



## Board of Directors Minutes for Wednesday, June 17, 2020

**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, June 17, 2020 at 10am in the Mountain Line Training Room, 3825 N. Kaspar Dr., Flagstaff, AZ 86004.

This was a WEB BASED meeting. Members of the Board attended by telephone or internet conferencing only. The public was invited to observe by electronic means only, due to the current public health emergency related to the Coronavirus.

***BOARD MEMBERS PRESENT:***

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

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

Art Babbott, Board of Supervisors, Coconino County, (WebEx), joined at approximately 10:03am;

Jim McCarthy, City Councilor, City of Flagstaff, (WebEx);

Dan Okoli, Vice President of Capital Planning and Campus Operations, NAU, designee, (WebEx)

*\*Three of our five Board member seats must be present to constitute a quorum.*

*\*\*The City of Flagstaff holds two seats.*

***BOARD MEMBERS EXCUSED:***

None.

***MOUNTAIN LINE STAFF IN ATTENDANCE:***

Heather Dalmolin, CEO and General Manager;

Kate Morley, Deputy General Manager;

Jim Wagner, Operations Director (WebEx);

Wade Forrest, Facilities Manager;

Sam Short, Safety Manager, left at approximately 10:07am;

Jon Matthies, IT Manager;

Anne Dunno, Capital Planning Manager, arrived at approximately 11am;

Bizzy Collins, Transit Planner, arrived at approximately 10:06am;

Danelle Knight, Employee Relations Generalist, (WebEx);

Rhonda Cashman, Executive Assistant and Clerk of the Board;

Scott Holcomb, Mountain Line Attorney, (WebEx)





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### GUESTS PRESENT:

Josh Maher, Associate Vice President for Community Relations, NAU, alternate, (WebEx);  
Rick Tadder, Management Services Director, City of Flagstaff, (WebEx), joined at approximately 10:09am and left at approximately 11:01am;  
Kylie McCord, CTE, (WebEx), left meeting at approximately 11:35am;  
Stephen Clermont, CTE, (WebEx), left meeting at approximately 11:35am;  
Taylor Baldwin, CTE, (WebEx), left meeting at approximately 11:35am;  
Matt Boothe, CTE, (WebEx), left meeting at approximately 11:35am

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

Mr. Short delivered the safety message regarding employee wellness and the Employee Assistance Program (EAP). He noted this is an unprecedented time as the COVID-19 pandemic continues, and now the country is dealing with the tragedy in Minnesota. For many this means dealing with increased anxiety and fear. There have been new stresses at home and at work. Mountain Line wants to remind everyone employee wellness is paramount to our mission; they are not alone and there are resources to assist them and their families. Employees are encouraged to get the help they need. The number of authorized EAP visits have been doubled through the end of the year for Mountain Line employees.

4. APPROVAL OF THE BOARD AND TAC JOINT MEETING MINUTES 5/20/2020

Director McCarthy moved to approve the May 20, 2020 Board and TAC joint meeting minutes. Director Babbott seconded. There was no discussion. All approved, none opposed. Motion carried.

NAME	YES VOTE	NO VOTE
Jamie Whelan	X	
Steve Peru	X	
Art Babbott	X	
Jim McCarthy	X	
Dan Okoli	X	

### DISCUSSION / ACTION ITEMS:

5. CONSIDER AND APPROVE THE FY2021 BUDGET  
-Heather Dalmolin, CEO and General Manager



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Staff requests the Board of Directors approve the FY2021 Proposed Budget for a total expense budget of \$48,351,176, operating of \$9,508,223 and capital of \$38,842,954.

