few residents to manage the wear-and tear on local infrastructure without overburdening local citizens. They remain the only local option sales tax funding mechanism available for use in Montana. The Big Sky Resort Area District (BSRAD) has been, and continues to be, the major source of local match for the Skyline system.
Montana Rural Transit Assistance Program	Rural Transit Assistance Program (RTAP) funds are used to support non-urbanized transit program attendance in four categories: training, technical assistance, research and related support services. This program is a component of the Section 5311 Formula Grants for Rural Areas.
Montana Capital and Operating Assistance	The Montana Department of Transportation (MDT) administers federal and state capital and operating grants to help qualified organizations provide transportation to the rural general public, including the elderly and disabled. Capital need statements shall clearly define the need and circumstances or logic in which each capital request is necessary to continue adequate transportation services. Capital awards are reviewed and scored by the Capital Assistance Review (CAR) committee and the Transit Section.
Urban Transportation Finance Districts	Urban Transportation Districts (UTD) in Montana are created to "supply transportation services and facilities to district residents and other persons." Local governments may levy taxes and issue bonds to fund the proposed improvements to facilities and services. Revenue to pay for the bonds is raised through assessments against property owners in the designated district. MCA 7-14-201 provides counties with the authority to establish UTDs, provided that residents within the proposed district vote in favor of the measure. UTDs have been applied in Grate Falls, Missoula, and Dawson County.

Financing Mechanism	Description
Bonds	Public authorities in Montay may issue bonds in an aggregate principal amount not to exceed $500 million, exclusive of bonds or notes issued to refund outstanding bonds or notes, according to Montana State Code Section 90-7-302.
Development Exactions and Incentives	Developer exaction tools consist of conditions or financial obligations imposed on developers that help local governments in providing additional public facilities or services required by new growth. The developers of new properties are typically required to provide at least a portion of the added infrastructure (such as to transportation networks) necessitated by their development, or to make some cash contribution to the agency responsible for implementing the needed system improvements. Development incentives are most commonly applied in growing communities or redeveloping areas but are intended serve any community poised for future development.

Federal Funding Sources

In addition to local options available to BSTD, **Table 26** lists federal funding sources for BSTD to consider in the future.

Table 26: Federal Funding Sources

Funding Source	Description
Low or No Emission Vehicle Program	The Low or No Emission competitive program provides funding to state and local governmental authorities for the purchase or lease of zero-emission and low-emission transit buses as well as acquisition, construction, and leasing of required supporting facilities.
Public Transportation Innovation Program	This program is a competitive grant process that provides funding to develop innovative products and services assisting transit agencies in better meeting the needs of their customers. It funds research, development, demonstration and deployment projects, and evaluation of technology of national significance to public transportation.
5310 Enhanced Mobility of Seniors and Individuals with Disabilities	This formula fund supports public transportation for seniors and individuals with disabilities by funding eligible capital, purchased service, and preventive maintenance projects for transportation providers. Eligible projects include vehicle purchases, passenger shelters, purchased services, preventive maintenance, travel training, marketing programs, development of centralized call centers, and other equipment that supports transportation to meet the special needs of seniors and individuals with disabilities.

