



Northern Arizona Intergovernmental Public Transportation Authority

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NOTICE AND AGENDA OF PUBLIC MEETING AND POSSIBLE EXECUTIVE SESSION OF THE BOARD OF DIRECTORS (BOD) AND TRANSIT ADVISORY COMMITTEE (TAC) OF THE NORTHERN ARIZONA INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the Board of Directors (BOD) and the Transit Advisory Committee (TAC) of the Northern Arizona Intergovernmental Public Transportation Authority (“NAIPTA”) and to the general public that the BOD and TAC will hold a joint meeting on:

BOD and TAC Joint Meeting
Thursday, May 21, 2015
10:10am
NAIPTA Training Room in Shop 3
3825 N. Kaspar Dr.
Flagstaff, AZ 86004

Members of the Board of Directors and Transit Advisory Committee are requested to attend in person. Public may observe and participate in the meeting at the address above.

The Board of Directors may vote to hold an executive session for the purpose of obtaining legal advice from NAIPTA’s attorney on any matter listed on the agenda pursuant to A.R.S. § 38-431.03(A)(3). The executive session may be held at any time during the meeting. Executive sessions are not open to the public, pursuant to Arizona Open Meeting Law.

Pursuant to the Americans with Disabilities Act, persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the Clerk of the Board of Directors at 928-679-8922 (TTY Service 800.367.8939). Requests should be made as early as possible to allow time to arrange the accommodation.

The agenda for the meeting is as follows: -pages 1-3

CALL TO ORDER

WELCOME, ROLL CALL AND INTRODUCTIONS

APPROVAL OF MINUTES 4/16/2015 -pages 4-10

CALL TO THE PUBLIC

The public is invited to speak on any item or any area of concern that is within the jurisdiction of the NAIPTA Board. The Board is prohibited by the Open Meeting law from discussing, considering or acting on items raised during the call to the public, but may direct the staff to place an item on a future agenda. Individuals are limited to a five-minute presentation.

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FY2016 Budget Presentation and Discussion – pages 11-25

Heather Dalmolin

Review: Strategic Work Plan January 2014-June 2015 – page 26

Erika Mazza

Discussion:

Jeff Meilbeck and Erika Mazza

Relieve Traffic Congestion Throughout Flagstaff – What is NAIPTA’s role?

11:45 Lunch

Action:

Overview of current tax structure – page 27

Erika Mazza

Define NAIPTA's Future Tax Initiative

Alan Maguire, Facilitator

- When do we go to the voters?
- What is the rate we are seeking?
- What is the duration of the tax?

Closing Remarks

Erika Mazza

ITEMS FROM COMMITTEE AND STAFF:

SCHEDULE NEXT MEETING DATE AND IDENTIFY AGENDA ITEMS

The next TAC meeting will be June 4, 2015 and will be a WebEx meeting based in Flagstaff in the NAIPTA VERA Conference Room, 3773 N. Kaspar Dr., Flagstaff, AZ 86004 at 10am. The public is invited to attend. June agenda items will include but not be limited to Budget Adoption, Election of Officers, Meeting Calendar Review, Section 5339 Grant Application, Title VI Updates, Van Donation, Wheelchair Agreement, Personnel Policy Update, Transit Tax Preparation, Disadvantaged Business Enterprise (DBE) Report and Goals, General Liability Insurance Renewals, Fuel Contract Renewal, Review Equal Employment Opportunity (EEO) Program and Procurement Policy Update. The June agenda will be available for review on NAIPTA’s website and at NAIPTA’s public posting places (listed on the NAIPTA website) at least 24 hours prior to the meeting, and should be consulted for a list of items that will come before the TAC.

The next Board meeting will be June 18, 2015 and will be a WebEx meeting based in Flagstaff in the NAIPTA VERA Conference Room, 3773 N. Kaspar Dr., Flagstaff, AZ 86004 at 10am. The public is invited to attend. June agenda items will include but not be limited to Budget Adoption, Election of Officers, Meeting Calendar Review, Section 5339 Grant Application, Title VI Updates, Van Donation, Wheelchair Agreement, Personnel Policy Update, Transit Tax Preparation, Disadvantaged Business Enterprise (DBE) Report and Goals, General Liability Insurance Renewals, Fuel Contract Renewal, Review Equal Employment Opportunity (EEO) Program and Procurement Policy Update. The June agenda will be available for review on NAIPTA’s website and at NAIPTA’s public posting places (listed on the NAIPTA website) at

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least 24 hours prior to the meeting, and should be consulted for a list of items that will come before the Board.

2:00 ADJOURNMENT

Optional: Tour of Shop 3 and Bus Wash



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Board of Directors Minutes for Thursday, April 16, 2015

NAIPTA
3773 N. Kaspar Dr.
Flagstaff, AZ 86004

NOTE: IN ACCORDANCE WITH PROVISIONS OF THE ARIZONA REVISED STATUTES THE SUMMARIZED MINUTES OF NAIPTA BOARD MEETINGS ARE NOT VERBATIM TRANSCRIPTS. ONLY THE ACTIONS TAKEN AND DISCUSSION APPEARING WITHIN QUOTATION MARKS ARE VERBATIM.

The Board of Directors met in Regular Session on Thursday, April 16, 2015 at 10:00 am in the NAIPTA VERA Room, 3773 N. Kaspar Dr., Flagstaff, AZ 86004.

This was a WEB BASED meeting. Members of the Board attended in person, by telephone or internet conferencing. The public was invited to observe and participate in the meeting at the address above.

PRESENT:

BOARD MEMBERS PRESENT:

Celia Barotz, City Council, City of Flagstaff, by phone;
Rich Payne (Chair), Director of Residence Life, NAU;
Scott Overton, City Council, City of Flagstaff
**Three of our five Board member seats must be present to constitute a quorum.*
***The City of Flagstaff holds two seats.*

BOARD MEMBERS EXCUSED:

Art Babbott (Vice Chair), Board of Supervisors, Coconino County;
Al White (Secretary), CCC, designee;
Karla Brewster, City Council, City of Flagstaff, alternate;
Matt Ryan, Board of Supervisors, Coconino County, alternate;
Rich Bowen, Associate Vice President for Economic Development, NAU, alternate;
Dr. Leah Bornstein, President, CCC

NAIPTA STAFF IN ATTENDANCE:

Erika Mazza, Interim General Manager;
Heather Dalmolin, Compliance and Auditing Manager;
Lisa Graham, Administrative Manager;
Jacki Lenners, Marketing Manager;
Jan Knapp, Operations Manager;
Anne Dunno, Capital Project Manager;
Stephanie Stearns, Planning Intern;
Rhonda Cashman, Clerk of the Board;



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Cliff Mattice, NAIPTA Attorney (via WebEx)

GUESTS PRESENT:

Andy Bertelsen, Public Works Director, Coconino County, TAC designee – Arrival at 10:08am

1. CALL TO ORDER -Chair Payne called the meeting to order at 10:00am.
2. ROLL CALL AND INTRODUCTIONS
3. APPROVAL OF MINUTES 2/19/2015
Director Overton moved to approve the March 19, 2015 minutes. Director Barotz seconded. All approved, none opposed. Motion carried.
4. CALL TO THE PUBLIC
There were no members of the public present to speak during the call to the public.

CONSENT ITEMS:

All matters under Consent Agenda are considered by the Board of Directors to be routine and will be enacted by a single motion APPROVING THE RECOMMENDATION LISTED ON THE AGENDA. If discussion is desired on any particular consent item, that item will be removed from the consent agenda and will be considered separately. All items on the Consent Agenda with financial impact have been budgeted.

