



Northern Arizona Intergovernmental Public Transportation Authority

3773 N. Kaspar Drive • Flagstaff, AZ 86004 • 928-679-8900 • FAX 928-779-6868 • www.mountainline.az.gov

NOTICE AND AGENDA OF ADVANCE OF THE BOARD OF DIRECTORS (BOD) AND TRANSIT ADVISORY COMMITTEE (TAC) OF THE NORTHERN ARIZONA INTERGOVERNMENTAL TRANSPORTATION AUTHORITY (NAIPTA)

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

Board and TAC Strategic Policy Advance
Thursday, October 3, 2019
9am – 2pm
Flagstaff Aquaplex
Community Room
1702 North Fourth Street
Flagstaff, AZ 86004

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.

Unless otherwise noted, this meeting held in the Community Room at the Flagstaff Aquaplex is open to the public. Public may observe and participate in the meeting at the address above.

AGENDA

-pages 1-2

1. Call to Order
2. Safety Minute
3. Welcome and Introductions/Roll Call
4. Board of Director’s Business Meeting

a. APPROVE BOARD MINUTES 9/18/2019 -pages 3-9

b. 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. Comments relating to items on the agenda will be taken at the time the item is discussed. 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.

DISCUSSION / ACTION ITEM:

c. CONSIDER THE FY2019 ANNUAL REPORT -pages 10-11

-Heather Dalmolin, Administrative Director



Getting you where you want to go





Northern Arizona Intergovernmental Public Transportation Authority

3773 N. Kaspar Drive · Flagstaff, AZ 86004 · 928-679-8900 · FAX 928-779-6868 · www.mountainline.az.gov

Staff recommends the Board of Directors approve the FY2019 Annual Report and authorize staff to submit the report to the State of Arizona and partner agencies as required in the Master IGA.

- 5. Goals for today
- 6. Update on the 5-Year Transit Plan – Ms. Morley -pages 12-13
- 7. Financial Overview – Ms. Dalmolin -pages 14-17
- 8. Review progress on 2019 Strategic Plan: Key Recommendations
- 9. Strategic Plan – Ms. Mazza/Ms. Ransom -pages 18-19
- 10. Lunch at approximately 11:30am
- 11. Strategic Plan continued – Ms. Mazza/Ms. Ransom
- 12. Performance Measures: Discussion on Key Performance Indicators

SCHEDULE NEXT MEETING DATE AND IDENTIFY AGENDA ITEMS

- November/December Working Agenda -page 20
- Strategic Workplan -pages 21-22

The next TAC meeting will be November 7, 2019 and will be a WebEx meeting based in Flagstaff in the NAIPTA Training Room, 3825 N. Kaspar Dr., (parking will be available at 3773 N. Kaspar Dr.), Flagstaff, AZ 86004 at 10am. The public is invited to attend. November agenda items will include but not be limited to the Budget Kickoff, Fare Study Report, Mountain Line Brand, On-Demand Plan, Strategic Work Plan Objectives, Employee Satisfaction Survey, Student Pass Update, Grant Award Notification, NAU Campus Entry Study - Close Intergovernmental Agreement (IGA), McConnell/Social and Behavioral Sciences (SBS) Progress Update and Possible Executive Session for Real Estate Discussion. The November 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 November 20, 2019 and will be a WebEx meeting based in Flagstaff in the NAIPTA Training Room, 3825 N. Kaspar Dr., (parking will be available at 3773 N. Kaspar Dr.), Flagstaff, AZ 86004 at 10am. The public is invited to attend. November agenda items will include but not be limited to the Budget Kickoff, Fare Study Report, Mountain Line Brand, On-Demand Plan, Strategic Work Plan Objectives, Employee Satisfaction Survey, Student Pass Update, Grant Award Notification, NAU Campus Entry Study - Close Intergovernmental Agreement (IGA), McConnell/Social and Behavioral Sciences (SBS) Progress Update and Possible Executive Session for Real Estate Discussion. The November 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.

- 13. Adjourn



Getting you where you want to go





Northern Arizona Intergovernmental Public Transportation Authority

3773 N. Kaspar Drive • Flagstaff, AZ 86004 • 928-679-8900 • FAX 928-779-6868 • www.mountainline.az.gov

Board of Directors Minutes for Wednesday, September 18, 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, September 18, 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, designee, approximately 10:05am arrival
- 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:

- Art Babbott, Board of Supervisors, Coconino County

NAIPTA STAFF IN ATTENDANCE:

- Erika Mazza, CEO and General Manager;
- Heather Dalmolin, Administrative Director;
- Jim Wagner, Operations Director;
- Kate Morley, Development Director;
- Jacki Lenners, Marketing and Communications Manager;
- Wade Forrest, Facilities Manager;
- Sam Short, Safety and Training Manager;
- Lauree Battice, Business Manager;
- Anne Dunno, Capital Project Manager;
- Bizzy Collins, Transit Planner;
- Estella Hollander, Mobility Planner;
- Robert Martinez, Technical Specialist;
- Rhonda Cashman, Executive Assistant and Clerk of the Board;



Getting you where you want to go





Northern Arizona Intergovernmental Public Transportation Authority

3773 N. Kaspar Drive • Flagstaff, AZ 86004 • 928-679-8900 • FAX 928-779-6868 • www.mountainline.az.gov

Scott Holcomb, NAIPTA Attorney, (WebEx), joined the meeting at approximately 10:04am

GUESTS PRESENT:

Jill Christensen, Biological Sciences, Northern Arizona University (NAU) and current Arizona State University (ASU) online student. Her capstone project is to try to get NAU students to ride the bus more. She is attending the meeting for observation and learning purposes.