Ms. Dalmolin reviewed a PowerPoint presentation with the Board. She discussed the sustainability of the Financial Plan for a minimum of 5 years; which supports the current service levels, asset management and preventative maintenance; provide local match for grants and capital replacement of vehicles and assets; and includes a minimum of 20% operations fund balance. A recession projection for the City and County local sales tax was shared. In the Transit Tax slide, the orange line will be used, which has been reduced per the City sales tax revenue projections. COVID-19 will impact fares, but the one-time CARES Act funding will cover the shortfall of tax and fares. Director Babbott commented that the recession impact shared is only one snapshot for one sector and there are going to be other impacts to consider. A pre-COVID-19 graph of the Fund Balance noting a 10 percent requirement was shown, as well as an updated Fund Balance graph with a dotted 20 percent fund balance line. The Compensation Plan slide reviewed some of the key factors of why the Pay Plan is important: 50 percent of employees are operators; 4.5 percent below market when considering the cost of living in Flagstaff; 2 percent increase in FY2020 as compared to a greater increase in the minimum wage; wage compression come January when the minimum wage increases again; overtime is costly and can lead to staff burnout and increased risk; turnover cost is estimated to be \$22,000 per employee; and staff absenteeism is at about 20 percent due to COVID-19, which could make it difficult to return to full service. The Compensation Plan was adopted, and the Pay Plan would have a total cost of \$197,000 in FY2021. The Proposed Budget has the Pay Plan for all non-exempt staff in place with the balance in contingency for exempt staff if revenue triggers are met on a quarterly basis. The Board would have to approve these potential increases for exempt staff each quarter. She reviewed the broader FY2021 Proposed Budget: Revenue, Expenses and Capital from local and federal sources, depending on grants and partner match; Cost by Program; synopsis of Capital Projects; and Budget Alternatives. Ms. Dalmolin stated there would be updated performance measures and a recession plan brought to the Board in August. There was a lengthy discussion. Director Babbott expressed his reasons why he could not support the Pay Plan and thus, could not support the recommended budget. The other Directors all weighed in and offered their support, though they wish to remain cautious and monitor the status of the budget on an on-going basis. All Directors were appreciative of the work done by staff. Director McCarthy moved to approve the FY2021 budget as presented and discussed. Vice Chair Peru seconded. Vice Chair Peru confirmed with staff that any Pay Plan change requests would come back to the Board when triggers were met. Four approved, one opposed. Motion carried.



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NAME	YES VOTE	NO VOTE
Jamie Whelan	X	
Steve Peru	X	
Art Babbott		X
Jim McCarthy	X	
Dan Okoli	X	

**6. CONSIDER ADOPTION OF THE TRANSIT ASSET MANAGEMENT PLAN**

-Wade Forrest, Facilities Manager

Staff recommends the Board of Directors adopt the Transit Asset Management Plan.

Mr. Forrest shared a PowerPoint presentation with the Board. He defined a transit asset management system per the Federal Transit Administration (FTA) rule. The asset inventory, as well as performance targets and measures were reviewed. TAM goals and objectives were shared. The TAM Plan aligns with and is supported by the management approach in multiple areas. Vice Chair Peru moved to approve this item as presented. Director McCarthy seconded. There was no discussion. All approved, none opposed. Motion carried.

NAME	YES VOTE	NO VOTE
Jamie Whelan	X	
Steve Peru	X	
Art Babbott	X	
Jim McCarthy	X	
Dan Okoli	X	

**7. CONTINUATION OF TERM IN FY2021 FOR THE CHAIR AND VICE CHAIR OF THE BOARD OF DIRECTORS**

-Rhonda Cashman, Executive Assistant and Clerk of the Board

Staff recommends the Board of Directors affirm the continuation of the current Chair and Vice Chair for FY2021, effective July 1, 2020 and ending June 30, 2021.

Ms. Cashman reported Directors Whelan and Peru are willing to continue in their respective positions under the new Rules of Procedure Section 5.3, Election and Re-election of Officers, (e) Continuity Extension, for FY2021 if it is the pleasure of the Board. Otherwise, nominations can be taken. Director McCarthy moved to approve as recommended and stated his support for the officers to continue. Director Okoli seconded. There was no discussion. All approved, none opposed. Motion carried.

NAME	YES VOTE	NO VOTE
Jamie Whelan	X	
Steve Peru	X	
Art Babbott	X	
Jim McCarthy	X	
Dan Okoli	X	





8. CONSIDER THE ZERO EMISSIONS BUS (ZEB) TRANSITION PLAN

-Bizzy Collins, Transit Planner

Staff recommends the Board of Directors provide staff with direction on the policy tradeoffs between emissions savings and cost for the fleet technologies available.

