



Board of Directors Minutes for Wednesday, August 21, 2019

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 Wednesday, August 21, 2019 at 10:00 am in the NAIPTA Training Room, 3825 N. Kaspar Dr., (Parking at 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.

BOARD MEMBERS PRESENT:

Jamie Whelan, (Chair) City Councilor, City of Flagstaff;

Steve Peru, (Vice Chair) Chief Development and Government Relations Officer, CCC, designee;

Joanne Keene, (Secretary), Executive Vice President and Chief of Staff, NAU, (WebEx), joined the meeting at approximately 10:03am;

Art Babbott, Board of Supervisors, Coconino County, joined the meeting at approximately 10:03am;

Jim McCarthy, City Councilor, 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:

NAIPTA STAFF IN ATTENDANCE:

Erika Mazza, CEO and General Manager;

Heather Dalmolin, Administrative Director;

Jim Wagner, Operations Director;

Kate Morley, Development Director;

Jacki Lenner, Marketing and Communications Manager;

Wade Forrest, Facilities Manager;

Jon Matthies, IT Manager;

Lauree Battice, Business Manager;

Anne Dunno, Capital Project Manager;

Estella Hollander, Mobility Planner;

Rhonda Cashman, Executive Assistant and Clerk of the Board;

Scott Holcomb, NAIPTA Attorney, (WebEx), joined the meeting at approximately 10:07am





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GUESTS PRESENT:

Dan Okoli, Vice President of Capital Planning and Campus Operations, NAU, alternate, joined the meeting at approximately 10:14am;

Jarrett Ransom, President and CEO, The Rayvan Group,

1. CALL TO ORDER -Chair Whelan called the meeting to order at 10:00am.

2. ROLL CALL

3. SAFETY MINUTE

Mr. Forrest reported on Heat Exhaustion and Heat Stroke. Symptoms were reviewed.

4. APPROVAL OF MINUTES:

- a. Regular Meeting 6/19/2019
- b. Emergency Meeting 7/22/2019

Director McCarthy moved to approve the June 19, 2019 Board meeting minutes and the July 22, 2019 Emergency Board meeting minutes. Director Peru seconded. There was no discussion. All approved, none opposed. Motion carried.

NAME	YES VOTE	NO VOTE
Jamie Whelan	X	
Steve Peru	X	
Jim McCarthy	X	

5. CALL TO THE PUBLIC

There were no members of the public present requesting to speak at this time.

CONSENT ITEMS:

There were no items for the consent agenda.

DISCUSSION / ACTION ITEMS:

6. REVIEW FINANCIAL MANAGEMENT PLAN

-Heather Dalmolin, Administrative Director

The Board may provide direction, but there is no recommendation from staff at this time.

Ms. Dalmolin reviewed a PowerPoint presentation with the Board as an overview of Sections 5-10 of the NAIPTA Financial Management Plan. Sections 1-4 were reviewed in February 2019. The main objective is financial stability of the organization.