1. CALL TO ORDER -Chair Whelan called the meeting to order at 10:01am.
2. ROLL CALL
3. SAFETY MINUTE

Mr. Short reported on traffic safety. He recommended leaving a safety cushion or zone around your vehicle while driving; allow approximately 3-6 seconds following distance from the vehicle ahead of you, depending on road conditions. If someone is tailgating you, leave more room in front of you, in case the vehicle in front of you slams on their brakes. He offered a friendly reminder about the 5 miles per hour speed limit in the parking lot. He also asked attendees to follow the traffic pattern in the parking lot, please don't cut through open parking spots. Please obey the east parking lot entrance signs; posted for no left turns.

4. APPROVAL OF MEETING MINUTES 8/21/2019:

Vice Chair Peru moved to approve the August 21, 2019 Board meeting minutes. Director McCarthy seconded. There was no discussion. All approved, none opposed. Motion carried.

NAME	YES VOTE	NO VOTE
Jamie Whelan	X	
Steve Peru	X	
Joanne Keene	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.



Getting you where you want to go





DISCUSSION / ACTION ITEMS:

6. UPDATE ON AECOM GENERAL CONSULTING SERVICES CONTRACT TASK ORDERS

-Kate Morley, Development Director

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

Ms. Morley provided an informational review for each task order and a chart was shown on screen for reference. Chair Whelan stated the Bicycle and Pedestrian Advisory Committee (BPAC) showed a design of the 4th Street / I-40 bridge at the Council meeting and were receiving funds for beautification. She stated maybe there would be some funds for beautification of bus stops. She was thinking of the Museum of Northern Arizona bus stop and how fantastic it looks. Ms. Morley responded that Mountain Line could consider this where it may be feasible. We try to keep bus stops similar and easy to maintain. Our guest, Ms. Christensen, stated she served on BPAC until just recently and they do their annual budget in October. If we need funding for landscaping of a bus stop or art related to the actual structure, she recommended contacting them.

7. CONSIDER MOUNTAIN LINE TRANSIT GUIDELINES

-Estella Hollander, Mobility Planner

Staff recommends the Board of Directors adopt the Mountain Line Transit Guidelines.

Ms. Mazza stated the draft Transit Guidelines document was not in the agenda packet. She would understand if the Board wanted to review the document before approving it. Some feedback was received from the City of Flagstaff. It is essentially a marketing plan for transit to accommodate all of our partners and potential developers; it was not written from an engineering perspective. It will be used regionally. Vice Chair Peru stated there is a difference between standards and guidelines. He felt the guidelines were a positive approach. Chair Whelan stated it is a smart approach. Ms. Hollander proceeded with her presentation noting the objectives, consistent criteria and the relationship between transit and land use. She reviewed best practices and benefits. Secretary Keene stated this is great and she had no concerns. Director McCarthy said he has not had a chance to read the document and asked about tabling it; however, he could support it if corrections could still be made at a later date. Ms. Mazza explained it is a working document and we may need to make changes down the road. Director McCarthy was supportive of it being a working document. Secretary Keene moved to approve the Transit Guidelines. Director McCarthy seconded. There was no discussion. All approved, none opposed. Motion carried.





Northern Arizona Intergovernmental Public Transportation Authority

3773 N. Kaspar Drive • Flagstaff, AZ 86004 • 928-679-8900 • FAX 928-779-6868 • www.mountainline.az.gov

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

8. CONSIDER DELEGATION OF AUTHORITY RESOLUTION 2020-100

-Heather Dalmolin, Administrative Director

Staff recommends the Board of Directors approve the Delegation of Authority Resolution 2020-100 authorizing the CEO and General Manager to authorize and execute agreements for transportation projects with public, non-profit and for-profit agencies for a period not to exceed 5 consecutive years and not to exceed \$100,000 per fiscal year.

Ms. Dalmolin reviewed the recommendation. Secretary Keene noted this resolution was discussed last month; she is supportive of it. She read it and has no concerns. Both Director McCarthy and Vice Chair Peru stated they were supportive of the resolution. Director McCarthy moved to approve the Delegation of Authority Resolution 2020-100 as presented. Secretary Keene seconded. There was no discussion. All approved, none opposed. Motion carried.

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

9. CONSIDER PROCUREMENT RESOLUTION 2020-110

-Heather Dalmolin, Administrative Director

Staff recommends the Board of Directors approve Procurement Resolution 2020-110 authorizing the CEO and General Manager to 1) authorize and award procurements and 2) execute contracts that support projects that are within the approved fiscal year budget, the 10-year financial plan, and which may be related to the approved annual Grant Resolution.