5. KINNEY CONSTRUCTION SERVICES (KCS) CHANGE ORDER #4 TIMELINE EXTENSION FOR CHANGE ORDER #2 - DESIGN AND PRE-CONSTRUCTION SERVICES FOR PARKING AND DRAINAGE IMPROVEMENTS
-Anne Dunno, Capital Project Manager
Staff recommends the Board of Directors: Approve KCS Change Order #4 timeline extension for Change Order #2 - Design and Pre-Construction Services for Parking and Drainage Improvements.

Ms. Dunno confirmed this is a schedule extension change only. Director Overton moved to approve the KCS Change Order #4. Director Barotz seconded. All approved, none opposed. Motion carried.

DISCUSSION / ACTION ITEMS:

6. SUMMER 2015 SERVICE ENHANCEMENTS PUBLIC HEARING AND APPROVAL OF EXPANSION
-Jim Wagner, Operations Director



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Staff recommends the Board of Directors: 1) Conduct a public hearing on proposed service enhancements and route expansion for Summer 2015; and 2) Approve the proposed service enhancements and route expansion for Summer 2015 operations.

Director Overton moved to open the public hearing at approximately 10:05am. Director Barotz seconded. All approved, none opposed. Motion carried.

Ms. Knapp reported to the board on Mr. Wagner's behalf. She reviewed the proposed service changes with Board members.

TAC Advisor Bertelsen arrived at approximately 10:08am.

There were a couple questions about deadhead miles and the start date of the route enhancements. Ms. Knapp replied the deadhead miles will be reduced with the start and stop of service being closer to base for several of the routes and the start date of the service changes is planned for August 2nd. There were no members of the public present requesting to speak. Director Overton moved to close the public hearing at approximately 10:10am. Director Barotz seconded. All approved, none opposed. Motion carried. Ms. Mazza mentioned the public outreach schedule. Ms. Stearns will be staying on staff post-graduation to assist with the public outreach efforts. Director Overton moved to approve the service changes as outlined in the staff report. Director Barotz seconded. All approved, none opposed. Motion carried.

7. FY2016 BUDGET MESSAGE

-Erika Mazza, Interim General Manager
Discussion only.

Ms. Mazza shared a PowerPoint presentation with the Board. She said the rise in local sales tax revenues reflect a positive outlook for NAIPTA and the community. The current budget is believed to be sustainable through 2027. She reviewed the budget changes. There were no questions.

8. APPROVE 2ND AMENDMENT TO THE KINNEY CONSTRUCTION SERVICES (KCS) DESIGN BUILD CONTRACT FOR KASPAR EXPANSION PROJECT

-Anne Dunno, Capital Project Manager

Staff recommends the Board of Directors: Approve 2nd Amendment to the Design Build Contract with Kinney Construction Services (KCS) for a contract extension thru December 31, 2015 to accommodate Change Orders for parking/drainage improvements and solar.

Ms. Dunno stated this is an overall contract extension. There were no questions. Director Overton moved to approve the 2nd Amendment to the KCS Design Build Contract. Director Barotz seconded. All approved, none opposed. Motion carried.



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9. PERFORMANCE REPORTING AND MEASURES

-Heather Dalmolin, Compliance and Auditing Manager

Action may be taken by the Board, but there is no recommendation from staff at this time.

Ms. Dalmolin reviewed a PowerPoint presentation with the Board. She explained reports were changed in FY2013 and NAIPTA started using a report with a peer comparison. Staff exceeded the Transit Cooperative Research Program (TCRP) criteria by adding cities that receive Small Transit Intensive Cities (STIC) funds to the comparison. From the trends in the graphs presented, Flagstaff is known to have high ridership for its population. Ms. Dalmolin asked about engaging the Board and TAC to find out what reports they feel would be most helpful and how often they want to review this information. Director Overton stated he likes the numbers and it helps him to understand our service. He recommended quarterly reports. He likes the blend presented. He is looking for an anomaly. He knows Mountain Lift is a costly service and he would like that service included in the reports. He would like other elements we deal with in Flagstaff that may be unique to be disclosed in the reports, i.e. weather, etc. A transit system may be part of a City, County or Region or stand alone, like us, which greatly affects costs. The graphs on our website are not raw data, but Ms. Dalmolin said she could supply raw data, if necessary. The consensus was to review performance measures on a quarterly basis. Chair Payne also pointed out Slide 14 would make a good case during public outreach.

10. AMENDMENT TO THE FY2013 AND FY2014 ANNUAL REPORTS

-Heather Dalmolin, Compliance and Auditing Manager

Staff recommends the Board of Directors approve an Amendment to the FY2013 and FY2014 Annual Report for corrected Mountain Lift data from respective year and authorize staff to submit the amendment to the State of Arizona and partner agencies.

Ms. Dalmolin reported an error was recently discovered in the reporting of our revenue miles and revenue hours for FY2013 and FY2014 due to a software calculation error. It has caused these areas to be underreported and NAIPTA was not the only agency affected. This error has cost NAIPTA one STIC measure, equivalent to approximately \$190,000 used for operating expenses. Ms. Dalmolin said Ms. Mazza would discuss further under her progress report the possibility of having this STIC funding restored. Director Overton moved to approve the amendments to the FY2013 and FY2014 Annual Reports. Director Barotz seconded. All approved, none opposed. Motion carried.



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PROGRESS REPORTS:

11. MID-YEAR WORKFORCE ANALYSIS UPDATE

-Lisa Graham, Administrative Manager

Ms. Graham reviewed the most current and prior workforce charts on the screen with the Board. There are six positions that are consistently underutilized. She pointed out how one person can affect the numbers, using Jeff Meilbeck as an example. He is currently on a leave of absence and the category he would fall under went from being over utilized by approximately 5% to being underutilized by approximately 2%. There was an explanation of the categories and how NAIPTA compares to the County to determine if a specific category is underutilized or not. Ms. Graham noted our recruiting process continues to be working and we know this because there are fluctuations within some categories most of the time, especially in our largest category of operators.

12. NEVER RIDER SURVEY

-Jacki Lenners, Marketing Manager

Ms. Lenners noted Rider Satisfaction Surveys are done every two years, but this is the first time a survey has been done of this type. Ms. Lenners reviewed a detailed PowerPoint presentation with the Board. Riders and Non-Riders were distinguished by length of time since they last rode the bus, if ever. The most significant reasons for not riding the bus were preference to drive their own vehicle and needing their vehicle during the day. Most people knew where the closest bus stop is to their home, but say it is too far. This factor may be within our ability to change and it will be investigated further. Most people felt transit is a valuable service for our community and safety did not seem to be an issue. There were no questions.

13. GENERAL MANAGER'S PROGRESS REPORT

-Erika Mazza, Interim General Manager

- Upcoming Representative Ann Kirkpatrick's Visit on April 24th, 2pm
Ms. Mazza stated NAIPTA plans to thank Congresswoman Kirkpatrick for her support of the facility expansion and give a tour. She invited Board members to participate if they are available. She asked Ms. Cashman to send the invitation for their calendars.
- Federal Funding Update/Washington, DC Visit
Ms. Mazza said she went to DC to continue Ms. Meilbeck's message regarding STIC funding; asking for reapportionment of existing funds. There is widespread support for this among the American Public Transportation Association (APTA) and the Community Transportation Association of America (CTAA) members. She met with Representatives, Senators and the Senate Banking Committee.