Funding Source	Description
FTA Mobility On-Demand (MOD) Sandbox Program	The MOD program envisions a multimodal, integrated, automated, accessible, and connected transportation system in which personalized mobility is a key feature. The Sandbox Demonstration Program seeks to fund project teams to innovate, explore partnerships, develop new business models, integrate transit and MOD solutions, and investigate new, enabling technical capabilities such as integrated payment systems, decision support, and incentives for traveler choices.
USDOT RAISE Grants	US DOT's Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Discretionary Grant (formerly TIGER/BUILD grants). This formula grant program funds innovative investments in transportation infrastructure, including transit. Projects are evaluated based on merit criteria that include safety, economic competitiveness, quality of life, environmental protection, state of good repair, innovation, partnership, and additional non-Federal revenue for future transportation infrastructure investments. Most recently Gallatin County and Big Sky were awarded a $10.3 Million TIGER Grant in 2018 to support upgrades to the Lone Mountain Trail/MT Highway 64 corridor. BSTD has also recently applied for RAISE funding and will expect to reapply in the coming years.
Surface Transportation Block Grant Program (STBG)	The Surface Transportation Block Grant program (STBG) provides flexible funding that may be used by States and localities for projects to preserve and improve the conditions and performance on any Federal-aid highway, bridge and tunnel projects on any public road, pedestrian and bicycle infrastructure, and transit capital projects, including intercity bus terminals.
Congestion Mitigation and Air Quality Program (CMAQ)	CMAQ provides federal funding for transportation projects and programs that reduce congestion and improve air quality. Funds must be used for transportation projects which improve air quality within the Urbanized Area, such as: construction/ purchase of new public transportation facilities and equipment, construction of bicycle or pedestrian facilities serving commuter transportation needs, promotion of alternative travel modes, and certain traffic control measures, such as traffic signal coordination and intersection improvements.
Carbon Reduction Program (CRP)	Funds must be used to reduce on-road CO2 emissions, which may include projects and strategies for safe, reliable, and cost-effective options to reduce traffic congestion by facilitating the use of alternatives to single-occupant vehicle trips, including public transportation facilities, pedestrian facilities, bicycle facilities, and shared or pooled vehicle trips within the Urbanized Area.
Buses and Bus Facilities Formula Program	The Grants for Buses and Bus Facilities Competitive Program makes federal resources available to states and direct recipients to replace, rehabilitate and purchase buses and related equipment and to construct bus-related facilities, including technological changes or innovations to modify low or no emission vehicles or facilities. Funding is provided through formula allocations and competitive grants.

Source: Fehr & Peers, 2023.

Performance Measures

Performance metrics are key indicators of how well a transit agency is providing its services to its riders. These metrics are also used to understand how well an agency functions internally. In fact, performance metrics are required by the Federal Transit Administration (FTA) within the Title VI Civil Rights Act, as it pertains to public transportation.

The FTA requires transit agencies to have standards for its services for minimum levels for vehicles, performance, service availability and service standards. These standards are important to ensure reliable service that is transparent to the general public, especially the riders.

Performance metrics fall within two types of measurements – quantitative and qualitative. Quantitative metrics relate to the readily available data that most transit agencies including ridership, service hours, mileage, number of breakdowns or failures, quantity of customer information supplied (website visits, number of call center contacts), number of missed trips, on-time performance, and budget performance. Qualitative performance is typically assessed through tools such as onboard rider surveys, community perception surveys and interviews, and tracking the overall quality of service

Together these measures help a provider estimate the quality and efficiency of their service delivery, enabling informed decision making …

Best Practices in Evaluating Transit Performance Report (2014)

In 2014, the Florida Department of Transportation (FDOT) published a well-rounded report that evaluates many U.S. transit agencies and their performance measures. After a thorough review, the report indicates the following as the top, typical categories of metrics that agencies track:

- Customer Satisfaction
- Service Effectiveness
- Service Efficiency
- Safety
- State of Good Repair

Within these categories, different agencies measure a plethora of metrics, but **Table 27** shows the top, typical metrics within each category. Metrics that are most relevant to Big Sky are indicated in **green bold** under the *Performance Metric* column.

Table 27: Typical Performance Metrics Tracked by Transit Agencies

Category	Performance Metric
Customer Satisfaction	Hours of service during weekdays
	Accessibility of trains/buses to persons with disabilities
	Frequency of delays for breakdowns/emergencies
	Reliable trains/buses that come on schedule
Service Effectiveness	Passenger trips per revenue mile
	Passenger trips per revenue hour
	Service frequency
Service Efficiency	**Operating Expenses per Passenger Trip**
	Farebox Recovery
	Operating Expense per Revenue Mile
	Operating Expense per Revenue Hour
Safety	**Number of Accidents**
	Number of Fatalities
	Number of Incidents
State of Good Repair	Average Age of Fleet
	Number of System Failures
	Percent of Stops with Shelters and Benches
	Revenue Miles between Road Calls
	Total Road Calls

Source: FDOT Best Practice in Evaluating Transit Performance Report, 2014.

Updated Performance Measure and Benchmarks

In understanding what other transit agencies and services in similar communities track in terms of their performance metrics, the following recommendations have been compiled for consideration and possible adoption by the BSTD board, shown in **Table 28**. These performance measures encompass various categories, aiming to optimize service delivery and enhance the overall customer experience, including productivity targets for both local and commuter routes, on-time performance goals, safety benchmarks, financial targets, and customer satisfaction metrics. These measures collectively provide a comprehensive framework for assessing ridership, safety, financial stability, and customer perception, enabling the BSTD to make informed future decisions and improvements across its operations.