Ms. Dalmolin reviewed the recommendation, noting some changes on page 2, paragraphs 2 and 3 for clarification. She had these sections highlighted on the screen. Chair Whelan asked how updates would be done: email or at next meeting. Secretary Keene stated her preference was for a progress report at the next Board meeting. Ms. Dalmolin commented that the resolution will point to projects that are budgeted. She suggested looking at the handout and they should see the new projects in bold. Chair Whelan asked about the Mob on Demand, Sandbox Grant. Ms. Dalmolin stated it is a federally funded grant for mobility management options. Ms. Whelan commented on this being an excellent way to do business. Mr. Holcomb stated it is very progressive



Getting you where you want to go





Northern Arizona Intergovernmental Public Transportation Authority

3773 N. Kaspar Drive • Flagstaff, AZ 86004 • 928-679-8900 • FAX 928-779-6868 • www.mountainline.az.gov

and the Board should be proud of staff for bringing the resolution forward. Chair Whelan thanked staff and she mentioned the trust that has been built. Director McCarthy moved to approve the Procurement Resolution to allow the CEO and General Manager to authorize awards and execute contracts. Secretary Keene seconded. All approved, none opposed. Motion carried.

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

10. UPDATE TO MOUNTAIN LINE'S STRATEGIC WORK PLAN

-Erika Mazza, CEO and General Manager

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

Ms. Mazza provided an overview of the upcoming Advance. She noted the work that has been done since May. She reiterated her focus on 3 pillars: communication, safety and recruitment/retention. She talked about performance measures. She anticipates the review of the FY2019 Annual Report; the Midterm Transit Plan with some potential new service, mainly airport service; a Financial Review – Sustainable Future; review of the FY2019-FY2020 Work Plan Items and then transition into strategic planning. Staff has developed a list of items from the survey they did. Vice Chair Peru stated this conversation would have been very different if the ballot outcome last year would have been different. He asked that Mountain Line not shy away from those plans; discuss what we could have done and what we are doing. It will provide a springboard to start the conversation. Secretary Keene will not be able to attend, but she felt the Financial Overview is of importance since some organizations are starting to see signs of a recession. She stated even though Mountain Line was not successful with the ballot initiative last year, we are still doing a lot and the airport discussion will be a big opportunity. Ms. Mazza reported she will be meeting with Secretary Keene and Director Okoli. Director Okoli will be filling in for Secretary Keene at the Advance. Individual attendees are not confirmed yet.

PROGRESS REPORTS:

11. REPORT ON PUBLIC TRANSPORTATION AGENCY SAFETY PLAN (PTASP)

-Heather Dalmolin, Administrative Director

Ms. Mazza stated this progress report was in the agenda packet. She asked if anyone had any questions for Mr. Short. She imparted that moving forward progress reports would probably not have presentations in the interest of time, but the staff member will be present to answer any questions Board members may have on the topic. The



Getting you where you want to go





Northern Arizona Intergovernmental Public Transportation Authority

3773 N. Kaspar Drive • Flagstaff, AZ 86004 • 928-679-8900 • FAX 928-779-6868 • www.mountainline.az.gov

consensus was supportive of this approach and there were no questions on this topic at this time.

Ms. Mazza stated she emailed the current events to all members and the quarterly newsletter is being sent out as well.

Vice Chair Peru made a motion to move into Executive Session at approximately 10:47am. Director McCarthy seconded. All approved, none opposed. Motion carried. The Executive Session began a couple minutes later when the room cleared.

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

Ms. Mazza asked for Executive Session item 2 to be discussed first to streamline staff time. Ms. Mazza, Ms. Dalmolin and Ms. Morley remained in the room.

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 Contract Negotiation 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 11:52am.

DISCUSSION / ACTION ITEMS:

12. CEO AND GENERAL MANAGER'S CONTRACT

-Jamie Whelan, Board Chair

The Board of Directors may take action regarding the terms of the CEO and General Manager's Contract.



Getting you where you want to go





Northern Arizona Intergovernmental Public Transportation Authority

3773 N. Kaspar Drive • Flagstaff, AZ 86004 • 928-679-8900 • FAX 928-779-6868 • www.mountainline.az.gov

Secretary Keene moved to approve the CEO and General Manager’s contract as negotiated between the Board of Directors and Ms. Mazza. Director McCarthy seconded. There was no discussion. All approved, none opposed. Motion carried.

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

ITEMS FROM COMMITTEE AND STAFF:

SCHEDULE NEXT MEETING DATE AND IDENTIFY AGENDA ITEMS

May/June Working Agenda
Strategic Workplan

The next meeting will be a Joint Strategic Policy Advance for the Board and TAC on October 3, 2019 and will be at the Flagstaff Aquaplex, 1702 N. Fourth Street, Flagstaff, AZ 86004 at 9am. Please plan to attend in person. Lunch will be offered. The public is invited to attend. October agenda items will include but not be limited to the NAIPTA FY2019 Annual Report, Midterm Transit Plan/Bus Rapid Transit (BRT) Update, Financial Overview – Sustainable Future, and Strategic Work Plan. The October 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 and TAC.