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She also met with the Federal Transit Administration (FTA) regarding our Bus Rapid Transit (BRT) study. She found out any businesses built along the BRT spine route can count toward our local match funds. Ms. Mazza, Ms. Dalmolin and Mr. Meilbeck met with FTA representatives at the AzTA conference and they were open to correcting the reporting error in the National Transit Database (NTD). NAIPTA missed one STIC measure by one tenth of a point. Funds may not be available this year, but NAIPTA may be able to get the additional apportionment next year.

- Stand Up for Transportation Day

Ms. Mazza reported NAIPTA had a vanpool vehicle in the parade in Phoenix. Ms. Spivey was there showcasing our new vanpool service. Pictures were shown on the screen.

- Arizona Transit Association (AzTA) Conference

Ms. Mazza stated NAIPTA was well represented at the conference and three employees were able to earn Rural Transit Assistance Program (RTAP) scholarships. One of our outstanding drivers was able to attend this year. The Keynote speaker referenced cars sitting idle for the majority of the day. This was something to think about in reference to the investment.

- Arizona Town Hall

Ms. Mazza said she was asked to be a presenter/author. Mountain Link will be showcased at this transportation forum. Ms. Stearns received a scholarship to attend as well.

- Joint Board and TAC Meeting – May 21, 2015, 10:10am-2:40pm

Ms. Mazza noted the Joint Board and TAC meeting will be held in the Training Room at Shop 3 (new facility) and the timing will coordinate with the bus schedule for Route 2, so members can ride the bus from downtown if they wish. She said she plans to schedule individual brief discussions with each of them regarding the nature and breadth of subject matter for this event. Chair Payne will be out of town during this time. He was asked to confirm if his alternate, Mr. Bowen, may be able to attend. Director Overton stated he will miss the June meeting.

ITEMS FROM COMMITTEE AND STAFF:

15. SCHEDULE NEXT MEETING DATE AND IDENTIFY AGENDA ITEMS

The next Board meeting will be May 21, 2015 and it will be a Board and TAC Joint Meeting based in Flagstaff in the NAIPTA Training Room, 3825 N. Kaspar Dr., Flagstaff, AZ 86004 at 10:10am. The public is invited to attend. Members please plan to attend in person. Lunch will be served. A facility tour and trip through the bus wash will be offered at the end of the meeting. The May joint meeting agenda items will include but not be limited to the Budget Presentation, Section 5339 Grant Application, Employee Related Expenses (ERE) Rates, Review Strategic Workplan, Mountain Line Financial Projection and Transit Tax Preparation. The May joint meeting agenda will



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be available for review on NAIPTA's website and at NAIPTA's public posting places (listed on the NAIPTA website) at least 24 hours prior to the meeting, and should be consulted for a list of items that will come before the Board.

21. ADJOURNMENT -Chair Payne adjourned the meeting at 11:22am.

Richard Payne, Chair NAIPTA Board of Directors

ATTEST:

Rhonda Cashman, Clerk of the Board



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DATE PREPARED: May 12, 2015

MEETING DATE: May 21, 2015

TO: Honorable Chairman and Members of the Board

FROM: Heather Dalmolin, Compliance and Auditing Manager

SUBJECT: FY2016 Budget Review

RECOMMENDATION:

This item is for discussion only. Board of Directors may wish to provide staff direction on budget and budget items prior to presentation in June for adoption.

RELATED STRATEGIC WORKPLAN OBJECTIVE

Guiding Principles:

- ❖ Show initiative, imagination and creativity
- ❖ Collaborate to enhance service delivery
- ❖ Strive for continuous improvement in all we do
- ❖ Be trustworthy and dependable

5 Year Horizon:

- ❖ Plan with attention to “green” opportunities and long-term sustainability
- ❖ Apply imagination, creativity and innovation to improve the service we deliver
- ❖ Build cooperative relationships regionally to expand NAIPTA’s positive impact.
- ❖ Establish financial policies and seek revenue sources to maintain fiscal strength.

BACKGROUND:

As per the Master IGA signed by member agencies, NAIPTA is responsible for managing specific transit operations within the NAIPTA region and all future transit operations that NAIPTA members may choose to establish. Specifically, Section 9.3 of the Master IGA identifies provisions for the establishment of a Public Transportation Authority Fund. NAIPTA has financial responsibility for managing various transit funding sources including member agency appropriations to NAIPTA, fare box return, state grants, federal grants and other miscellaneous sources.

NAIPTA, as an entity has no taxing ability and budgets are adopted annually by each member agency. As such, no later than June 30th of each year, NAIPTA is required under Master IGA Section 9.4 to hold a public hearing and adopt and submit an annual budget to the governing bodies of each of the NAIPTA member agencies. NAIPTA staff has been working with the financial managers of member agencies for several months and budgets have been submitted through member agency’s individual budget processes. Nevertheless, NAIPTA must formally adopt and submit these budgets by action of the Board of Directors.



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Revenues:

- Fares and service generated fees are budgeted to be \$971,590 for operating Mountain Line and Mountain Lift programs.
- City of Flagstaff has been asked to approve a budget of \$4,806,155 for the Mountain Line and Mountain Lift programs as well as the City Taxi Voucher program. \$3,688,416 will be used for operating and \$1,134,880 will be used to match federal funds for the capital programs. This capital budget includes Facility Expansion carryover from FY2015 of \$168,643.
- Coconino County has been asked to approve a budget of \$56,000 for the Coconino County Taxi Voucher and Vanpool programs. The funding will be used to match Section 5310 and Section 5311 federal funds applied for but not yet awarded by Arizona Department of Transportation for the operation of these programs.
- Northern Arizona University has been asked to approve a budget of \$494,244 for the Mountain Link program. The funding is requested in lieu of fares from NAU students and will be used for operation services.
- Federal Transit Administration Section 5307 funding of \$3,109,657 is budgeted with \$1,999,151 for operating and \$1,110,506 for capital programs.
- Arizona Department of Transportation Section 5310 funding of \$578,800 is budgeted with \$166,000 for operating and \$412,800 for capital programs. Note: These funds are budgeted conservatively based on prior year awards but have applied for an additional \$85,573 in operating assistance.
- Arizona Department of Transportation Section 5311 funding of \$24,000 is budgeted for operating of vanpools. Note: These funds are budgeted conservatively based on prior year awards but have applied for an additional \$14,400 in operating assistance.
- Arizona Department of Transportation Section 5339 funding of \$7,359,032 is budgeted for capital programs.
- Additional capital revenues of \$1,270,000 are budgeted but not yet secured from other local sources. This funding is to match the anticipated federal funding for the sidewalk connectivity project, if funded by ADOT Section 5339.

Operating:

The FY2016 operating budget includes an overall increase of \$561,781 or 8% for a total operating budget of \$7,475,037. The increase is related to the following changes:

- Continuation of the FY2015 Mountain Line service changes introduced in January 2015 (Route 10a and 14 weekends).
- Additional Mountain Line service to be launched in August 2015. Per the GM Budget Message, this increase will include: 20 minute frequency on Route 2, deviations on Routes 2 and 3 to serve nearby charter schools, and supplemental service as needed for crowding on Route 5.
- Additional Coconino County Taxi Voucher program. Per the GM Budget Message, the taxi voucher program for Coconino County is budgeted to double, if funding is granted by Coconino County and Arizona Department of Transportation.
- Maintaining the existing Mountain Line Paratransit Program, City Taxi Voucher Program, and the Coconino County Vanpool Program.



