



Board of Directors Special Meeting Minutes for Wednesday, October 13, 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 Special Session on Wednesday, October 13, 2021, at 8:30am in the Mountain Line Training Room, 3773 N. Kaspar Dr., Flagstaff, AZ 86004.

This was a WEB BASED meeting. Members of the Board and staff 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:

Adam Shimoni, (Chair), City Councilor, City of Flagstaff, (Zoom);
Dan Okoli, (Vice Chair), VP of Capital Planning and Campus Operations, NAU, designee, (Zoom);
Miranda Sweet, City Councilor, City of Flagstaff, (Zoom);
Jeronimo Vasquez, Board of Supervisors, Coconino County, (Zoom);
Tony Williams, Dean of Student Affairs, CCC, designee, (Zoom)

**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;
James Wagner, Operations Director, (Zoom);
Jon Matthies, IT Manager;
Scott Holcomb, Mountain Line Attorney, (Zoom)

GUESTS PRESENT:

None.

Ms. Dalmolin welcomed Board members and noted Ms. Cashman was scheduled off that day. She thanked members for their time to attend this special meeting to address an important issue. She expressed her appreciation for having all Board members present.

1. CALL TO ORDER -Chair Shimoni called the meeting to order at approximately 8:30am.
2. ROLL CALL





DISCUSSION / ACTION ITEMS:

3. RECRUITMENT AND RETENTION STRATEGIES

-Heather Dalmolin, CEO and General Manager

Staff recommends the Board of Directors authorize the CEO and General Manager of Mountain Line to implement a reoccurring pay increase not to exceed \$570,960 as part of a renewed strategy to recruit and retain employees. While this increase is off-budget, the FY2022 impact will be paid for by the American Rescue Plan funding from the Federal Transit Administration and have no impact on City of Flagstaff or other partners.

Ms. Dalmolin stated that Mountain Line is approaching crisis mode related to the staffing shortage that is impacting our operator schedules right now. Additionally, there is growing concern amongst team members about employers offering hiring starting wages for less complex positions and the team is hoping an increase in pay will keep Mountain Line competitive. She reviewed points outlined in the staff report regarding a variety of strategies designed to improve the ability to recruit and retain staff, primarily operators. She reported Coconino Community College (CCC) is averaging about 4-8 graduates from their Commercial Driver's License (CDL) program every 3 weeks and employers are being encouraged to approach the graduates with job opportunities. She provided a preview of the handout that marketing has developed to support Mountain Line's recruitment efforts. Ms. Dalmolin stated Mountain Line is already down about 10 operators. She reviewed the wage comparison information from other CDL employers in the community and noted some of the base pay amounts are currently being supplemented by a \$5 an hour stipend, as well as sign on bonuses, etc. She explained the financial impact of the proposed wage increase would be funded by American Rescue Plan funding this year and then it will be built into our operations costs going forward, which will have an impact on the Transit Tax in future years. She stated the goal right now is to attract and retain employees to alleviate staff burnout. Currently, some operators are working 40-80 hours over overtime per pay period, which is a safety risk and prevents work/life balance for those employees. She reviewed other recruitment and retention strategies staff are proposing. She noted a change in how scheduling will be done; continuing to focus on seniority is acting out as a detriment in the process to recruit and retain new staff and staff are working toward new employees having equal access to bids (schedules) and overtime, while seniority has other benefit options available to them for their years of service. She explained the service reduction plan, noting this is a last resort and would be implemented incrementally due to the known fact of negatively impacting ridership. She stated Route 10 has actually been operating with 4 buses, instead of 5 buses, since March 2020 at the beginning of the pandemic. She shared her concern over continuing to ask operators to work so much overtime. She communicated that the \$3 per hour increase is for all hourly employees.