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updates are needed and she asked Board members to provide feedback on changes they may recommend. Under Section 5.B. Compensation Philosophy, she mentioned a new wage study is being done to prepare for the rise in the minimum wage. Chair Whelan asked how many positions currently fall below \$15 per hour. Ms. Dalmolin responded 3-4 positions at this point, but our largest employee population of operators falls only slightly above that level to start. Under Section 7. Asset Management, Director Babbott asked if federal restraints are liberated after the depreciation schedule of assets. Ms. Dalmolin replied restraints are not liberated on assets purchased with federal funds. For example, if a bus reaches its 12-year useful life, then went to auction and NAIPTA received \$6,000 at auction, NAIPTA would be required to return 80% to the federal government or there are allowances for reinvestment. Under Section 8. Debt Management, she noted the goal is to use debt as little as possible and as a last resource. She reviewed the criteria. Director Babbott stated a reserve of 25% would be a good policy and he asked about a contingency fund or revenue smoothing opportunities. Ms. Dalmolin explained there is no contingency plan in the annual budget process and revenue smoothing is done but is not referenced in the financial plan. It was an internal decision to remove the contingency fund about 10 years ago. Director Babbott stated the County has successfully implemented a contingency plan and was able to avoid layoffs in the last economic downturn. He suggested a contingency plan be considered and that it be brought to the Board. Chair Whelan agreed. Ms. Dalmolin stated a resiliency plan is on the staff follow up list and she thought that may address the concerns of the Board. Under Section 10. Risk Management, Ms. Dalmolin shared feedback from the TAC; they thought service changes may be considered a risk. Part of moving forward, staff have indicated to build in a resiliency plan, as mentioned. The Financial Management Plan was introduced in 2009 and was updated in 2014. The document needs updates to stay relevant. Ms. Dalmolin requested for the Board to please continue to share feedback in the coming weeks. Director McCarthy stated he agrees with Director Babbott. He asked if a recession would help Mountain Line ridership increase. Ms. Dalmolin responded that during the last recession ridership did increase. Staff work with the City on potential recession financial projections and we were able to maintain service and staff through the last recession. Chair Whelan stated the City is conservative and Ms. Dalmolin concurred.

7. CONSIDER DEVELOPING A PROCUREMENT RESOLUTION

-Heather Dalmolin, Administrative Director

Staff recommends the Board of Directors direct the NAIPTA CEO and General Manager to develop an annual Procurement Resolution for future procurement awards and contract authorizations related to the approved fiscal year budget and approved Grant Resolution.

Ms. Dalmolin explained this resolution was suggested by our legal team. It could

prevent delays for items aligning with our procurement policy, budget and grant resolution. She communicated an example procurement timeline related to the





Downtown Connection Center (DCC). Director McCarthy stated he was comfortable with the suggestion but would request monthly updates. Ms. Mazza confirmed she would report at the following meeting or in writing and if there are unusual circumstances, the item will be brought to the Board. There was a brief discussion. Director McCarthy wants to have an understanding of what is going on with projects forthcoming to Mountain Line. Secretary Keene felt the resolution would be helpful. Director Babbott voiced his concern over procurement versus competitive bid versus Job Order Contracting (JOC). Mr. Holcomb stated the JOC can be competitive when properly utilized and done appropriately. He conveyed he thought staff had been doing a good job with this. Director Babbott agreed. Ms. Dalmolin reiterated the intent to report to the Board on these items. Staff were directed to proceed with developing a Procurement Resolution.

8. CONSIDER DEVELOPING A DELEGATION OF AUTHORITY RESOLUTION

-Heather Dalmolin, Administrative Director

Staff recommends the Board of Directors direct the NAIPTA CEO and General Manager to develop a Delegation of Authority Resolution for future agreements with partner and government agreements that do not exceed \$100,000 per fiscal year.

Ms. Dalmolin noted this is a similar consideration for signature authority for the CEO and General Manager for partner and government agreements valued at or under \$100,000. NAIPTA has handled these agreements by receiving Board approval or by receiving Board approval to delegate in the past. We are looking for consistency. This Delegation of Authority Resolution would potentially allow the Board to engage more in discussions on the benefits of projects versus review of agreements. She mentioned all agreements would still contain language allowing the Board to dissolve the agreement if it was something they did not support. Ms. Dalmolin provided some examples on screen of when a delegation of authority resolution could have been used. This resolution may be used for partnerships with public or private entities. Reports to the Board would be done on an ongoing basis. Director Okoli asked if the \$100,000 or less was per fiscal year. Ms. Dalmolin replied the financial limit is per year, per partner agreement. She shared Mountain Express as an example. We have a 5-year contract with the Arizona Snowbowl and the current year agreement was for service charged at \$88,000. Director McCarthy is supportive of pursuing the resolution, but wondered about items with policy implications, such as the work with the City of Winslow. Chair Whelan agreed. If the item has political zest, it should be brought to the Board. Ms. Dalmolin agreed. Ms. Mazza brought up the Emergency Operations Center (EOC). There should be a Board discussion on our level of involvement with items like EOC participation. No other concerns were expressed. Staff were directed to proceed with developing a Delegation of Authority Resolution.