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Capital:

The FY2016 capital budget is \$12,496,137 and includes the following items:

- Feasibility study for permanent location of Downtown Connection Center, to be funded thru Section 5339 funds that are not yet applied for or awarded, with matching funds from the City of Flagstaff.
- Mobility Improvements at existing Mountain Line stops and along routes, to be funded thru Section 5310 funds that have been applied for but are not yet awarded, with matching funds from the City of Flagstaff.
- Sidewalk Connectivity project that is throughout the City in areas served by Mountain Line services, to be funded thru Section 5339 funds that are not yet applied for or awarded, with matching funds by local source(s) not yet identified.
- Route 66/Kaspar Dr Intersection Feasibility Study to evaluate creating fourth leg at the Route 66 – Kaspar Dr intersection, to be funded with previously awarded ADOT Section 5304 funds, with matching funds by the City of Flagstaff.
- Main Office Remodel project to maximize use of space and add office space, to be funded thru Section 5339 funds that are not yet applied for or awarded, with matching funds by the City of Flagstaff.
- Two additional buses for future service expansion, to be funded with previously awarded Section 5309, Bus Livability funds, with matching funds from the City of Flagstaff.
- Replacement Maintenance Truck for performance of road calls, to be funded by City of Flagstaff.
- Update and replace existing Transit Technologies (cameras, real time arrival, scheduling and dispatch systems, asset management, maintenance systems, etc.) to improve tracking and reporting abilities, to be funded thru Section 5339 funds that are not yet applied for or awarded, with matching funds from the City of Flagstaff.
- Refurbishment of Mountain Line Passenger Shelters that are in fair to poor condition, to be funded partially through annual apportionment of Section 5307 STP funds with majority of funding from the City of Flagstaff.
- Maintenance funds for information technology (computers, servers), facilities, and fleet to be funded by the City of Flagstaff.
- Facility Expansion project is being carried over from FY2015, to be funded by awarded Section 5307 funds with matching funds from City of Flagstaff.

People:

The FY2016 salary and employee related expenses budget are included in the FY2016 Operating budget increase, previously discussed and assume the following:

- Market Wage increase to address wages that continue to be below market.
- Compensation plan, including performance increase consideration, is in affect and employees will be able to receive between 1% and 4% depending on performance meeting or exceeding standards. The compensation plan is being considered for update, moving from existing 10-step plan to a grade structure with related ranges; more information will be available at the June meeting.
- The existing Quarterly Bonus program designed to provide incentive for above and beyond performance is being frozen in light of several factors including the market study, the change in



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compensation plan, and to evaluate the effectiveness of the Bonus program. Staff will consider ways to update before the FY2017 budget process.

- Employee related expenses vary depending on the employees elected coverages and plans but the table below summarizes NAIPTA's maximum cost. With the adoption of this budget, NAIPTA will set a maximum contribution rate available to employees for dependent coverage. (see attached memo to staff). NAIPTA's cost are as follows:

	FY2015	FY2016
ASRS, includes ADD	11.60%	11.47%
Health - EE Only	\$ 458.24	\$ 458.24
Health - EE + 1	\$ 714.98	\$ 714.98
Health - EE + Family	\$ 941.73	\$ 941.73
Dental	\$ 32.51	\$ 30.88
Vision	\$ 0.78	\$ 0.78
Life	\$ 7.40	\$ 7.40

- ASRS: All employees that are full time or that are scheduled to work more than 20 hours a week are enrolled in ASRS and ASRS Accidental Death and Long Term Disability plans. NAIPTA and employees contribute matching amounts into the employees account.
- Health: Employees are offered option of 3 plans with 3 tiers through the Northern Arizona Public Employee Benefit Trust (NAPEBT). All regular employees in full time positions, at 30 hours or more, must enroll in health insurance unless they can provide proof of other coverage. All employees are offered a Wellness Program to increase their savings on insurance cost.
 - The 3 plans are: Base plan with \$750 deductible, Buy Up plan with \$500 deductible, and High Deductible Health Plan (HDHP) with \$1,500 Deductible. The HDHP plan is accompanied by a Health Savings Account (HSA).
 - The employees can also choose to have only employee coverage, employee plus one family member (spouse or child), or employee plus family.
 - For all Wellness Program participants, NAIPTA pays 100% of employee only coverage for Base plan and 100% of HDHP with a deposit to the HSA. An employee electing the Buy Up plan will pay the difference in cost between Base and Buy Up plans. Employees not participating in Wellness Programs experience additional cost for the Buy Up, Base Plan or less contribution to HSA for the HDHP.
 - NAIPTA shares in additional cost for family plans. NAIPTA pays between 40% and 67% of family cost depending on plan elected by employee. The rates above are fixed no matter plan choice.
- Dental: Employees are offered 1 plan option with 3 tiers through the Northern Arizona Public Employee Benefit Trust (NAPEBT). Employees can waive dental coverage.
 - The employees can choose to have only employee coverage, employee plus one family member (spouse or child), or employee plus family.
 - NAIPTA pays 100% of employee only coverage and employees are responsible for additional cost of family plans, if elected.





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- Vision: Employees are offered 2 plan options with 3 tiers through the Northern Arizona Public Employee Benefit Trust (NAPEBT). Employees can waive vision coverage.
 - The 2 plans are: Base Plan (exams only) and Buy Up (comprehensive) coverage.
 - The employees can also choose to have only employee coverage, employee plus one family member (spouse or child), or employee plus family.
 - NAIPTA pays 100% of employee only coverage for the Base plan and employees are responsible for 100% of additional cost of family coverage or Buy Up plans.
- Life: Employees receive a \$40,000 life insurance policy that is 100% paid for by NAIPTA. Employees can buy additional coverage for self, spouse, and children at 100% cost to the employee. Life Insurance plans are portable if employees wish to continue the plan after leaving their role at NAIPTA.
- There are additional elected benefits NAIPTA employees can select. The employee is responsible for 100% of the cost: Flexible Spending Account (FSA), Deferred Compensation, Short Term Disability Insurance, Accidental Insurance, and Cancer Insurance.

Fund Balance and Financial Projections:

The proposed budget is in line with NAIPTA's overall financial projections for the City of Flagstaff. The financial plan, with this proposed budget and ongoing cost associated with implementation of programs, as discussed, maintains a fund balance of greater than 10%, as set in NAIPTA's financial management policy and as required by the City of Flagstaff. Per the trend line graph attached, at the end of 2025, NAIPTA will have a fund balance of \$4.8 million. This financial projection does assume:

- No service increases after FY2016;
- Capital replacement of vehicles will continue to receive 80% federal funds; and,
- The Transit Tax will be renewed before the 2020 sunset at a flat rate.

City of Flagstaff and Coconino County have indicated approval of our budget requests at the respective management levels and the next steps are for respective Boards and Councils to review and adopt. If either agency does not adopt the proposed budget or federal funds are not awarded as budgeted, staff are prepared to scale back service increases and delay capital projects for future years when funding is available.

TAC RECOMMENDATION:

FISCAL IMPACT:

There is no fiscal impact in adoption of the budget however adoption of the budget does set limits on expenditures for the coming fiscal year.