Table 28: Updated BSTD Performance Measures

Category	Performance Measure	Recommended Goal	Frequency of Measurement	Comments
Ridership and Service Delivery	Overall Productivity (passengers per hour)	13	Quarterly	Based on historical performance without Blue, this goal is reasonable.
	Resort (Local) Route Productivity	16	Quarterly	Based on historical performance without Blue, this goal is reasonable.
	Commuter Route Productivity	12	Quarterly	Based on historical performance, this goal is reasonable.
	On-time Performance (within 10 minutes of scheduled time)	85%	Monthly	Requires new technology. Would exclude snow days.
Safety and Quality	Preventable Accidents Per 100,000 miles	< 2	Quarterly	This is a key metric for assessing safety.
	Vehicle Uptime (BSTD buses)	85% or higher	Monthly	Having maintenance performed quickly and buses available for service is important to service quality.
	Road Calls	< 1 per 15k service miles	Monthly	Reducing breakdowns that require a bus replacement helps improve service quality.
Financial	Budget vs. Actual	< 10% variance	Quarterly	Tracking budget variance helps identify budget revenue and/or expense issues.
	Cost per Vehicle Service Hour	< $90	Quarterly	Based on similar systems and current costs, this goal is reasonable.
	Cost per Passenger	< $8	Quarterly	Based on historical performance and similar systems, this goal is reasonable.
Customer Experience	Rider Survey Rating	90% or more satisfaction rate	Annually	Requires carrying out an annual onboard rider survey
	Verifiable Complaints per 10,000 boardings	< 10 (1% complaint rate)	Quarterly	Customer complaints registered and reviewed internally to assess legitimacy are a good way to track customer experience.
	Missed Trips	< 0.5%	Monthly	< 0.5% of monthly trips (defined as no later than 15 minutes past the schedule pick-up time or missed entirely).

Source: Fehr & Peers, 2023.

Next Steps

As BSTD begins to implement the system vision of this 5-year plan, several next steps should be considered ahead of, or concurrent to implementation.

2024-2025 Service Plan

BSTD should begin immediately on development of the upcoming year's service plan with associated budgetary and fleet needs. The lessons learned from the 2022-2023 and upcoming 2023-2024 season will be important to incorporate into the implementation, including possible adjustments to route and service plans.

5-Year Plan Approval

The plan should be formally adopted by the BSTD board so that it can be an official guiding document that helps supplement and support future efforts. The approved plan should be left largely intact for the forthcoming five years, this plan is not intended to be static or untouchable, with regular adjustments or augmentations expected as conditions change.

Community Awareness Building

While BSTD is a mature, well-established agency with brand recognition, the service population continues to evolve and change on an annual basis (if not more frequently) with the constant arrival of new, seasonal employees, new visitors, and new residents. As a result, in advance of each ski season and any major changes to service – frequency, routing, or coverage – BSTD should engage in a marketing campaign to stay front-of-mind for all potential users. This also relies on community partners and large employers to promote the use of BSTD's services.

Partnership Development

There are key agency and community partners with which BSTD must establish stronger partnerships to reduce redundancy in service and explore opportunities to provide complimentary services and strategies. Successful partnerships require routine and reliable coordination through standing meetings, strong relationships, and a shared understanding of mutual goals. BSTD should pursue establishing those relationships immediately.

FY25 GOVERNMENT SERVICES APPLICATION QUESTIONS

INSTRUCTIONS:

- Please provide direct responses to the questions provided below.
  - Keep responses **BRIEF** and no longer than 1 paragraph.
- Responses are due back via email to the District by End of Day (EOD) on Thursday, April 9th.
  - Please contact the District if you require clarification or have any questions.

