



Mountain Line

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Board of Directors Minutes for Wednesday, February 17, 2021

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, February 17, 2021 at 10am in the Mountain Line Training Room, 3773 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:

Steve Peru, (Chair), Chief External Affairs Officer, CCC, designee, (Zoom);
Adam Shimoni, (Vice Chair), City Councilor, City of Flagstaff, (Zoom);
Dan Okoli, VP of Capital Planning and Campus Operations, NAU, designee, (Zoom), joined at approximately 10:25am;
Miranda Sweet, City Councilor, City of Flagstaff, (Zoom);
Patrice Horstman, Board of Supervisors, Coconino County, alternate, (Zoom), left at approximately 11:43am

**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, (Zoom);
Lauree Battice, Management Services Director, (Zoom);
Danelle Knight, Human Resource Manager, (Zoom);
Sam Short, Safety Manager, (Zoom);
Jon Matthies, IT Manager;
Bizzy Collins, Transit Planner, (Zoom);
Rhonda Cashman, Executive Assistant and Clerk of the Board;
Scott Holcomb, Mountain Line Attorney, (Zoom)

GUESTS PRESENT:

Jim McCarthy, Councilmember, City of Flagstaff, (Zoom), left at approximately 10:15am;
Julian Wolff, Executive Assistant to Supervisor Horstman, (Zoom)

1. CALL TO ORDER -Chair Peru called the meeting to order at approximately 10:02am.
2. ROLL CALL

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Chair Peru acknowledged Councilmember McCarthy’s service on the Mountain Line board over several years; thanked him for his time and wisdom, and our continued partnership with the City. Ms. Dalmolin, Director Shimoni, Mr. Holcomb also communicated their gratitude. Councilmember McCarthy conveyed his continued support of transit and as the current Chair of MetroPlan, he stated he will remain involved with transportation, all modes, and he looks forward to working together to get things done.

3. SAFETY MINUTE
-Sam Short, Safety Manager

Mr. Short reported excessive sitting can lead to health risks. It is important to try to stand when possible throughout the workday and to try to exercise before and after work as our bodies are designed for movement.

4. APPROVAL OF THE MINUTES FOR 1/20/2021:

Director Horstman moved to approve the January 20, 2021 minutes. Director Sweet seconded. There was no discussion. All approved, none opposed. Motion carried.

NAME	YES VOTE	NO VOTE
Steve Peru	X	
Adam Shimoni	X	
Miranda Sweet	X	
Patrice Horstman	X	

DISCUSSION / ACTION ITEMS:

5. ELECTION OF VICE CHAIR OF THE BOARD OF DIRECTORS

-Rhonda Cashman, Executive Assistant and Clerk of the Board

Staff recommends the Board of Directors elect a Vice Chair for the remainder FY2021, effective immediately.

Ms. Cashman provided the recent history of the Vice Chair vacancy and information from the Rules of Procedure regarding an election. Chair Peru requested to postpone the election until after the arrival of Director Okoli, as he was expected to attend the meeting.

Chair Peru went back to this item after the item #7 discussion. Director Shimoni nominated Director Okoli and he accepted. Director Okoli nominated Director Shimoni and he accepted. Director Horstman moved to close nominations. Director Sweet seconded. All approved, none opposed. Motion carried.

NAME	YES VOTE	NO VOTE
Steve Peru	X	
Dan Okoli	X	
Adam Shimoni	X	
Miranda Sweet	X	
Patrice Horstman	X	

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Chair Peru noted the closure of nominations and asked if either candidate wanted to back out of the running. Director Okoli requested to withdraw, due to transition in leadership happening at Northern Arizona University (NAU) he felt it would be best if Director Shimoni could be Vice Chair at this point. Director Shimoni said he would be happy to serve. Director Horstman moved to approve Director Shimoni as Vice Chair. Director Okoli seconded. There was no further discussion. All approved, none opposed. Motion carried.

NAME	YES VOTE	NO VOTE
Steve Peru	X	
Dan Okoli	X	
Adam Shimoni	X	
Miranda Sweet	X	
Patrice Horstman	X	

6. CONSIDER AND APPROVE THE SECOND FY2021 BUDGET REVISION

-Heather Dalmolin, CEO and General Manager

Staff requests the Board of Directors approve the Second FY2021 Budget Revision for a total change not to exceed \$40,438.88 to move 50% of delayed wage adjustment for exempt staff effective January 1, 2021 from contingency to wages and employee related expenses (ERE).

Ms. Dalmolin provided some historical information related to the FY2021 budget process and shared a PowerPoint presentation. She explained the Board approved the budget with exempt staff compensation increases held in contingency until certain revenue triggers were met, due to the pandemic and possible recession. The first budget revision was approved in November 2020. The current transit tax revenue projections from the City were reviewed. Free fare was implemented in March and continued through October 2020, at a loss of approximately \$500,000. Mountain Line did receive \$7.2 million in Coronavirus Aid, Relief, and Economic Security (CARES) Act funding which has deferred use of Transit Tax funds as reflected in the fund balance graph. Chair Peru stated going into COVID last spring necessitated caution; the revenue triggers have been met with documentation. Director Horstman noted appropriate wages are important for staff and she asked about the triggers. Ms. Dalmolin responded the revenue triggers were related to the Transit Tax which has projected higher than originally anticipated revenues. Director Shimoni moved to approve the proposed FY2021 budget revision. Director Horstman seconded. There was no discussion. All approved, none opposed. Motion carried.