The next Board meeting will be November 20, 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. November agenda items will include but not be limited to the Strategic Work Plan Objectives, Student Pass Update, Service Change Update, Grant Award Update, Mountain Line Re-Branding, On-Demand Plan, Employee Satisfaction Survey, Fare Study Report Adoption and the Budget Kickoff. The November 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 11:53am.

Jamie Whelan, Chair of the NAIPTA Board of Directors

ATTEST:

Rhonda Cashman, Clerk of the Board



Getting you where you want to go





Northern Arizona Intergovernmental Public Transportation Authority

3773 N. Kaspar Drive · Flagstaff, AZ 86004 · 928-679-8900 · FAX 928-779-6868 · www.mountainline.az.gov

DATE PREPARED: September 19, 2019

MEETING DATE: October 3, 2019

TO: Honorable Chairman and Members of the Board

FROM: Heather Dalmolin, Administrative Director

SUBJECT: Consider the FY2019 Annual Report

RECOMMENDATION:

Staff recommends the Board of Directors approve the FY2019 Annual Report and authorize staff to submit the report to the State of Arizona and partner agencies as required in the Master IGA.

RELATED STRATEGIC WORKPLAN OBJECTIVE

Guiding Principles:

- ❖ Strive for continuous improvement in all we do
- ❖ Be trustworthy and dependable

BACKGROUND:

In accordance with A.R.S. 28-9101 et seq. to establish an intergovernmental public transportation authority and the Master IGA signed on June 7, 2013, the Board will issue an annual report on or before December 1 containing a full account of the transactions, activities and finances for the preceding fiscal year and other facts and recommendations. The Board shall transmit copies of the report to each member municipality, university and county, to the Secretary of State, to the Arizona State Library, Archives and Public Records and, on request, to any member of the public.

The FY2019 Annual Report is a formal document designed to meet the state regulation. The report contains a summary of the activities, including performance data for all provided public transportation systems. The report provides an overview of FY2019 revenues and expenditures. The FY2019 performance information and financial data from the report is as presented to the Transit Advisory Committee and Board of Directors throughout the year. The financial data is reflective of the year end information as reviewed with and presented to each partner agency.

NAIPTA's annual financial audit is still pending and if anything changes as a result of the audit, an amended report will be filed no later than March 31, 2020 and presented to the TAC and Board in April 2020.

TAC DISCUSSION:

The TAC did not have an opportunity to review this item prior to the Board and TAC Advance.



Getting you where you want to go





Northern Arizona Intergovernmental Public Transportation Authority

3773 N. Kaspar Drive · Flagstaff, AZ 86004 · 928-679-8900 · FAX 928-779-6868 · www.mountainline.az.gov

ALTERNATIVES:

- 1. Approve the FY2019 Annual Report and authorize submission of Annual Report as per the requirements of the Master IGA (**recommended**): If the Board approves the Annual Report, staff can proceed with submission of the Annual Report on time and NAIPTA will remain compliant with the Master IGA as well as the State of Arizona regulations.
- 2. Do not approve the FY2019 Annual Report (**not recommended**): If the Board does not approve the report, staff will be delayed in submitting the Annual Report. This delay could mean NAIPTA would not meet the deadline for submission as required by the Arizona Revised Statutes.

FISCAL IMPACT:

There is no budgetary or financial impact with adoption of the FY2019 Annual Report.

SUBMITTED BY:

APPROVED BY:

Heather Dalmolin
Administrative Director

Erika Mazza
CEO and General Manager

ATTACHMENTS:

- 1. NAIPTA FY2019 Annual Report -separate from packet



Getting you where you want to go





DATE PREPARED: September 23, 2019

MEETING DATE: October 3, 2019

TO: Honorable Chair and Members of the Board

FROM: Kate Morley, Development Director

SUBJECT: Update on the 2017 5-Year Transit Plan

RECOMMENDATION:

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

RELATED STRATEGIC WORKPLAN OBJECTIVE

Guiding Principles:

- ❖ Collaborate to enhance service delivery
- ❖ Be fiscally responsible and responsive to changing demographics

BACKGROUND:

5-Year Plan

In December 2017, the NAIPTA Board adopted the Mountain Line 5-Year Transit Plan. Through that process, the Board decided that Mountain Line should continue to provide service to all the areas currently covered by the fixed route system and that, as additional funding was identified, service focus should advance ridership goals through additional frequencies on the current network. The 5-Year Transit Plan identified two scenarios for more frequency: The Short-Term Network and the Future Funding Scenario. The Short-Term Network identified additional frequency in Sunnyside and along US 180 (this was later determined not feasible with the current routing structure). The Future Funding Scenario identified additional increased frequencies along Soliere and Milton, as well as the extension of a route along W. Route 66 and possible future connections to the airport. This scenario also included providing later night service, on-demand services to new areas, and high frequency transit service from Woodlands Village to FMC. In addition, partners confirm the need for airport service may be in the near-term horizon due to the expansion of flights and associated parking concerns. Addressing the parking needs through 30-minute service that would run through the Ponderosa Trails neighborhood, (currently unserved) may be timely. As a note, the 5-Year Transit Plan only focused on the City of Flagstaff and did not address the need for regional services.