Ms. Collins provided an overview on the ZEB Transition Plan. She noted up front staff are looking for direction to assist in planning over the next 12 years. The fleet replacement schedule was shared in her PowerPoint presentation, starting in 2022-2023 with a little gap, then will resume in 2026-2032. It will coincide with the construction of the Downtown Connection Center (DCC) in 2022-2024. Other capital plans will also align. She asked, “What role does Mountain Line play in meeting community goals?” and “Should Mountain Line invest in reduced emission vehicles and infrastructure at a higher cost?” She shared slides with a Green House Gas (GHG) emissions comparison by type of bus and stated Mountain Line may be able to meet the City’s GHG goal of 80 percent reduction in GHG emissions by 2050 with Battery-Electric buses. There was a question from Chair Whelan about the sustainability of the batteries and where the batteries go after their useful life. Ms. Collins replied that battery replacement is anticipated about every 7 years with the additional warranty purchase. Ms. Morley noted that batteries can be contained, and a solution will come for disposal of the batteries, whereas emissions cannot be contained. Ms. Collins shared a chart showing the estimated full fleet transition cost in 2032 as a comparison by type of bus. There is an opportunity now to plan for a phased approach to implementation of the Battery-Electric option. Funding would be sought through grants and local match. Arizona Public Service (APS) would become a partner in providing the electricity. She reiterated the need for policy direction – “Should Mountain Line transition to a greener fleet in light of community goals and the 2008 vote, despite the higher costs?” There was a question from Director McCarthy about the increased cost for bus replacement with Battery-Electric technology. Ms. Collins replied that there are grants available for low and no emission vehicles through FTA at an 80/20 split. Kate added that the capital (blue) and infrastructure (purple) on the chart would be eligible for grants. Partnering with our utility company for the electricity (fuel-red) and through other partnerships, hopefully the total cost to Mountain Line could be reduced. Chair Whelan commented on this consideration being very exciting. Director Babbott complimented staff on their excellent job sharing the big picture, long term. “Many times, there are short term hurdles to get where you want.” He stated he was comfortable with the recommendation to pursue Battery-Electric technology. He asked if there were any technology vulnerabilities between the options. Kate responded that there are some slightly different vulnerabilities, but generally the technology is there. Mountain Line can build in a structure that is resilient for Battery-Electric components. Chair Whelan noted if Battery-Electric technology is pursued, then the DCC would be built to accommodate. Ms. Dalmolin stated there would be additional financial investment required for Battery-Electric buses as the Financial Plan is based on bus replacement at identical cost. The Board was supportive of planning for future transition to Battery-Electric technology in a fiscally responsible way to reduce emissions.







9. CONSIDER AND ADOPT FACE COVERING REQUIREMENT FOR TRANSIT PASSENGERS

-Heather Dalmolin, CEO and General Manager

Staff requests the Board of Directors approve requirement for all transit passengers to wear a face covering while riding in transit vehicles, waiting at bus stops, and while at the connection centers.

Ms. Dalmolin stated this item was not taken to the TAC and staff did not want to wait until August. The request was triggered by the City of Phoenix requiring face covering on public transit, Valley Metro. The Arizona Transit Association (AzTA) is working on a statewide initiative. This request is in line with Center for Disease Control (CDC) guidance. We now have roughly 14,000 masks to offer to those who do not have one. This practice will be key to keeping operators and passengers safe. Director McCarthy stated that Amtrak requires staff and passengers to have a face covering and it makes sense. Some people will not like it, but he would support this requirement. It may even increase ridership if passengers feel safer. Director Maher asked what percentage of riders are voluntarily wearing a face covering absent any marketing efforts. Ms. Dalmolin reported that less than 50 percent of passengers are currently wearing a face covering voluntarily. Staff were trying to decide to implement a marketing campaign recommending or requiring a face covering on transit; staff will proceed based on the Board decision. Overall, the Board was very supportive and understood the need for this request. Vice Chair Peru asked about the status of barriers for operators. Ms. Dalmolin stated they are not installed yet. Some problems were created with glare that need to be resolved or staff will find another solution on the market. Vice Chair Peru recommended incorporating the masks into the overall marketing strategy. Mr. Holcomb stated he attended a roundtable discussion in which a panel of doctors said face coverings were the only way to control the spread of the virus. That organization voted unanimously to require masks. Dr. Okoli reported Northern Arizona University (NAU) would be requiring masks in the fall when students return. He asked how this would be controlled on the buses. Ms. Dalmolin stated a face covering will be offered to those who do not have one. If they refuse to wear it, service can be refused. The campaign will be strategically implemented. Director McCarthy moved to approve the face covering requirement policy as recommended for staff and passengers, with the provision that one would be provided if someone did not have a face covering of their own, and included this practice would be in force until the Board reverses it. Director Babbott seconded. There was no further discussion. All approved, none opposed. Motion carried.