9. CONSIDER AN AGREEMENT WITH THE FLAGSTAFF DOWNTOWN BUSINESS ALLIANCE, COCONINO COUNTY, AND CITY OF FLAGSTAFF

-Erika Mazza, CEO and General Manager





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Staff recommends the Board of Directors: 1) Approve entering into an agreement with the Flagstaff Downtown Business Alliance, Coconino County, City of Flagstaff for a Downtown Vision and Action Plan; and 2) Authorize execution of the Agreement, not to exceed \$20,000, by the CEO and General Manager.

Ms. Mazza reported this item is related to the Downtown Master Plan. She explained that Ms. Madeksza understood the timing of our process to bring this item to the Board. The City and County were able to review this agreement with their Council and Board before their summer recesses. The monetary commitment is not to exceed \$20,000. The Flagstaff Downtown Business Alliance (DBA) will present to the Board. The transportation and circulation plan is important to a robust downtown. Director Babbott asked what Ms. Madeksza's role will be in this plan related to carrying out a public process. Ms. Mazza replied that she will be charged with engaging the public in an outreach process and she will be involved as part of the stakeholder group and project management. Director McCarthy moved to approve the agreement and authorize the CEO and General Manager to execute the agreement as presented. Chair Whelan seconded. All approved, none opposed. Motion carried.

NAME	YES VOTE	NO VOTE
Jamie Whelan	X	
Steve Peru	X	
Joanne Keene	X	
Art Babbott	X	
Jim McCarthy	X	

10. CONSIDER THE FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION (FMPO) EXECUTIVE BOARD SEAT REQUEST

-Erika Mazza, CEO and General Manager

Staff recommends the Board of Directors review and provide direction to the NAIPTA Board Chair and to the NAIPTA CEO and General Manager regarding adding NAIPTA as a member of the Flagstaff Metropolitan Planning Organization (FMPO) Executive Board.

Ms. Mazza reported this item was discussed with the Board in June and it was tabled to allow time for review of the new FMPO Operating By-laws. Alternate status was discussed due to potential conflicts. Director Babbott stated both entities have conversed over the last months. They are aligned, not broken, and there are opportunities for maximizing collaboration. Northern Arizona University plans to be involved in the TAC and the Management Committee roles. The FMPO Executive Board is open to seeing what way this Board is interested in participating and then see how that fits in. There is no rush. The FMPO will settle into its new operating procedures while becoming its own stand-alone non-profit. Ms. Mazza has different limitations when it comes to advocating for funding. Director McCarthy asked if philosophically both the FMPO (and NAIPTA) Board(s) should have elected officials



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and appointed representatives from the Arizona Department of Transportation (ADOT) and NAIPTA. Ms. Mazza said she has done some research and it is important to recognize how the agencies partner. She took a deeper look at agencies set up similar to ours and it could be the Transit CEO or a representative from the Transit Agency Board serving on the MPO Board. There is precedent and regulatory standing for a transit agency representative to sit on an MPO Board. This came about because there are many MPOs and transit agencies that don't work well together in their region. Fortunately, we are not one of them. There was a lengthy discussion to follow. As mentioned previously, Board members agree it should not be a City or County representative. NAU has asked not to be a member of the FMPO Executive Board. Vice Chair Peru is willing to be the NAIPTA representative on the Executive FMPO Board. He wants to be sure he will add value for the NAIPTA Board. Mr. Holcomb stated he did not see any restraint or conflict in Vice Chair Peru advocating for NAIPTA. Ms. Mazza stated she supports NAIPTA being represented on the FMPO Executive Board. A transit voice would be helpful. It is not urgent to decide today. Director McCarthy recommended the NAIPTA Board have a voting seat on the FMPO Executive Board. Secretary Keene seconded. All approved, none opposed. Motion carried.