NAME	YES VOTE	NO VOTE
Steve Peru	X	
Adam Shimoni	X	
Miranda Sweet	X	
Patrice Horstman	X	

7. APS RATE STRUCTURE AND ELECTRIC BUSES

-Bizzy Collins, Transit Planner

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Ms. Collins reviewed a PowerPoint presentation with the Board starting with a slide showing a bus charging cost graph under the current Arizona Public Service (APS) rate structure. It was noted that only a fraction of the cost is for the actual energy, peak demand charges account for the rest of the cost. According to the Zero Emission Bus (ZEB) Transition Plan, the cost of peak demand charges would need to be reduced by 30 percent to bring cost for charging to equivalent of the cost of operating our current Hybrid-Electric fleet. She noted the requirement of charging infrastructure and greater investment for each electric bus. There is an Arizona Statewide Transportation Electrification (AZTE) Plan being created. The effort is being led by utility companies. She participated in the third and final workshop on February 10th and was hoping for a concrete outcome, but it did not happen. Collaboration with APS at the local level will be required. Any rate changes would be decided by the Arizona Corporation Commission (ACC). The Arizona Transit Association (AzTA) has formed an Electric Bus Group to assist transit agencies with meeting their electrification goals. They have had three meetings so far. AZTA brought their legislative liaison into the conversation and the group is looking for a path forward. Ms. Collins stated she would provide updates to the Board periodically. Chair Peru communicated this item will continue to be monitored. Mr. Holcomb suggested contacting the League of Cities and Towns for support in this venture. Chair Peru agreed there may be effective partnerships with the City of Flagstaff as another stakeholder group locally, and through the larger League association. Director Shimoni was appreciative of the presentation. He expressed his support to advocate through the League or any needs from City Council.

8. UPDATE ON THE BUS RAPID TRANSIT PROJECT IN RELATIONSHIP TO THE MILTON CORRIDOR MASTER PLAN

-Bizzy Collins, Transit Planner

This item is for information and discussion only.

Ms. Collins briefly reviewed that Bus Rapid Transit (BRT) is a collection of tools that make transit more competitive with cars. She explained the BRT project has been delayed by the Milton Road Corridor Master Plan (CMP) as there is a 1.5 mile overlap in the projects on Milton Road. The CMP has moved forward very slowly, and it could be finalized in May. The Arizona Department of Transportation (ADOT) public process revealed two top ranking alternatives. The top ranking was Alternative 5: street and sidewalk widened, dedicated bike lane, and buses mixed with traffic. The second highest ranking was the No Build Hybrid scenario, which is small bike/ped or light improvements at certain locations in the corridor with no street or sidewalk widening. This recommendation is made in part because the studies have shown that adding lanes on Milton Road will not improve congestion or travel time. Ms. Collins confirmed that in the public comment survey, ADOT asked how many buildings should be removed and reported that there was strong opposition to right-of-way impacts. Staff conveyed they anticipate ADOT will select the No Build Hybrid scenario, offering the planned BRT project few operational efficiencies and financial value. CMP stakeholders are scheduled to meet next week to discuss spot improvements. Staff recently held a candid discussion with the Federal Transit Administration (FTA) regarding options and FTA was very supportive of a potential shift in funds to the Downtown Connection Center (DCC) project. Staff were told the BRT could be paused and withdrawn from the Capital Investment Grant (CIG) Program without prejudice for future application for funding. The Board will be asked to take action in the future on remaining funding. There was substantial discussion regarding disappointment in ADOT's vision for the

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Milton corridor, perhaps not the right timing for BRT, right-of-way challenges, City plans, what would happen if Alternative 5 were chosen, and how those changes might be prioritized. Ms. Dalmolin shared that the remaining BRT funds would still be part of the BRT alignment focusing on the piece that supports the DCC. Vice Chair Shimoni stated the City's Active Transportation Master Plan will soon be open for public comment. Chair Peru noted his appreciation for the thoughtful observations and feedback expressed.