ORGANIZATION: BIG SKY TRAILS, RECREATION, AND PARKS DISTRICT

QUESTIONS

- Please provide the names and email addresses of the individuals who will be representing your organization at the Review Meetings:
  - Wednesday, April 17: Al Malinowski – al_mal@yahoo.com - Ashley Wilson ashley@bsco.org
  - Wednesday, May 8: Al Malinowski – al_mal@yahoo.com - Ashley Wilson ashley@bsco.org
- Do you have the ability to (even if not implemented) levy bonds, mills, or fees in addition to assessments? Yes
  - Are there statutory limits on how much you can levy in bonds, assessments, mills, and fees? If so are these of concern for the longevity of the District?
    - No
  - Are you at maximum capacity for bonds, assessments, mills, and fees?
    - No
  - When was the last time you adjusted your bonds, assessments, mills, and fees? Please explain.
    - The assessments were just implemented this past year.
  - What is the sunset date of your current assesment?
    - June 2024
  - Do you plan to levy bonds, assessments, mills, and fees in the next 3 years? Please explain.
    - We intend to levy per-parcel assessments for each of the next three years for Gallatin and Madison counties to support ongoing maintenance and operations.
- Do you charge fees for services and are the limitations on the maximums you can charge?
  - We do not charge for fee's and services.
    - When was the last time fees for services were adjusted? Please explain.

        - N/A
    - Do you plan to adjust fees for services in the next 3 years? Please explain.
        - N/A
- Of the number of people, you serve estimate the number that are residents vs visitors.
    - In our application, we referenced that BSTRP serves 50,000 residents and visitors. Of the estimated 50,000 people served, 3,500 are Big Sky residents, 4,000 are seasonal residents and workers and the remaining 42,500 are visitors.
- What are your hurdles for forecasting future budgets or expenses?
    - Forecasting future budgets or expenses presents several challenges due to multiple factors. First, BSCO is experiencing an increase in the acres of parks and miles of trails that are maintained and managed which adds complexity to financial planning within BSTRP as more resources are needed to be allocated effectively. Second, there is a significant increase in usage from both residents and visitors, leading to more maintenance being required at the parks and on trails, impacting budget estimations. Additionally, maintaining a standard of care amidst unpredictable inflation rates poses a challenge, as costs for goods, services, and maintenance may rise, requiring careful budget adjustments to ensure sustainability and quality service delivery.
- Can you use other forms of public funds you currently aren't implementing? Please specify if these funds can be used for capital or operations.
    - To cover the operations or capital needs for maintaining parks and trails, BSTRP can consider increasing the per parcel assessment. However, careful consideration should be given to ensure that the increase is reasonable and equitable for property owners while still meeting the organization's operational needs and long-term sustainability goals.
- Are the boundaries of BSTRP the same as BSRAD?
    - Yes
- Can you provide an overview of your experience with the counties and implementing your assessment over the last year?
    - Over the last year, BSTRP has been working closely with Madison and Gallatin counties to implement assessments for funding parks, trails and recreational facility maintenance and operations. However, challenges arose, particularly with Madison County, as they did not include the assessment on property tax bills, complicating the collection process. Additionally, BSTRP faced issues in Gallatin County with mis-stated parcel counts, leading to discrepancies in assessment calculations. Despite these challenges, BSTRP remains committed to collaborating with both counties to streamline the assessment process and ensure adequate funding for essential maintenance and operations for parks, trails and recreation.
- What is your rationale for 10% increases in your requests year over year?
    - The rationale for a 10% increase in BSTRP Resort Tax forecasted request year over year is multifaceted. First, inflation plays a significant role in budget planning, necessitating increases to cover rising costs across various operational aspects. Second, the acquisition of additional assets by BSCO, such as new trails or recreational amenities, requires ongoing maintenance and operational expenses,

contributing to the need for a higher budget allocation. Finally, maintaining our standard of care for existing amenities demands financial resources to ensure quality and sustainability.

RESORT TAX
Better Together

FY25 GOVERNMENT SERVICES APPLICATION QUESTIONS

INSTRUCTIONS:

- Please provide direct responses to the questions provided below.
  - Keep responses **BRIEF** and no longer than 1 paragraph.
- Responses are due back via email to the District by End of Day (EOD) on Thursday, April 9th.
  - Please contact the District if you require clarification or have any questions.