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Northern Arizona Intergovernmental Public Transportation Authority

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SUBMITTED BY:

Heather Dalmolin
Compliance and Auditing Manager

APPROVED BY:

Erika Mazza
Interim General Manager

ATTACHMENTS:

- | | | |
|----|---|--------------|
| 1. | NAIPTA FY2016 Draft Budget | -pages 17-22 |
| 2. | Setting Employee Health Plan Maximum Contribution | -page 23 |
| 3. | Financial Plan Trend Line | -page 24 |
| 4. | Performance Measures for the FY2016 Budget | -page 25 |



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NAIPTA FY2016 Budget
Proposed

	NAIPTA	City of Flagstaff		Coconino County
Program Hours	76,576	69,328	7,248	0
Program Percentage (Direct S & B)	100%	86%	13%	1%
Program Percentage (Rev Hrs)	100%	86%	14%	0%

Description			Fixed Route	Demand Response	Coco Mlft
Revenues					
Annual Membership Dues	\$ 2,500	\$ 2,500			
5304 Funding Capital			\$ 240,000		
5307 Funding Operating	\$ 1,999,151		\$ 1,486,734	\$ 512,417	
5307 Funding Capital	\$ 81,306		\$ 81,306		
5316 Funding Capital	\$ -				
5310 Mobility Management Funding Operating	\$ 166,000	\$ 104,000		\$ 30,000	\$ 32,000
5310 Funding Capital	\$ 412,800		\$ 412,800		
5311 Operating	\$ 24,000				\$ 24,000
5339 Funding Capital	\$ 7,359,032	\$ 717,764	\$ 6,641,268		
Other Federal Funds	\$ 1,029,200		\$ 1,029,200		
City of Flagstaff - Operating	\$ 3,688,416	\$ 217,970	\$ 3,120,532	\$ 349,914	
City of Flagstaff - Capital	\$ 1,134,880	\$ 179,441	\$ 955,439		
NAU - Operating	\$ 494,244		\$ 494,244		
NAU - Capital	\$ -				
Coconino County - Operating	\$ 56,000				\$ 56,000
Fares	\$ 900,037		\$ 868,065	\$ 31,972	
Concession Fees	\$ -				
Advertising	j	\$ 102,778			
Advertising Capital	\$ -				
Title 19 - DDD	\$ 45,000			\$ 45,000	
Other Operating	\$ 6,912		\$ 6,912		
Other Capital	\$ 1,270,000		\$ 1,270,000		
Sale of Equipment	\$ -				
sub total	\$ 18,669,478	\$ 1,324,453	\$ 16,606,500	\$ 969,303	\$ 112,000
CHECK	\$ -	\$ 1,324,453	\$ 16,606,500	\$ 969,302	\$ 112,000
	\$ -	\$ -	\$ 0	\$ 1	\$ (0)

Allocated Management Costs S & B

FTE Salary	\$ 605,692	\$ 155,200	\$ 387,423	\$ 58,564	\$ 4,505
Pay Plan	\$ 18,385	\$ 2,077	\$ 14,025	\$ 2,120	\$ 163
Benefits	\$ 229,666	\$ 55,649	\$ 149,655	\$ 22,622	\$ 1,740
Sub Total	\$ 853,743	\$ 212,926	\$ 551,103	\$ 83,306	\$ 6,408
Cost Per Service Hour	\$ 11.15		\$ 7.95	\$ 11.49	

NAIPTA FY2016 Budget
Proposed

	NAIPTA	City of Flagstaff		Coconino County
Program Hours	76,576	69,328	7,248	0
Program Percentage (Direct S & B)	100%	86%	13%	1%
Program Percentage (Rev Hrs)	100%	86%	14%	0%

Description	Fixed Route	Demand Response	Coco Mlft		
Direct Operations Costs S & B					
FTE Wages	\$ 2,384,987	\$ 85,388	\$ 1,919,781	\$ 367,068	\$ 12,750
PTE Wages	\$ 10,000	\$ 10,000	\$ -	\$ -	
On Call Wages	\$ 97,425		\$ 71,915	\$ 25,510	
OT Wages	\$ 93,929		\$ 80,465	\$ 13,464	
Pay Plan	\$ 291,601	\$ 2,206	\$ 246,825	\$ 41,791	\$ 779
Benefits	\$ 1,213,615	\$ 39,463	\$ 991,346	\$ 179,049	\$ 3,757
Sub Total	\$ 4,091,557	\$ 137,057	\$ 3,310,332	\$ 626,882	\$ 17,286
Cost Per Service Hour	\$ 53.43		\$ 47.75	\$ 86.49	
Allocation Percentage	100%	3.35%	80.91%	15.32%	0.42%
	\$ 4,945,300	\$ 349,983	\$ 3,861,435	\$ 710,188	\$ 23,694

Indirect Costs - Services

Gen Liability Ins - No Auto	\$ 166,255		\$ 142,979	\$ 23,276	
Board	\$ 13,500		\$ 11,610	\$ 1,890	
Prof Svc HR	\$ 40,000		\$ 34,400	\$ 5,600	
Prof Svc Legal	\$ 40,000		\$ 34,400	\$ 5,600	
Prof Svc IT	\$ 3,900		\$ 3,354	\$ 546	
Computer Replacement IT	\$ 8,900		\$ 7,654	\$ 1,246	
Audits	\$ 18,000		\$ 15,480	\$ 2,520	
Legislative Liaison	\$ 42,000		\$ 36,120	\$ 5,880	
Wellness Incentives	\$ 1,000		\$ 860	\$ 140	
Sub Total	\$ 333,555	\$ -	\$ 286,857	\$ 46,698	\$ -
Cost Per Service Hour	\$ 4.36		\$ 4.14	\$ 6.44	

Indirect Costs - Facilities

Electricity	\$ 35,892		\$ 30,867	\$ 5,025	
Natural Gas	\$ 18,570		\$ 15,970	\$ 2,600	
Water and Waste	\$ 13,200		\$ 11,352	\$ 1,848	
Mobile Phone Svc and Equip	\$ 20,134	\$ 984	\$ 17,315	\$ 1,835	
Telephone Svc	\$ 21,541	\$ 985	\$ 18,525	\$ 2,031	
Sub Total	\$ 109,337	\$ 1,969	\$ 94,029	\$ 13,338	\$ -
Cost Per Service Hour	\$ 1.43		\$ 1.36	\$ 1.84	

NAIPTA FY2016 Budget
Proposed

	NAIPTA	City of Flagstaff	Coconino County
Program Hours	76,576	69,328	7,248
Program Percentage (Direct S & B)	100%	86%	13%
Program Percentage (Rev Hrs)	100%	86%	14%