9. REVIEW MOUNTAIN LINE SERVICE REQUIREMENTS AND FINANCIAL MANAGEMENT PRACTICES

-Heather Dalmolin, CEO and General Manager

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

Ms. Dalmolin outlined the three segments of this Board education item. She stated she will proceed quickly due to the time constraint for discussion of other items on the agenda. She noted she would be happy to discuss further with any members of the Board as requested. The federal requirements for provision of Paratransit were reviewed along with costs and other options being considered as more cost effective ways to provide same service. Ms. Dalmolin presented a review of Mountain Line's funding sources, review and reporting processes, annual budget process, and performance reporting. Chair Peru commented this item is not for action, but to make Board members aware of practices and the importance of understanding the processes. There were a couple questions related to the cost of paratransit vehicles versus taxi trips. Ms. Dalmolin explained we try to make the taxi program an attractive option; however, we are not allowed to require a paratransit customer to use the taxi. Microtransit is another type of demand response service option that may soon be available. The hope is that we can integrate the two services to help reduce paratransit costs as incurred while vehicles are waiting for the next scheduled trip. The paratransit budget for FY2021 is reflective of the maximum service demand possible. Ms. Dalmolin confirmed that projected cost will actually be lower as we do not currently have that level of demand and are currently under budget. She reported the quarterly performance report will be presented next month and the FY2022 budget discussions will play out over the next couple months. There was no further discussion.

10. ROUTE 8 EXTENSION

-Kate Morley, Deputy General Manager

This item is for information and discussion only.

Ms. Morley provided some history on this topic. The Board has identified the extension of Route 8; however, there is no funding at this time. Additional funding, potentially from one or more of the developments along the extension, is needed to provide transit service to the proposed neighborhood. Sky Cottages is a development of approximately 200 rental units on Woody Mountain Road. Previous Board direction was to gain a commitment for funding from the developer, through the City planning and zoning process. Ms. Morley reported on efforts to gain entry to the City's process and developer agreement and commented on the recent challenge when staff was left with no option but to negotiate for transit at the dais of a City Council meeting in which the development was presented for consideration. Vice Chair Shimoni offered to promote the discussion with City staff. Chair Peru suggested that we need an opportunity to weigh in and avoid the awkwardness at the dais, suggesting we pursue that

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partnership further with the City of Flagstaff. Vice Chair Shimoni commented that the leverage to require transit is questionable. Ms. Morley explained Mountain Line is invited to write responses to permit requests and that we felt that staff attempted to work with the developer on our request, but there is no requirement for transit considerations in the City process. The incentive of transit services passes for all residents, in exchange for the funding commitment, was offered to the developer. Vice Chair Shimoni expressed that Mountain Line should not have to go it alone with the developer and that developers need to support community goals. He stated a desire to assist, offering to facilitate a meeting with all staff involved and Director Sweet. Chair Peru reiterated a need for this developer, and future developers, to contribute to transit. There was no further discussion.

11. REVIEW RESULTS OF THE OCTOBER 2020 EMPLOYEE SURVEY

-Heather Dalmolin, CEO and General Manager -pages 34-35

No action is recommended; however, the Board may direct staff on modifications to employee programs and or future Employee Surveys including survey instruments or methodology.

Ms. Dalmolin reminded Board members the employee survey has historically been done twice a year. The March 2020 survey was not done due to the onset of COVID-19 resulting in staff time and resources directed to health and safety measures. The results being presented were from October/November 2020. It was the first time the survey was primarily conducted electronically, although some staff requested and received paper surveys. The CEO, Deputy General Manager, and executive team do not participate in the survey. Overall, she reported most categories show improvement, some by a whole point or more. She noted staff will be working through the comments provided and next steps are to evaluate the survey tool and process. There were questions about participation in this survey compared to previous surveys, what might have increased employee satisfaction, and how the results are shared. Ms. Dalmolin responded that the participation was down about 10 percent, which might be attributed to being offered electronically versus at staff meetings. She attributed the increase to two key items: 1) The operations department was restructured to diversify and increase support for public facing staff members. 2) Employees might feel more connected due to COVID awareness efforts which in turn increased one-on-one contact, conversations and communication. She noted the survey results are shared with staff, including responses to comments, via email to employees, copies placed in the breakroom, and through the electronic employee newsletter.

PROGRESS REPORTS:

12. SUMMARY OF CURRENT EVENTS

-Heather Dalmolin, CEO and General Manager

Ms. Dalmolin reported the County updated its priority groups for the COVID vaccine and it is now available to Mountain Line employees.

ITEMS FROM COMMITTEE AND STAFF:

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SCHEDULE NEXT MEETING DATE AND IDENTIFY AGENDA ITEMS

March/April Working Agenda

The next Board meeting will be March 24, 2021 and it will be a Zoom meeting based in Flagstaff in the Mountain Line Training Room, 3773 N. Kaspar Dr., Flagstaff, AZ 86004 at 10am. The public is invited to attend. March agenda items will include but not be limited to the FY2020 Financial Audit Report, Low or No Emission Program Grant, Bus Rapid Transit (BRT) Update, Downtown Connection Center (DCC) Update, Bus Stop Improvement Report/New Job Order, Board Education Opportunity, Quarterly Performance Report, and Delegation of Authority Updates. The March agenda will be available for review on Mountain Line's website and at Mountain Line's public posting places (listed on the Mountain Line 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. ADJOURNMENT -Chair Peru adjourned the meeting at approximately 11:56am.

Steve Peru, Chair of the Mountain Line Board of Directors

ATTEST:

Rhonda Cashman, Executive Assistant and Clerk of the Board

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