ORGANIZATION: GALLATIN COUNTY SHERIFF'S OFFICE

QUESTIONS

- Please provide the names and email addresses of the individuals who will be representing your organization at the Review Meetings:
  - Wednesday, April 17: Sheriff Dan Springer- dan.springer@gallatin.mt.gov, Jeremy Kopp- Jeremy.kopp@gallatin.mt.gov, Dan Haydon- dan.haydon@gallatin.mt.gov, Mike VanMeter mike.vanmeter@gallatin.mt.gov Drew Ellis- drew.ellis@gallatin.mt.gov,
  - Wednesday, May 8: Sheriff Dan Springer- dan.springer@gallatin.mt.gov, Jeremy Kopp- Jeremy.kopp@gallatin.mt.gov, Dan Haydon- dan.haydon@gallatin.mt.gov Mike VanMeter mike.vanmeter@gallatin.mt.gov Drew Ellis- drew.ellis@gallatin.mt.gov,

- Do you have the ability to levy bonds, assessments, fees, or mills even though none are currently implemented? The County can issue bonds up to $2M at a time without voter approval up to our statutory debt limit. Rules surrounding assessments vary depending upon the statute that was used to create the district, but most require a protest period, with the ultimate decision being up to the Commission. Many of the fees at the County are at the discretion of the Commission, but again, there are some statutory differences. We have room within our maximum operating mill to levy additional mills in the coming fiscal year without additional approval required from the voters. We also have additional mill authority within our Rest Home and 911 voted mill levies.
  - Are there statutory limits on how much you can levy in bonds, assessments, mills, and fees? If so are these of concern for the longevity of the department? See above. There are no concerns for the longevity of the Sheriff's Office.
  - Are you at maximum capacity for bonds, assessments, mills, and fees? No, we are not at capacity for any of these.

    - When was the last time you adjusted your bonds, assessments, mills, and fees? Please explain. The County does this every year based on current needs. Bonds are issued largely to address capital needs. We are currently planning to issue $2M in bonds for the Search & Rescue building and approximately $1.7M for the renovation of the Law Enforcement building. There are also other issuances planned for other non-public safety related building projects. Taxes assessed for bond repayments are adjusted based on repayment schedules. Assessment are determined based on annual budgets supported by those assessments. We have no assessments related to public safety activity at this time. Our mills adjust each year based on values and budgets. Then number of mills assessed for public safety in FY 2024 dropped to 27.36 based on a large increase in our valuation. Fees are adjusted by departments as they see necessary.
    - Do you plan to levy bonds, assessments, mills, and fees in the next 3 years? Please explain. Yes, we will continue to use each of these funding sources as appropriate to fund operations.
- Do you charge fees for services and are the limitations on the maximums you can charge? The County does charge fees for certain services throughout the County and many of those fees have statutory requirements or limitations.
    - When was the last time fees for services were adjusted? Please explain. Fees throughout the County are adjusted on an as needed basis.
    - Do you plan to adjust fees for services in the next 3 years? Please explain. The County does not have specific plans to adjust fees, but we do believe adjustments will be made in the next three years based on the number of fees we have.
- Of the number of people, you serve estimate the number that are residents vs visitors.
- What are your hurdles for forecasting future budgets or expenses? Population growth in Gallatin County has been significant in the last decade and is expected to continue for at least the near future. The growth generates additional need for services and stretches existing resources thin.
- Can you use other forms of public funds you currently aren't implementing? Please specify if these funds can be used for capital or operations. We are constantly seeking new grant opportunities to augment services and meet capital needs.

- Please provide your expenses that were not completed in the table question.

2) EXPENSES	FY23 (Actual)	FY24 (Budget)	FY25 (Budget)	FY26 (Budget)	FY27 (Budget)
Administration	321,859.48	321,859.48	331,515.26	341,460.72	351,704.54
Programming					

- Please provide a status on the expansion to 8 deputies in Big Sky. We have all 8 positions filled.
- We constantly receive feedback regarding emergency evacuation in Big Sky. Can you increase public engagement to keep residents informed? Yes, we can continue to engage the community.

How does your organization train for and support mental health crises? - All new deputies get an introduction to the Crisis Intervention Team during their initial patrol tactics onboarding. They will then get additional training when they attend the Montana Law Enforcement Academy. Eventually every deputy will attend the 40-hour CIT Montana Academy. They will also get ongoing specific training for crisis de-escalation.