NAME	YES VOTE	NO VOTE
Jamie Whelan	X	
Steve Peru	X	
Art Babbott	X	
Jim McCarthy	X	
Dan Okoli	X	





Chair Whelan requested this policy be included in all marketing. Ms. Dalmolin offered the assurance that it would be incorporated into the total message.

**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 CONSENT 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.

**10. CONSIDER THE DISADVANTAGED BUSINESS ENTERPRISE (DBE) GOAL FFY2021-FFY2023**

-Heather Higgins, Purchasing Specialist

Staff recommends the Board of Directors approve the updated DBE goal for FFY2021-FFY2023 of 3%, based on Federal Transit Administration (FTA) guidance for goal setting and as adjusted per Arizona Department of Transportation (ADOT) Disparity Study 2020.

**11. CONSIDER THE FY2021 COLLECTIVE GRANT RESOLUTION, 2021-100, AND THE FY2021-FY2025 TRANSIT PROGRAM FROM THE TRANSPORTATION IMPROVEMENT PROGRAM**

-Heather Dalmolin, CEO and General Manager

Staff recommends the Board of Directors: 1) Approve the FY2021 Collective Grant Resolution, Resolution 2021-100, for federal and state transit grant applications and subsequent executions as necessary to support transit programs within the 10-year financial plan; and 2) Approve the Transit Program from the FY2021-FY2025 regional Transportation Improvement Program.

**12. CONSIDER THE PROCUREMENT RESOLUTION 2021-110**

-Heather Dalmolin, CEO and General Manager

Staff recommends the Board of Directors approve Procurement Resolution 2021-110 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.

**13. CONSIDER AN INTERGOVERNMENTAL AGREEMENT (IGA) WITH NORTHERN ARIZONA UNIVERSITY (NAU) FOR THE DEVELOPMENT OF THE CAMPUS BUS STORAGE FACILITY**

-Kate Morley, Deputy General Manager

Staff recommends the Board of Directors authorize the CEO and General Manager to execute an Intergovernmental Agreement (IGA) with Northern Arizona University (NAU) for the development of the Campus Bus Storage Facility.





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- 14. CONSIDER APPROVAL OF SECTION 5310 SUPPLEMENTAL FUNDS APPLICATION FOR \$600,000 AND EXECUTION OF CONTRACT  
-Estella Hollander, Mobility Planner  
Staff recommends the Board of Directors: 1) Authorize staff to submit application to the Arizona Department of Transportation (ADOT) for Section 5310 Supplemental Funds in the amount of \$600,000; and 2) Execute the contract of award.
- 15. CONSIDER VALUATION FOR FY2021 ANNUAL JOB ORDER CONTRACTING (JOC) FOR HORIZONTAL TRANSIT FACILITIES ASSOCIATED WITH BUS STOPS  
-Anne Dunno, Capital Project Manager  
Staff recommends the Board of Directors authorize Mountain Line CEO and General Manager to execute Job Orders under RFP 2019-106 in an amount not to exceed \$185,000.
- 16. CONSIDER FY2021 TASK ORDERS TO AECOM TECHNICAL SERVICES, INC.  
-Kate Morley, Deputy General Manager  
Staff recommends the Board of Directors authorize the CEO and General Manager to redistribute prior approved Task Order valuations as FY2021 carry forward in value of \$1,954,526 for AECOM Technical Services, Inc contract.
- 17. CONSIDER RENEWAL OF LINE OF CREDIT FROM WELLS FARGO FOR \$500,000  
-Heather Dalmolin, CEO and General Manager  
Staff recommends the Board of Directors authorize Mountain Line CEO and General Manager to renew and activate the Wells Fargo credit line in an amount of up to \$500,000 to provide cash flow assistance if necessary, to meet cash flow commitments during fiscal year 2020-2021.
- 18. CONSIDER AN UPDATED PERSONNEL POLICY MANUAL  
-Danelle Knight, Employee Relations Generalist  
Staff recommends the Board of Directors adopt various updates to Mountain Line policies to incorporate changes that reflect both regulatory requirements and Mountain Line’s actual practices.