In December 2017, the NAIPTA Board decided to pursue Proposition 421, as a way to fund the additional frequencies approved in the Future Funding Scenario Plan. Upon the failure of the proposition, the only improvement Mountain Line could make under the zero-based approach was to Route 7. With the additional bus, Mountain Line brought peak frequencies on Route 7 from 30 minutes to 20 minutes, a considerable enhancement to service and convenience of the route. This increase has fulfilled the Short-



Getting you where you want to go





Term Network and Mountain Line will need to explore additional funding opportunities to complete the Future Funding Scenario/5-Year Transit Plan.

Capital Improvements

In addition to the above service expansions identified in the 5-Year Transit Plan, increased congestion, signal timing, and infrastructure challenges are creating negative impacts on runtimes (how long it takes a bus to complete a full lap on a route). For example, Route 14 once had substantial dwell time along the route and now, the route is barely able to return to the DCC in time for the operator to take a quick break. Similarly, Routes 66, 2 and 7 all are seeing similar year over year runtime increases that will ultimately result in our inability to provide service at existing frequencies with the same number of buses. Unless capital improvements are prioritized to enhance bus movements over general traffic, Mountain Line will be forced into choosing between finding funding for an additional bus on a route (approximately \$400,000 per route per year – not including additional bus capital) or reducing runtime, therefore reducing service levels. Such capital improvements, like the new Downtown Connection Center and Kaspar intersection, and future considerations such as, level boarding, off-bus fare collection (mobile ticketing), all-door boarding, in-lane stops, and stop consolidation shorten the time spent at bus stops, while dedicated lanes and signal priority (TSP) reduce the time spent stopped or crawling in traffic and at intersections. These improvements have been found to improve runtimes by upwards of 25% in other communities; TSPs alone can improve runtime by 10%, thus reducing the need for extra operational investments.

TAC DISCUSSION:

The TAC did not have an opportunity to review this item prior to the Board and TAC Advance.

FISCAL IMPACT:

Mountain Line has maximized the revenue from existing sources and additional funding (sources) are required if the NAIPTA Board desires to provide the community with additional transit enhancements and services.

SUBMITTED BY:

APPROVED BY:

Kate Morley
Development Director

Erika Mazza
CEO and General Manager

ATTACHMENTS:

None.





Northern Arizona Intergovernmental Public Transportation Authority

3773 N. Kaspar Drive · Flagstaff, AZ 86004 · 928-679-8900 · FAX 928-779-6868 · www.mountainline.az.gov

DATE PREPARED: September 19, 2019

MEETING DATE: October 3, 2019

TO: Honorable Chairman and Members of the Board

FROM: Heather Dalmolin, Administrative Director

SUBJECT: Financial Overview

RECOMMENDATION:

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

RELATED STRATEGIC WORKPLAN OBJECTIVE

Guiding Principles:

- ❖ Strive for continuous improvement in all we do
- ❖ Be trustworthy and dependable

BACKGROUND:

As we are approaching the FY2021 budget season and are drafting the Strategic Workplan for the next 3-5 years, we wanted to provide an overview of the current financial status of Mountain Line.

The transit tax within the City of Flagstaff was first approved in 2000 and was initially approved for 10 years. That original tax was renewed by the voters in 2008, as were 4 additional transit tax initiatives, making the new rate .00295, or \$0.295 on every \$100 purchase. The 2008 initiatives provided for:

- 1) Continuation of services and capital to support services (401),
- 2) Implementation and operation of Route 10 in partnership with NAU and other capital (402),
- 3) Fleet replacement with hybrid-electric buses and other capital (403),
- 4) Additional service to areas unserved and capital (404) and
- 5) Improved frequency on existing and added routes and capital (405).

The 2008 tax initiatives were also approved for 10 years and we went back to the voters in 2016 to renew the total tax rate under one initiative. In 2018, we attempted to increase transit funding through another tax initiative for additional services, but the measure was defeated. The taxes are collected and maintained by the City of Flagstaff with payment to Mountain Line based on service needs.

Revenues:

- Local Revenues
 - The tax was originally defined in 2000 at .00175, increasing by 59% to .00295 in 2008.
 - Annual Tax collection has increased from \$4,144,199 in 2009 (first year of new rate) to \$6,048,063 in 2018, an increase of 46%. The City is projecting a recession (decrease in revenues) from 2022 thru 2024, resulting in revenues below the 2018 total for the next 8 years.