RESORT TAX
Better Together

FY25 GOVERNMENT SERVICES APPLICATION QUESTIONS

INSTRUCTIONS:

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  - Keep responses **BRIEF** and no longer than 1 paragraph.
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  - Please contact the District if you require clarification or have any questions.

ORGANIZATION: GALLATIN CANYON WATER & SEWER DISTRICT

QUESTIONS

- Please provide the names and email addresses of the individuals who will be representing your organization at the Review Meetings:
  - Wednesday, April 17:
  - Wednesday, May 8:

  Scott Altman (orock9530@me.com) and/or Mace Mangold (mmangold@wgmgroup.com)

- Your revenues appear to far exceed your expenses provided in the table questions. Please explain why Resort Tax is needed.

  Without BSRAD funding, the Canyon Sewer Project will likely be delayed multiple years and potentially forfeit secured grant funds. GCCWSD revenue is 100% grant funded (excluding BSRAD funding). The stipulations tied to the grant funds limit what the GCCWSD can use the funds to cover and result in critical gaps that have the potential to stall both district and Canyon Sewer Project progress. Example: District expansion is reliant on legal services to facilitate annexations. These services are not covered by the grant funds. Illustrating the "critical gap", district expansion improves the Canyon Sewer Project affordability, which is the primary hurdle for project implementation.

  Do you have the ability to levy bonds, assessments, fees, or mills even though none are currently implemented?
  - Are there statutory limits on how much you can levy in bonds, assessments, mills, and fees? If so are these of concern for the longevity of the District?
  - Are you at maximum capacity for bonds, assessments, mills, and fees?
  - When was the last time you adjusted your bonds, assessments, mills, and fees? Please explain.

- Do you plan to levy bonds, assessments, mills, and fees in the next 3 years? Please explain.

Yes, the GCCWSD has the ability to levy bonds, assessments, fees, and/or mills. Based on preliminary funding package planning completed to date, it is anticipated that approximately 40% of the project will be grant funded, 40% bond/loan funded and 20% privately funded through connection fees. The GCCWSD is currently working to secure financial and bond counsel services to refine the overall funding package and address the above questions. There is potential that bonding capacity will be limited given the GCCWD's lack of current revenue and infrastructure.

- Do you charge fees for services and are the limitations on the maximums you can charge?
  - When was the last time fees for services were adjusted? Please explain.
  - Do you plan to adjust fees for services in the next 3 years? Please explain.

The GCCWSD does not currently charge any fees or user rates but will upon becoming operational. User rates will be established based on operational expenses and debt services, for which there is no maximum the GCCWSD can charge.

- Of the number of people, you serve estimate the number that are residents vs visitors.

On a parcel served basis, it is estimated that 90% of the service connections will be residential. However, commercial uses in the Canyon area will generate higher waste loads per connection such that visitor-based loading is estimated to represent approximately 50% of the projected wastewater collection volume.

- What are your hurdles for forecasting future budgets or expenses?

The GCCWSD is currently working through a number of budgetary variables including 1) district boundary and number of parcels to be served, 2) treatment capacity purchase from BSCWSD, 3) disposal capacity value to offset treatment costs, 4) project construction costs, and 5) final grant funding / other funding sources (e.g. TIF). Each of these variables represents potential notable cost "swings" as it relates to what the GCCWSD will need to charge for connection fees and monthly user rates.

- Can you use other forms of public funds you currently aren't implementing? Please specify if these funds can be used for capital or operations.

The GCCWSD has secured grant funding from county, state and federal funding programs to date and will continue to apply for additional grant opportunities as they become available. We are also planning to secure low interest financing through the State Revolving Fund (SRF). Tax increment financing (TIF) is also being evaluated as a potential funding mechanism to cover a notable portion of the debt service. Operational funds are expected to be predominately generated through monthly user rates.

- Is there an option to begin decreasing your requested amounts slightly each year to increase your funding from other sources? It was my understanding that once you were "stood up" you would no longer be asking for operational expenses from BSRAD.

  The GCCWSD will ultimately be structured to be self-sufficient upon becoming operational. In the interim, the GCCWSD does not have standard mechanisms to generate funds necessary to keep the Canyon Sewer Project advancing while maintaining required levels of grant match dollars along with the previously mentioned "critical gaps". The GCCWSD is evaluating potential for private funding mechanisms that could reduce our reliance on BSRAD funds in the near-term.