Description	Fixed Route	Demand Response	Coco Mlft
Direct Cost O & M			
Food and Beverage 41	\$ 3,500	\$ 3,185	\$ 315
Memberships & Subscriptions	\$ 14,563	\$ 13,252	\$ 1,311
Memberships Planning	\$ 456	\$ -	
Trophies, Prizes, Etc	\$ 3,000	\$ 2,730	\$ 270
Special Internal Events-PAWZ	\$ 2,500	\$ 2,500	
Special Events - Marketing (External)	\$ -		
Special Events - Planning	\$ 500	\$ -	
Telephone and Computer Sup IT	\$ 1,500	\$ 1,500	
Cable/Satellite Services NVM	\$ -		
Janitorial Services NVM	\$ 25,476	\$ 23,183	\$ 2,293
Bank Fees	\$ 12,000	\$ 12,000	
Education Supplies	\$ 1,000	\$ 1,000	
Office Supplies	\$ 9,500	\$ 8,645	\$ 855
Office Supplies - MM	\$ 150	\$ 150	
Other Supplies	\$ 4,000	\$ 3,000	\$ 1,000
Other Supplies Planning	\$ 2,250	\$ -	
Postage	\$ 2,800	\$ 1,000	\$ 1,800
Postage - MM	\$ 100	\$ 100	
Printing - Admin	\$ 6,000	\$ 5,000	\$ 1,000
Printing - Planning	\$ 250	\$ 250	
Printing - MM	\$ 1,000	\$ 1,000	
Printing - Marketing	\$ 25,375	\$ 24,000	\$ 1,375
Copier - Printing - IT	\$ 7,600	\$ 6,536	\$ 1,064
Publishing and Advertising - Marketing	\$ 53,500	\$ 33,500	
Publishing - Legal Advertisements	\$ 3,000	\$ 3,000	
Software Maintenance - IT	\$ 2,000	\$ 2,000	
Bldgs/Grounds Maint - NVM	\$ 31,000	\$ 26,660	\$ 4,340
Prof Svc Marketing -MM	\$ 1,000	\$ 1,000	
Prof Svc Marketing	\$ 66,982	\$ 33,065	\$ 3,917
Temp Maint/Facility Svc NVM	\$ 5,500	\$ 5,000	\$ 500
Temporary Services - Admin	\$ 2,500	\$ 2,500	
Market Research (surveys)	\$ 18,200	\$ 17,000	\$ 1,200
Total Direct Admin Expenses	\$ 307,202	\$ 55,706	\$ 21,239
			\$ -

NAIPTA FY2016 Budget
Proposed

	NAIPTA	City of Flagstaff	Coconino County
Program Hours	76,576	69,328	0
Program Percentage (Direct S & B)	100%	86%	1%
Program Percentage (Rev Hrs)	100%	86%	0%

Description		Fixed Route	Demand Response	Coco Mlift
Taxes Paid Gas/Oil Rev 11	\$ 41,000	\$ 37,000	\$ 4,000	
Oil Fleet Veh Mtnc	\$ 28,000	\$ 25,000	\$ 3,000	
Fuel Fleet Revenue Veh Mtnc	\$ 528,000	\$ 480,000	\$ 48,000	
Tires Revenue Veh Mtnc	\$ 70,000	\$ 60,000	\$ 10,000	
Auto Parts & Supplies Veh M	\$ 110,000	\$ 100,000	\$ 10,000	
Route Expansion Ops	\$ 423,649	\$ 10,000	\$ 382,300	\$ 31,349
Out Repair Fleet Revenue VM	\$ 33,000	\$ 30,000	\$ 3,000	
Direct Variable Expense	\$ 1,233,649	\$ 10,000	\$ 1,114,300	\$ 78,000
Personal Liab Ins - Auto 21	\$ 76,320	\$ 69,451	\$ 6,869	
Uninsured Losses	\$ 10,000	\$ 10,000		
Prop Damage Ins Ded Ops 11	\$ 15,000	\$ 10,000	\$ 5,000	
Recruitment Costs - admin	\$ 6,500	\$ 5,915	\$ 585	
Clinic Fees	\$ 6,600	\$ 6,000	\$ 600	
Taxes Paid Gas/Oil NonRev 11	\$ 3,100	\$ 3,100		
Fuel - Non Revenue Vehicles	\$ 31,000	\$ 31,000		
Fuel - Facil Veh/Equip- NVM	\$ 11,000	\$ 11,000		
Prof Svc Operations	\$ 3,500	\$ 3,500		
Prof Svc Fleet Veh M	\$ -	\$ -		
Misc Shop Supplies Veh M	\$ 27,000	\$ 25,000	\$ 2,000	
Misc Facility Supplies NVM	\$ 3,500	\$ 3,000	\$ 500	
Tool Allowance - Veh M	\$ 1,800	\$ 1,800	\$ -	
Uniforms - Ops 11	\$ 19,500	\$ 17,000	\$ 2,500	
Uniforms Fleet Veh Mtnc	\$ 6,600	\$ 5,600	\$ 1,000	
Uniforms - Facility Non VM	\$ 5,100	\$ 5,100		
Supplies - Safety	\$ 3,750	\$ 3,500	\$ 250	
Food and Beverage Training	\$ 600	\$ 500	\$ 100	
Janitorial Supplies Non VM	\$ 5,000	\$ 4,300	\$ 700	
Education Supplies - Safety	\$ 4,000	\$ 3,000	\$ 1,000	
Other Supplies - Training	\$ 4,860	\$ 4,423	\$ 437	
Software/Hardware Maint - OPS	\$ 28,930	\$ 8,500	\$ 20,430	
Software/Hardware Maint VM	\$ 4,400	\$ 4,000	\$ 400	
Radios/Communications	\$ 78,160	\$ 78,160		
Building Security/Monitoring NVM	\$ 2,600	\$ 2,060	\$ 540	
Bus Stop Maint NVM	\$ 18,000	\$ 18,000		
Route Realignment Materials NVM	\$ 2,500	\$ 2,500		

NAIPTA FY2016 Budget
Proposed

	NAIPTA	City of Flagstaff	Coconino County
Program Hours	76,576	69,328	0
Program Percentage (Direct S & B)	100%	86%	1%
Program Percentage (Rev Hrs)	100%	86%	0%

Description			Fixed Route	Demand Response	Coco Mlift
Prof Svc Security Ptrl -NVM	\$ 12,000		\$ 12,000		
Taxi Voucher Program	\$ 110,325			\$ 53,368	\$ 56,957
Total Variable Expenses	\$ 501,645	\$ -	\$ 348,409	\$ 96,279	\$ 56,957
Travel/Training - Operations	\$ 10,300		\$ 9,373	\$ 927	
Travel/Training - Fleet VehM	\$ 3,700		\$ 3,700		
Travel/Training - Facilities NVM	\$ 1,500		\$ 1,365	\$ 135	
Travel/Training - Admin	\$ 20,900		\$ 19,019	\$ 1,881	
Travel/Training - Planning	\$ 6,590	\$ 6,590			
Travel/Training - MM	\$ 3,000	\$ 3,000			
Travel/Training - Safety	\$ -		\$ -	\$ -	
Travel/Training - IT	\$ 3,000		\$ 2,730	\$ 270	
Travel/Training - Marketing	\$ 1,500		\$ 1,500		
Travel/Training - Training	\$ 3,860		\$ 3,513	\$ 347	
Total Travel Expenses	\$ 54,350	\$ 9,590	\$ 41,200	\$ 3,560	\$ -
Sub Total	\$ 2,096,846	\$ 75,296	\$ 1,734,164	\$ 199,079	\$ 88,306
Cost Per Service Hour	\$ 27.38		\$ 25.01	\$ 27.47	\$ -

Total Admin/Indirect Costs

subTotal Salaries and Benefits	\$ 853,743	\$ 212,926	\$ 551,103	\$ 83,306	\$ 6,408
subTotal Operating Costs	\$ 442,892	\$ 1,969	\$ 380,887	\$ 60,036	\$ -
Total Administrative Cost	\$ 1,296,635	\$ 214,895	\$ 931,990	\$ 143,342	\$ 6,408
Cost Per Service Hour	\$ 16.93		\$ 13.44	\$ 19.78	\$ -