Getting you where you want to go





Northern Arizona Intergovernmental Public Transportation Authority

3773 N. Kaspar Drive · Flagstaff, AZ 86004 · 928-679-8900 · FAX 928-779-6868 · www.mountainline.az.gov

- Federal Revenues
 - Annual Section 5307 appropriation has changed from \$744,974 in 2009 to \$1,142,800 in 2018, a 53% increase. Our projections are that this funding will remain flat with 2019 appropriation of \$1,158,536, as any increases in federal budget for Section 5307 are likely to be offset by new systems reaching 5307 eligibility.
 - In 2011 we started receiving Small Transit Intensive Cities funding (for reaching performance benchmarks of larger transit systems) as part of our Section 5307 appropriation. The amount of funding has increased 160%, from \$388,819 to \$1,010,013. This increase has 2 factors: we went from meeting 3 to 5 of the 6 factors and Congress provided a 1% increase to the STIC set aside. We are anticipating another 1% increase to the set aside in the next Federal Reauthorization, but this increase is not included within our financial assumptions.
 - We are using 100% of Section 5307 funds to offset local operating costs and this places us in a situation where we are overly reliant on federal funds to operate our system. It is FTA's preference to use 5307 funds for capital projects.
 - Annual Surface Transportation Block Grant (STBG, previously STP – Surface Transportation Program) funds are funds transferred from federal highway to transportation at state and local levels. Arizona's current 2018 transfer was \$62,276 up from \$31,416 in 2009 (it was \$95,285 in 2008), a 98% increase from 2009; however, we are still 35% below what was allocated in 2008. There is not an annual transfer locally, although Flagstaff Metropolitan Planning Organization has awarded us local STBG funds on several occasions for specific project needs. State STBG funds are included in our financial plan and are projected to remain flat at 2018 transfer amount while local STBG is not included due to competitive nature of these funds. We do use these funds to support annual maintenance and replacement of bus stop/passenger shelters as they are restricted to capital use.
 - Section 5339 funding is for capital programs and available to us through competitive processes conducted at both the federal and state level. (This funding replaced Section 5309 funding that was received in past as a result of congressional earmark noted upon the passing of funding bills.) We are fortunate to have received funding from the Section 5339 program; however, as the current funding is only available through competitive process, our financial plan does not project future funding.
- State Revenues
 - We currently receive competitive 5310 and 5311 program funds for elderly and disabled mobility programs and programs that serve our rural populations (e.g. Vanpools, Winslow).
 - Since FY2011, we no longer receive Local Transportation Assistance Fund (LTAF) II funds, which were dedicated State transit funding; a loss of \$142,000 per year. Currently, there is no state-wide dedicated funding for transit programs/operations.

Operating and Capital Costs:

- Cost of service per hour has grown from \$72.30 in 2009 to \$98.14 in 2018, a change of 36%.
- Average bus cost (using cost of hybrid-electric bus) has increased from \$536,700 to \$646,012, a change of 21%.
- In order to fulfil our 2008 tax initiatives, service hours have grown from 53,695 in FY2009 to 81,806 in FY2019, an increase of 52%.
- Additionally, the minimum wage has changed locally from \$7.25 in 2009 to \$11.00 in 2018 and continues to increase to \$15.00 in FY2021 and to \$15.50 in FY2022, a total increase of 114%. Operator starting wage has increased from \$12 in 2009 to \$16.42 in 2018, an increase of 31%.



Getting you where you want to go





Northern Arizona Intergovernmental Public Transportation Authority

3773 N. Kaspar Drive · Flagstaff, AZ 86004 · 928-679-8900 · FAX 928-779-6868 · www.mountainline.az.gov

- Other costs like fuel and employee benefits have seen increases of 30% and 40% respectively over the last 10 years.

We anticipated that our operating cost per hour for FY2019 would be \$91.54 and actual was \$98.14. The bulk of the increase was in wages and fuel. We have continued to have staffing shortages in our operator positions (vacancy, medical or other leave, etc.), creating a demand for overtime that we did not foresee. The use of articulated buses has increased our fuel consumption at a rate that was not predicted at the start of the year. FY2020 cost per hour is anticipated to be \$97.90 and while we don't yet have any projections available, we continue to have overtime that exceeds our budgeted amount.

Capital need is identified through our capital improvement plan which serves two purposes 1) anticipate capital expansion and replacement projects, and 2) allow for us to apply for grants. Our capital program is dependent on competitive federal funds. As awarded, these funds require at least a 20% local match. Although the financial plan does not project future federal funds, the plan does anticipate that we obtain additional capital (grant) funds to replace buses and, as such, our financial plan includes an annual capital reserve set-aside for bus replacement. This affords us the local match reserve for replacement of vehicles as they reach end of life. The actual replacement program is dependent on success of future federal competitive applications. Other capital projects are dependent on same success in federal funding and require local matching funds.

Next Steps:

In order to maintain our competitive edge and resiliency, we have begun taking proactive steps to reduce costs including:

- Reviewing our staffing plan to hire more full-time operators using our variable and overtime budgets in the hopes of shoring up our staffing shortages and reducing overtime expenses;
- Develop a more cost-effective, stream-lined approach to providing required paratransit services;
- Working with community partners to strategize how we can increase talent pool for CDL positions and determine a path to work together on training, wage setting, etc.;
- Completing a Capital and Operating Analysis to determine if we can improve on operational service delivery and planning for efficient infrastructure improvements;
- Completing a compensation study to look at wage structure and evaluate changes necessary to remain competitive and attractive in consideration of wage changes, and to identify a 10-year sustainable plan under today's funding scenario;
- Evaluating fare structure and fare rates to determine if changes can or should be made, including projection of impact to fare collection; and
- Determine what additional transit funding is necessary to implement service as identified in the 5-year plan.