NAME	YES VOTE	NO VOTE
Jamie Whelan	X	
Steve Peru	X	
Joanne Keene	X	
Art Babbott	X	
Jim McCarthy	X	

Director McCarthy moved to appoint Vice Chair Peru to be the Board Member representative for NAIPTA. Secretary Keene seconded. All approved, none opposed, Vice Chair Peru abstained. Motion carried.

NAME	YES VOTE	NO VOTE
Jamie Whelan	X	
Steve Peru	Abstained	
Joanne Keene	X	
Art Babbott	X	
Jim McCarthy	X	

Ms. Mazza stated this still has to go to the FMPO for approval. Chair Whelan will send a letter to convey the NAIPTA Board decision.

11. REVIEW FY2020 MARKETING PLAN

-Jacki Lenners, Marketing and Communications Manager

The Board may provide direction, but there is no recommendation from staff at this time.



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Ms. Lenner noted the FY2020 Marketing Plan was in the agenda packet. This plan guides our marketing efforts for the Fiscal Year. There may be things that come up, and by having this plan it is easier to incorporate those items as they pop up. Some of the goals of the plan are to increase Mountain Line awareness and increase ridership; educate our current riders; promote our role as a community asset; promote specific programs and events, such as New Year's Eve service, Mountain Express Service and Get On Board Day; be more visible to non-riders; and communicate more effectively with employees. There is a mix of advertising and marketing. Staff attend in-person events at schools and in the community. There is a need to get out there and continue to be out in the community. Instagram will be added this year. Jake Bacon was hired to take photos and write some stories about our riders. His first 20 stories are amazing. The first quarterly e-newsletter was sent out last week. Please feel free to forward it to others. Ms. Mazza will be spending some time at the Downtown Connection Center (DCC) interacting with our riders. The school campaign includes some testimonials from parents on why they let their kids ride. She plans to report back with results and pass sales at a later date. A short video was shown. For those not on Instagram, Ms. Lenner will cross-post on Facebook as well. Chair Whelan shared that she had a conversation with Jake Bacon, and he reported he was moved by our operator stories and situations that were handled well. There is good training in place. Director McCarthy also reported an act of kindness he witnessed. One of our male operators, at the Olive Garden stop around lunchtime yesterday, helped an elderly woman board the bus. Ms. Mazza requested the video be pulled to find out who it was that offered assistance. Chair Whelan asked if we could get employers to promote our service. Ms. Lenner stated that approach is on hold until we receive the fare strategies report, which may support more flexibility regarding pass options in the future.

PROGRESS REPORTS:

- 12. REPORT ON FARE STRATEGIES STUDY**
-Heather Dalmolin, Administrative Director

Ms. Dalmolin noted there has been a delay due to dwell time data not being easily retrievable; shown in yellow on her chart in the PowerPoint presentation. The project is an estimated two weeks behind. This probably won't be a significant hold up, but the implementation plan will be delayed. Director McCarthy stated he understands there are some problems created by accepting cash, but he hopes we do not discontinue that option. Ms. Dalmolin said more than 50 percent of our customers pay with cash so we will not stop accepting cash; though we may try to convert more customers to using passes.