Ms. Dalmolin fielded questions and comments regarding clarification of how this pay increase will be funded beyond the first year if planning to keep up with inflation, clarification of fixed or pay range for hourly employees, and clarification of the service reduction plan and proposed culture change. Ms. Dalmolin explained the \$570,000 is the total needed to increase wages for our 75 hourly employees by \$3 per hour; an off-budget expenditure to be covered by federal





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American Rescue Plan funds Mountain Line received for the current fiscal year. She noted in future years the wage increase would be rolled into our budget and covered by a combination of fares, Transit Tax funds, and federal funding. She stated inflation and other growth is included in the budget process at a Consumer Price Index (CPI) of approximately 2 percent which has been successfully used to predict costs for about 20 years. She noted the fund balance has been tested several times to ensure it can withstand this pay increase along with additional service and the transition to battery-electric buses. She commented there would be more discussion about these other items at the Board and TAC Advance. She explained there are two types of pay plans, one is for operations positions with a fixed 10-step table and other positions that are in open pay ranges. She clarified the service reduction plan is listed in order of cuts that would be made if needed, one step at a time if we don't have success with recruitment or have loss of staff. Additional reduction will be a last resort. She provided further explanation regarding a proposed culture change; currently senior operators have first choice of bids and overtime schedules, so newer operators have very little choice in their schedule. Staff would like to see this process be more equitable for all operators. Overall Board members appreciated the detailed presentation, they support the strategies for recruitment and retention, and they understand the need to offer competitive wages with this pay increase. Ms. Dalmolin added that she did review this plan with the City Manager because it will impact the Transit Tax in future years, and he was supportive of the plan. Director Vasquez moved to approve the reoccurring pay increase as presented. Vice Chair Okoli seconded. There was no further discussion. All approved, none opposed. Motion carried.

| NAME | YES VOTE | NO VOTE |
|------------------|----------|---------|
| Adam Shimoni | X | |
| Dan Okoli | X | |
| Miranda Sweet | X | |
| Jeronimo Vasquez | X | |
| Tony Williams | X | |

ITEMS FROM COMMITTEE AND STAFF:

Ms. Dalmolin expressed her gratitude for our Board members' time, and she stated she would be letting staff know about the Board's decision.

Mr. Holcomb offered to be available at the next special Board meeting on Wednesday, October 27th, if needed. Ms. Dalmolin stated she would take summary minutes if that was agreeable to Chair Shimoni, so Ms. Cashman, her direct report, and Mr. Holcomb would not need to be present for the executive session. Chair Shimoni supported her decision.

NEXT MEETING DATES

The Board and TAC Strategic Advance will be held on Wednesday, October 20, 2021 at 9am. The Zoom meeting will be based in Flagstaff in the Mountain Line Training Room, 3773 N. Kaspar Dr., Flagstaff, AZ 86004. The public is invited to attend. October agenda items will include but not be limited to the FY2021 Annual Report, Financial Update, and Flagstaff in Motion. The October agenda will be available for review on Mountain Line's website and at Mountain Line's public posting places

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(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 and TAC.

A special Board meeting has been called for Wednesday, October 27, 2021. It will be a Zoom meeting based in Flagstaff in the Mountain Line Training Room, 3773 N. Kaspar Dr., Flagstaff, AZ 86004 at 9am for the purpose of conducting the CEO and General Manager Evaluation in executive session.

The next Board meeting will be Monday, November 22, 2021 and 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. November agenda items will include but not be limited to Flagstaff in Motion, Safety Plan Implementation, Fares Update, Budget Process Kickoff, Strategic Plan Review, Mobile Ticketing/Real-Time Arrival App, Downtown Connection Center Update, Milton Corridor Master Plan (CMP), Campus Bus Storage Facility Update, Workforce Utilization Report, and Delegation of Authority Updates. The November 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.

14. ADJOURNMENT -Chair Shimoni adjourned the meeting at approximately 9:03am.

Adam Shimoni, Chair of the Mountain Line Board of Directors

ATTEST:

Rhonda Cashman, Executive Assistant and Clerk of the Board

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