In summary, our 5-year outlook demonstrates adequate capacity to continue to provide service at current levels and to provide for capital replacement, identified (approved) capital improvements, and preventative maintenance. In order to provide the community the level of transit service they requested in the 5-Year Transit Plan, we would need to identify new or expanded revenue sources, with a keen eye to inflation and long-term resiliency.

TAC DISCUSSION:

The TAC did not have an opportunity to review this item prior to the Board and TAC Advance.



Getting you where you want to go





Northern Arizona Intergovernmental Public Transportation Authority

3773 N. Kaspar Drive · Flagstaff, AZ 86004 · 928-679-8900 · FAX 928-779-6868 · www.mountainline.az.gov

SUBMITTED BY:

APPROVED BY:

Heather Dalmolin
Administrative Director

Erika Mazza
CEO and General Manager

ATTACHMENTS:

None.



Getting you where you want to go





Northern Arizona Intergovernmental Public Transportation Authority

3773 N. Kaspar Drive · Flagstaff, AZ 86004 · 928-679-8900 · FAX 928-779-6868 · www.mountainline.az.gov

DATE PREPARED: September 24, 2019

MEETING DATE: October 3, 2019

TO: Honorable Chair and Members of the Board

FROM: Erika Mazza, CEO and General Manager

SUBJECT: Mountain Line's Strategic Policy Advance

RECOMMENDATION:

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

BACKGROUND:

The NAIPTA Board of Directors (Board) and the Transit Advisory Committee (TAC) met on December 6, 2018 for NAIPTA's 2019 Strategic Advance and at the May 15, 2019 Joint Meeting to discuss developing a new Strategic Plan. The new Strategic Plan will be Mountain Line's roadmap for improving public transportation over the next 5 years. Future decision-making and investments made by Mountain Line will be driven by this plan. The Strategic Plan will contain a set of goals to achieve in order to meet the needs and the community and to make our vision a reality. Through the plan, there will an identification of Strategies and Task (actions) that are necessary to accomplish the goals. This will include a phased action plan of major initiatives and projects; this is a critical step for everyone (staff, Board, community) knows what Mountain Line will focus on and when. In order to make sure we stay on track; we will develop measurement tools that measure our progress and benchmark us against our peers.

At the October 3rd Strategic Policy Advance, Mountain Line desires to develop a more comprehensive Strategic Plan document that includes developing specific goals, objectives, performance measures, and providing linkages to community goals. Subsequently, the NAIPTA Board will then approve annual work plan items and timelines that are coordinated with an annual budget development.

Staff selected The Rayvan Group, LLC to assist with developing Mountain Line's Strategic Plan. The Rayvan Group has worked with local non-profits and government entities to develop strategic visions, budgets, fundraising techniques, and has assisted with board development. Jarrett Ransom will be guiding Mountain Line's Strategic Plan development.

Between the May Joint Meeting and the October 3rd Strategic Policy Advance, staff, along with The Rayvan Group, developed a process that frames a successful plan, established the process to develop priorities, and identified the process to create specific and measurable content.

The timeline for the Strategic Plan development is as follows:

At the May Joint meeting, Ms. Ransom walked NAIPTA TAC and Board through identifying what a successful plan looks like for Mountain Line. Subsequently, staff requested a follow up survey to aid in



Getting you where you want to go





Northern Arizona Intergovernmental Public Transportation Authority

3773 N. Kaspar Drive · Flagstaff, AZ 86004 · 928-679-8900 · FAX 928-779-6868 · www.mountainline.az.gov

establishing priorities for goal setting. Through this information, draft goals and objectives have been prepared for presentation and discussion at the October Advance.

The October 3rd Strategic Policy Advance meeting will focus on discussing/finalizing draft goals and objectives, identify performance measure parameters, and confirm linkage to broader community goals. In addition, there will be a focus on the annual work plan items which will afford Mountain Line staff the opportunity to link the annual work plan to the FY2021 budget development.

TAC DISCUSSION:

The TAC did not have an opportunity to review this item prior to the Board and TAC Advance.

FISCAL IMPACT:

Although creating a Strategic Plan has no immediate costs associated, the costs associated with developing the plan with The Rayvan Group, LLC is within our overall budget for programs and services. Moving forward, implementation of projects will have financial impacts to our current and future budgets. The details of the financial impacts will be explored further in the October Joint Meeting and during the FY2021 budgeting process. The NAIPTA TAC and Board can assume that all objectives within the Strategic Work Plan will be brought forth in a manner that fully explores all opportunities and impacts prior to implementation.

SUBMITTED BY:

Erika Mazza
CEO and General Manager

ATTACHMENTS:

None.