Total Operating/Direct Costs

subTotal Salaries and Benefits	\$ 4,091,557	\$ 137,057	\$ 3,310,332	\$ 626,882	\$ 17,286
subTotal Operating Costs	\$ 2,096,846	\$ 75,296	\$ 1,734,164	\$ 199,079	\$ 88,306
Total Operating Cost	\$ 6,188,403	\$ 212,353	\$ 5,044,497	\$ 825,961	\$ 105,592
Cost Per Service Hour	\$ 80.81		\$ 72.76	\$ 113.96	\$ -

Total Program Cost	\$ 7,485,037	\$ 427,248	\$ 5,976,487	\$ 969,302	\$ 112,000
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NAIPTA FY2016 Budget
Proposed

		NAIPTA	City of Flagstaff		Coconino County
Program Hours	76,576		69,328	7,248	0
Program Percentage (Direct S & B)	100%		86%	13%	1%
Program Percentage (Rev Hrs)	100%		86%	14%	0%

Description		Fixed Route	Demand Response	Coco Mlift
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Direct Cost - Capital

Marketing - Rte Expansion and Wayfinding	\$ -				
Bus Shelter Improvements	\$ -				
IT Maintenance/Equipment	\$ -				
Communication Equip (Vehicles/Field)	\$ -				
Vehicle Maintenance/Improvements	\$ -				
Facility Maintenance/Improvements	\$ -				
Planning	\$ 900,000		\$ 900,000		
Subtotal Operating Capital	\$ 900,000	\$ -	\$ 900,000	\$ -	\$ -
Shelters	\$ 903,000		\$ 903,000		
IT Replacement Fund	\$ 26,800		\$ 26,800		
Vehicles - Passenger	\$ 1,266,996		\$ 1,266,996		
Vehicles - Other	\$ 881,500	\$ 811,500	\$ 70,000		
Vehicle Concession Equipment	\$ -				
Vehicle Digital Advertising Signs	\$ -				
Facility Rehab - Maintenance Fund	\$ 20,000		\$ 20,000		
Facility Construction in Progress	\$ 1,153,922	\$ 85,705	\$ 1,068,217		
Construction in Progress, Sidewalks	\$ 6,350,000		\$ 6,350,000		
Vehicle Rehab-Improvements Fund	\$ 25,000		\$ 25,000		
Subtotal Fixed Assets	\$ 10,627,218	\$ 897,205	\$ 9,730,013	\$ -	\$ -
Subtotal Capital	\$ 11,527,218	\$ 897,205	\$ 10,630,013	\$ -	\$ -

Total Budget	\$19,012,255	\$1,324,453	\$16,606,500	\$969,302	\$112,000
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Northern Arizona Intergovernmental Public Transportation Authority

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NAIPTA MEMORANDUM

TO: ALL EMPLOYEES
FROM: HEATHER DALMOLIN, COMPLIANCE AND AUDITING MANAGER
SUBJECT: HEALTH PLAN COVERAGE COST
DATE: JUNE 18, 2015

Since NAIPTA left Coconino County in 2006 to become an independent agency, we have adopted and followed the cost sharing plan of Coconino County as related to employee Health Benefit Plans.

- In 2006, the cost paid by NAIPTA was 100% of employee coverage on the Base plan, which was approximately \$399.96. NAIPTA paid an additional 55% of the increased cost for the family Base plan, which was an additional \$340.16.
 - If an employee elected a Buy Up plan, the employee was responsible for the additional cost. Similarly, employees electing the Buy Up plan for families were responsible for any increased cost.
 - If employee elected the High Deductible plan with a Health Savings Account, NAIPTA would deposit a portion of the savings into the employee's savings account.
- In FY2013, the Trust (the group we buy our insurance through) introduced the Wellness Program designed as an incentive to perform Wellness activities and save on premiums.
- In FY2014, NAIPTA introduced Tiers for plans, introducing a plan which allowed employees with only 1 family member to save on premiums.

Over the years, several premium increases were introduced as a result of rising cost of health care. NAIPTA strived to keep the family plan cost sharing whole by proportionally increasing NAIPTA's share to be consist with prior year coverage. Since 2006, NAIPTA's share of family coverage has risen by 40%.

With the adoption of the FY2016 Health Benefit Rates, NAIPTA's share of the family coverage cost, no matter the plan, is as follows:

Employee plus 1	\$256.74 per month, an annual benefit of \$3,080.88
Employee plus family	\$483.49 per month, an annual benefit of \$5,801.88

It was NAIPTA's goal with the adoption of 3 Tiers in FY2014 to identify the most equitable and affordable plan options for staff. As with many agencies, the growing cost of health care insurance plans continue to increase the overall cost associated with employees. NAIPTA wants to provide competitive pay as well as comprehensive benefits packages that attract and retain employees. We believe that setting a maximum contribution for family plans will have the benefit of controlling our cost and allowing us to continue exploring ways to effectively use available resources to remain competitive with pay.



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City of Flagstaff - Transit Tax Fund Balance

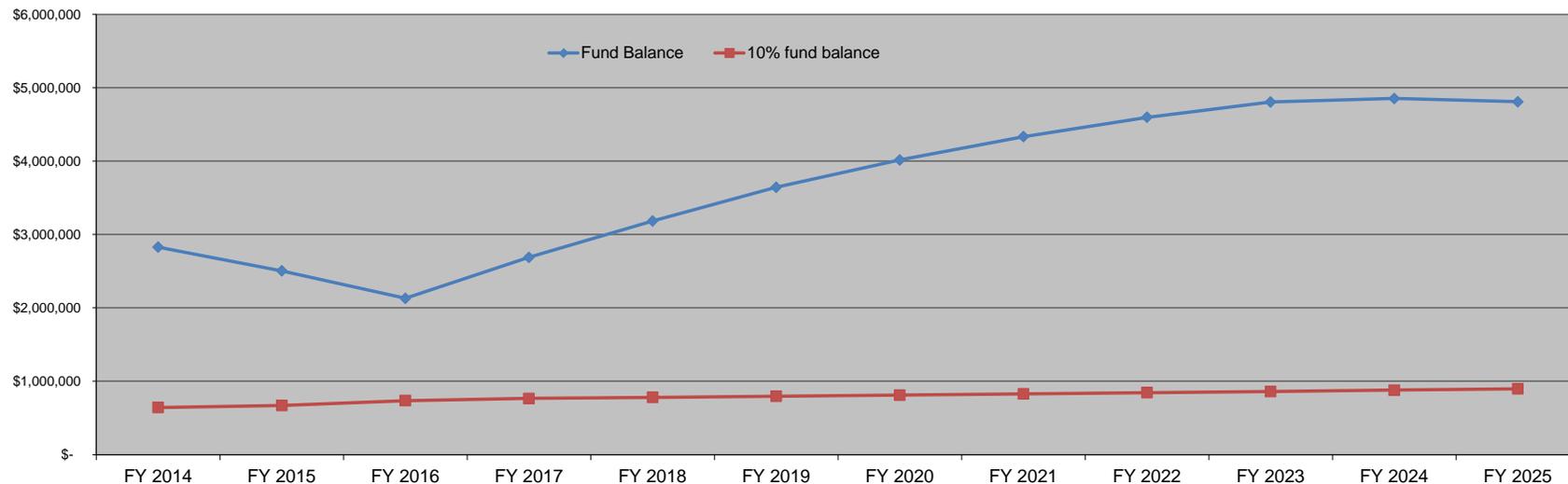
Projection based on City of Flagstaff Transit Tax as of December 31, 2015

Assumptions:

- City of Flagstaff Tax is renewed on or before 2020 for another 10 years at same rate
- Federal funding FY2015 thru FY2019 maintained at FY2014 appropriation (5307 and Small Transit Intensive Cities (STIC)
- Federal funding FY2020 and beyond maintained at FY2014 appropriation (5307) and reflect increase in Small Transit Intensive Cities (STIC) by 1 measure
- Federal funding for capital projects is projected to be 80% of vehicle replacement, in year of replacement
- Vehicles are replaced at 15 yrs, capital replacement fund reserves funds annually
- Pay Plan funded for thru FY2017
- Operating Cost: FY15 projected, FY16 proposed service increase, and future increase by 2% annually
- Operating at FY2016 Service Implementation thru 2030
- Starting in 2025 - Local Cost exceed annual projected tax revenues**

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Fund Balance	\$ 2,826,946	\$ 2,503,962	\$ 2,129,928.68	\$ 2,688,088.43	\$ 3,183,408.98	\$ 3,642,310.99	\$ 4,016,200.62	\$ 4,333,951.91	\$ 4,596,926.87	\$ 4,803,967.35	\$ 4,852,483.34	\$ 4,808,349.68
ops cost	\$ 6,427,852	\$ 6,694,336	\$ 7,363,038	\$ 7,654,365	\$ 7,804,896	\$ 7,960,994	\$ 8,120,214	\$ 8,282,618	\$ 8,448,271	\$ 8,617,236	\$ 8,789,581	\$ 8,965,372
10% fund balance	\$ 642,785	\$ 669,434	\$ 736,304	\$ 765,436	\$ 780,490	\$ 796,099	\$ 812,021	\$ 828,262	\$ 844,827	\$ 861,724	\$ 878,958	\$ 896,537

**City of Flagstaff Fund Balance
Baseline Scenario**



**NAIPTA Performance Report
 Mountain Line - Mountain Link *
 For FY2016 Budget Discussion**

	2014	2015	2015 ^^	2016	Peer Cities ***	
	Actual	Budget	3rd Qtr Actual	Budget	Avg	Best
System Speed (MPH)	12.43	12.56	13.35	13.53	13.27	13.91
Deadhead Mile Ratio	7.5%	7.0%	6.3%	3.0%	10%	3%
Deadhead Hour Ratio	2.9%	3.0%	2.9%	7.0%	6%	2%
Subsidy per Passenger	\$ 2.52	\$ 2.61	\$ 2.48	\$ 2.69	\$ 3.65	\$ 2.90
Cost Recovery (includes NAU)	24.4%	23.3%	23.8%	23.8%	16%	26%
Total Cost per Hour	\$ 91.24	\$ 93.10	\$ 86.14	\$ 92.22	\$ 90.79	\$ 72.80
Admin Cost Ratio	19.0%	17.9%	17.9%	17.7%		
Passengers per Hour	30.60	30.60	30.87	29.68		
OnTime Performance	87%	85%	92%	93%		



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NAIPTA MEMORANDUM

DATE: May 12, 2015

TO: Honorable Chairman and Members of the Board

FROM: Erika Mazza, Interim General Manager

SUBJECT: Strategic Work Plan Overview – January 2014 to June 2015

Work Plan Mission: Maintain transit service levels in a manner that supports successful implementation of both November 2014 roadway infrastructure sales tax efforts (Coconino County Proposition 403 and City of Flagstaff Proposition 406), increases cross-town frequency, and prepare to send a minimum flat transit tax renewal to the voters by May 2016.

In January 2015, NAIPTA Board of Directors approved the Strategic Work Plan – January 2015 to June 2016. Even though we are only five months into this Strategic Work Plan, we can showcase several items that are underway, and completed items from the previous January 2014 – June 2015 Strategic Work Plan.

NAIPTA has been actively participating in Proposition 406 efforts by serving on the City's planning and implementation team. This has enabled NAIPTA to be proactive with stop closures and disseminating timely information to customers, and has eased the burden on NAIPTA's Operations Team trying to navigate construction-filled streets. NAIPTA did not directly participate in the City's public education campaign, but it goes without saying that as the roads improve, our service improves.

NAIPTA and the FMPO are actively exploring the benefits of greater collaboration with the Bus Rapid Transit (BRT) and Regional Transportation Plan (RTP) plans. Staff will present a collaborative work plan at the July Board meeting.

Transit Tax discussion is a centerpiece for the May 21st meeting. This discussion will include a financial analysis and 10-year projections of service expansion that include cautious expansion plans through the increase of service and efficiency. Staff will continue educating the public with our strong transit story, using the information gleaned from the recently completed Never Rider Survey as a guideline. As we move to developing the transit tax education materials, staff will engage TAC and BOD members to further share our transit story.

NAIPTA's BOD implemented a revised advertising policy and staff are actively working on revising our Advertising Media Kit, which includes revisions to our price points and additional inventory on the exterior of our fleet. NAIPTA is currently 200% above FY2015 budgeted expectations for advertising revenue.

Phase two of the 5-year plan consists of cross-town, 20-minute service that will begin on August 2, 2015. This service expansion also includes NAIPTA's first Deviated Fixed routes to better serve NPA and BASIS charter schools, as well as supplemental service to and from FALA at opening and closing times.

Staff completed a "runcutting" exercise in late 2014 to identify potential efficiencies with route and operator scheduling. After the initial implementation period, preliminary figures indicate that the Operations Department has saved more than 50 operator hours a week. This savings will allow for ongoing operator training this summer to proactively address safety issues, and has produced overall savings within the Operations Department.

Lastly, staff are completing a comprehensive analysis of the current pay plan structure. These recommendations are part of the budget presentation and a fiscally responsible recommendation will be brought to the BOD in June 2015.

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NAIPTA MEMORANDUM

DATE: May 12, 2015
TO: Honorable Chairman and Members of the Board
FROM: Erika Mazza, Interim General Manager
SUBJECT: Transit Tax Overview

In May 2008, the Flagstaff community approved with overwhelming support five ballot measures totaling 29 cents per \$100 spent. The ballot measures included the following:

- Maintain Mountain Line Service
- Hybrid Electric Buses
- Mountain Link
- Expand Service
- Greater Frequency

The tax measures were a combination of a renewal from a Mountain Line Service Tax originally approved by voters in 2000 (10-year sunset), and four additional ballot measures. The City's Transportation Tax, as well as the 2008 Transit Tax both sunset in 2020. Currently, the Transit Sales Tax collects \$4.9M per year. The NAIPTA BOD directed staff to prepare to send a minimum flat transit tax renewal to the voters by May 2016. The May 21st TAC and BOD joint meeting centers on answering the following questions:

- When do we want to go to the voters?
- What is the rate that we are seeking?
- What is the duration of the tax?

We know from the 5-year plan that the community desires greater transit options, frequency, and efficiency. We have recently launched a vanpool program to try and connect those in the outlying areas of the County to Flagstaff. Through the "Never Rider" survey, Flagstaff residents indicate that they would ride transit if the route or bus stop was closer. We are making strides with providing deviated fixed route service to three charter High Schools. The topic of congestion has risen to the top of many community discussions, and it was a central point in the Proposition 406 campaign. NAIPTA is committed to working with the City and the FMPO on developing Congestion Mitigation solutions. With the Bus Rapid Transit (BRT) project, redevelopment of Downtown and Eastside Connection Centers, connectivity with road networks, enhancements of transit infrastructure, sidewalks, and overall expansion of transit service – NAIPTA has a bright and busy future to share with voters.



Getting you where you want to go