- 13. UPDATE ON BUS RAPID TRANSIT (BRT) PROJECT**
-Bizzy Collins, Transit Planner

Ms. Morley reported on behalf of Ms. Collins. She stated this quick update was inform the Board on recent public outreach efforts. She reviewed the public feedback





PowerPoint slide with the Board which is a screen shot of the responses so far. We are going through the National Environmental Policy Act (NEPA) process and discussing the alignment and some of the potential enhancements. The survey is open through August 30th and she encouraged Board members to share the survey with others. Then staff will run alternatives for stakeholders, mainly the technical group and see which alternative resonates. Then go back to the public and bring it to the Board. She stated staff are working with Mill Town and the City and plan to proceed with bus only lanes and a possible queue jump when the University/Milton alignment is done, which will reduce infrastructure and bring efficiencies. Director McCarthy said he has heard there may be a new Arizona Department of Transportation/Burlington Northern Santa Fe (ADOT/BNSF) bridge over Milton Road. He asked if there would be an opportunity to add lanes in the area for bus only lanes for the BRT if it would that be helpful. Ms. Morley replied that it would be good for the BRT or even just future expansion opportunities.

14. SUMMARY OF CURRENT EVENTS

-Erika Mazza, CEO and General Manager

Ms. Mazza recapped the following current events:

- The Strategic Plan survey is due today! Please take the survey if you haven't.
- BRT survey is being offered through the Flagstaff Community Forum
- Susan Eddy will be here on August 8th touring the BRT alignments
- APTA Peer Review – Here the last of August:
 - Carrie Butler, General Manager of Lextran in Lexington, KY
 - Dawn Disler, Executive Director of Akron Metro RTA in Akron, OH
 - Shawn Donaghy, CEO of C-Tran in Vancouver, WA
- Working on identifying updates TAC and BOD Rules of Procedures
- Mountain Line purchased reusable plates, cups, and cutlery to be used at employee, Board, TAC and other Mountain Line-hosted events
- Process of closing FY2019 year end, the earliest we have ever closed our books
- Awarded 5-year legal contract to Dickinson Wright
- Began procurement for new Compensation Study
- STIC (Small Transit Intensive Cities) bill sponsorship from Representative Stanton and pending Senator Sinema
- Two new ecoPASS programs with developers:
 - The Commons at Sawmill
 - Miramonte at Ponderosa
- Photos were shown of Senator McSally's visit on July 3rd
- A Map of the Museum Community Evacuation Response and Deviations was shown on screen
- Photos of the New Route 8 and new stop at The Standard on August 4th were shown on screen

Vice Chair Peru made a motion to move into Executive Session at approximately 11:35am. Director McCarthy seconded. All approved, none opposed. Motion carried. The Executive Session began a couple minutes later when the room cleared.





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EXECUTIVE SESSION

Executive sessions are closed to the public.

The Board considered a motion to convene an executive session pursuant to A.R.S. § 38-431.03(A)(3), (4) and (7) for the following purpose:

1. CEO Performance Review ARS. 38-431.03(A)(1) and (4).
2. Discussion and consultation with NAIPTA's attorney for legal advice and with NAIPTA's attorney and designated representatives of NAIPTA in order to consider its position and instruct its representatives regarding negotiations for the purchase of real property. ARS 38-431.03(A)(3), (4) and (7).

Following the conclusion of the Executive Session, the Board reconvened the public meeting at approximately 12:26pm.

ITEMS FROM COMMITTEE AND STAFF:

SCHEDULE NEXT MEETING DATE AND IDENTIFY AGENDA ITEMS

May/June Working Agenda

Strategic Workplan

The next Board meeting will be September 18, 2019 and will be a WebEx meeting based in Flagstaff in the NAIPTA Training Room, 3825 N. Kaspar Dr., Flagstaff, AZ 86004 at 10am. Parking will be available at 3773 N. Kaspar Dr. The public is invited to attend. September agenda items will include but not be limited to the AECOM Update, Transit Guidelines, Delegation of Authority and Procurement Resolutions, Annual Safety Report and a possible Executive Session for the CEO and General Manager Contract and Real Estate Discussion. The September 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 Board.

17. ADJOURNMENT -Chair Whelan adjourned the meeting at approximately 12:26pm.

Jamie Whelan, Chair of the NAIPTA Board of Directors

ATTEST:

Rhonda Cashman, Clerk of the Board



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