Getting you where you want to go



November: TAC Meeting is Thursday, 11/7 Board Meeting is Wednesday, 11/20

ITEMS:	WHO & WHAT:
Safety Minute	
Budget Kickoff	Heather D - D/A
Fare Study Report	Heather D -D/A
Mountain Line Brand	Jacki - D/A
On-Demand Plan	Estella - D/A
Strategic Work Plan Objectives	Erika - D/A
Employee Satisfaction Survey	Danelle - D/A
Student Pass Update	Jacki - PR
Grant Award Notification – Could be Multiple	TBD - PR
NAU Campus Entry Study – Close IGA	Anne - PR
McConnell/SBS Progress Update	Anne - PR
Procurement/Signature Delegation of Authority Updates	Erika - PR
Current Events	Erika - PR
Possible Executive Session for DCC Discussion	Erika/Board Chair
December/January Agenda Calendar	
Strategic Workplan	

December: TAC Meeting is Thursday, 12/6 Board Meeting is Wednesday, 12/18

ITEMS:	WHO & WHAT:
Safety Minute	
DCC RFI (Dec)	Heather D - D/A
Annual Cybersecurity Update	Jon - D/A
Service Change Update	Kate - D/A
Electrification Plan	Kate - D/A
BRT Update	Bizzy/Kate - D/A
Revision of the Rules of Procedure	Rhonda - D/A
Review FY2020 and FY2021 Meeting Calendars (Possible Conflicts in March and April for BOD)	Rhonda - D/A
APTA Outcome of Peer City Review	Erika - D/A
Current Events	Erika - PR
Possible Executive Session for DCC Discussion	Erika/Board Chair
January/February Agenda Calendar	
Strategic Workplan	



2019 Strategic Work Plan

MISSION

Getting You Where You Want To Go

VISION

To create the finest public transportation experience making NAIPTA services an excellent choice for Northern Arizona Communities.

GUIDING PRINCIPLES

- Treat everyone with respect
- Show initiative, imagination and creativity
- Collaborate to enhance service delivery
- Strive for continuous improvement in all we do
- View risks as opportunities
- Put the customer first
- Be environmental stewards
- Be trustworthy and dependable
- Be fiscally responsible and responsive to changing demographics

5 YEAR HORIZON

- Plan with attention to “green” opportunities and long-term sustainability.
- Apply imagination, creativity and innovation to improve the service we deliver.
- Evaluate the effectiveness of our brand, name and image in creating stronger ties with the public.
- Build cooperative relationships regionally to expand and enhance NAIPTA’s positive impact.
- Establish financial policies and seek revenue sources to maintain fiscal strength.
- Follow through on promises we have made.

10 YEAR HORIZON

- NAIPTA will be a seamless, inclusive regional system that is fully supported by member communities.
- NAIPTA will be known for finishing what we start in a responsible, professional and timely manner.
- People will know NAIPTA... people will use NAIPTA. Marketing has succeeded.
- NAIPTA will be known for living the guiding principles.



Getting you where you want to go





Northern Arizona Intergovernmental Public Transportation Authority

3773 N. Kaspar Drive • Flagstaff, AZ 86004 • 928-679-8900 • FAX 928-779-6868 • www.mountainline.az.gov

Key Recommendations

- Plan with attention to “green” opportunities and long-term sustainability.
 - Participate in autonomous bus feasibility consortium: evaluate how this new technology will enhance our service to the community.
 - Develop performance measures that are in line with regional policies and community goals.
- Apply imagination, creativity and innovation to improve the service we deliver.
 - Explore and evaluate community expectations for maintaining and growing an exceptional transit system that is valued by riders and non-riders alike.
- Evaluate the effectiveness of our brand, name and image in creating stronger ties with the public.
 - Evaluate the Mountain Line and NAIPTA brand. Develop and implement strategies for growing our community presence and identity.
- Build cooperative relationships regionally to expand and enhance NAIPTA’s positive impact.
 - NAIPTA will work with community partners to procure ownership or access to a new Downtown Connection Center.
 - Partner with the City on development and implementation of Proposition 419, enhancing opportunities for transit and active modal investments within transit corridors.
 - Coordinate advocacy at state and federal levels as Federal transit reauthorization and sequestration are being considered this year.
 - NAIPTA will continue to work with the City to develop Transit Guidelines and development criteria.
- Establish financial policies and seek revenue sources to maintain fiscal strength.
 - NAIPTA will develop a fare strategy, revenue generation, and pass distribution plan that results in increased ridership and increased fare-box return.
 - Explore additional revenue generators through private developments, partnerships, and other innovative practices.
 - Assess and modify (as needed) financial policies that reflect funding splits in line with federal expectations.
- Follow through on promises we have made – Focus on Frequency Policy.
 - Continue providing high quality service and implement routing changes and upgrades based on recommendations from the 2017 Short-Term Network (zero-based) Plan.
 - Develop an On-Demand Study and identify implementation strategies for testing pilot programs that enhance our service to the community.



Getting you where you want to go