The Board considered the consent agenda in one motion. Vice Chair Peru move to approve the consent agenda, items 10-18. Director McCarthy seconded. There was no discussion. All approved, none opposed. Motion carried.

NAME	YES VOTE	NO VOTE
Jamie Whelan	X	
Steve Peru	X	
Art Babbott	X	
Jim McCarthy	X	
Dan Okoli	X	



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**PROGRESS REPORTS:**

- 19. NOTICE OF COMPLETION: MILTION CAMPUS ENTRY STUDY  
-Anne Dunno, Capital Project Manager
- 20. SUMMARY OF CURRENT EVENTS  
-Heather Dalmolin, CEO and General Manager

There were no questions regarding the progress reports.

Directors Babbott and Okoli noted they needed to leave the meeting at 11:50am and 12:00pm respectively.

Director McCarthy made a motion to move into executive session at approximately 11:46am. Vice Chair Peru seconded. There was no discussion. All approved, none opposed. Motion carried.

NAME	YES VOTE	NO VOTE
Jamie Whelan	X	
Steve Peru	X	
Art Babbott	X	
Jim McCarthy	X	
Dan Okoli	X	

**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) for the following purpose:

- 1. Discussion and consultation with Mountain Line’s attorney for legal advice and with Mountain Line’s attorney and designated representatives, including the Mountain Line Interim CEO and General Manager, regarding the CEO and General Manager position and the Deputy General Manager position. A.R.S. § 38-431.03(A)(1), (3) and (4).

Following the conclusion of the Executive Session, the Board reconvened the public Meeting at approximately 12:08pm.

**DISCUSSION / ACTION ITEMS:**

- 21. CONSIDER THE CEO AND GENERAL MANAGER CONTRACT  
The Board of Directors may consider taking action on the CEO and General Manager Contract.





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Chair Whelan explained to Ms. Dalmolin that the Board is prepared to offer her the permanent CEO and General Manager position, subject to contract negotiations and then she may name her Deputy General Manager. Director McCarthy so moved. Director Maher seconded. Director McCarthy commented that it is up to her, but he and the Board have been pleased with the working relationship between Ms. Dalmolin and Ms. Morley. All approved, none opposed. Motion carried.

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

Chair Whelan informed Ms. Dalmolin she and Vice Chair Peru will begin working on the contract terms. Chair Whelan said she would be in touch with her for negotiations. Contract approval by the Board should be expected in August.

## ITEMS FROM COMMITTEE AND STAFF:

### SCHEDULE NEXT MEETING DATE AND IDENTIFY AGENDA ITEMS

#### August/September Working Agenda

The next Board meeting will be August 19, 2020 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. August agenda items will include but not be limited to the Active Transportation Master Plan, Disadvantaged Business Enterprise (DBE) Goal, Annual Cybersecurity Report, Human Trafficking Campaign, Central Yavapai Metropolitan Planning Organization (CYMPO) Request for Service and IGA, Strategic Plan Updates, Annual Safety Report, Emergency Operations Center (EOC) Update, Pandemic Updates by Department, Maintenance Updates, and Delegation Authority Update: Agreements, Grants, and Procurements. The August 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.

**22. ADJOURNMENT** -Chair Whelan adjourned the meeting at approximately 12:13pm.

\_\_\_\_\_  
Jamie Whelan, Chair of the Mountain Line Board of Directors

ATTEST:

\_\_\_\_\_  
Rhonda Cashman, Executive Assistant and Clerk of the Board



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