



Mountain Line

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NOTICE AND AGENDA OF PUBLIC MEETING AND POSSIBLE EXECUTIVE SESSION OF THE BOARD OF DIRECTORS (BOD) OF THE NORTHERN ARIZONA INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the Board of Directors (BOD) of the Northern Arizona Intergovernmental Public Transportation Authority ("Mountain Line") and to the general public that the Board will hold a meeting on:

Wednesday, April 19, 2023

10:00am

Mountain Line VERA Room

3773 N. Kaspar Dr.

Flagstaff, AZ 86004

Unless otherwise noted, meetings held in the conference room are open to the public. This is a WEB BASED meeting. Members of the Board of Directors may attend in person, by internet conferencing, or by telephone. The public may observe and participate in the meeting at the address above.

The Board of Directors may vote to hold an executive session for the purpose of obtaining legal advice from Mountain Line's attorney on any matter listed on the agenda pursuant to A.R.S. § 38-431.03(A)(3). The executive session may be held at any time during the meeting. Executive sessions are not open to the public, pursuant to Arizona Open Meeting Law.

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.

The agenda for the meeting is as follows:

-pages 1-3

1. CALL TO ORDER
2. ROLL CALL
3. SAFETY MINUTE
-Sam Short, Safety Manager
4. CALL TO THE PUBLIC
5. MILESTONE ANNIVERSARY
-Heather Dalmolin, CEO and General Manager
6. APPROVAL OF MINUTES 3/22/2023

-pages 4-9

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DISCUSSION / ACTION ITEMS:

7. FY2022 FINANCIAL AUDIT REPORT -pages 10-17
-Josh Stone, Management Services Director
Staff recommends the Board of Directors approve the FY2022 Financial Audit Report as completed by Fester and Chapman P.C. and filed as required by March 31, 2023.
8. THE METROPLAN AND MOUNTAIN LINE COORDINATED PUBLIC TRANSIT – HUMAN SERVICES TRANSPORTATION PLAN -pages 18-20
-Mitch Reddy, Associate Transit Planner
Staff recommends the Board of Directors adopt the MetroPlan & Mountain Line Coordinated Public Transit - Human Services Transportation Plan.
9. ZERO-FARE POLICY -pages 21-24
-Heather Dalmolin, CEO and General Manager
Staff recommends that the Board of Directors direct staff to develop a plan to 1) test zero-fare policies as a consideration in a potential transit tax extension or expansion and 2) make Mountain Line zero-fare for all riders no later than the end of FY2025.
10. FY2024 CAPITAL BUDGET -pages 25-26
-Heather Dalmolin, CEO and General Manager
The Board may provide direction, but there is no recommendation from staff at this time.
11. BUS STOP EQUITY ANALYSIS UPDATE -pages 27-29
-Anne Dunno, Capital Project Manager
The Board may provide direction, but there is no recommendation from staff at this time.
12. MOUNTAIN EXPRESS SERVICE FOR 2022-2023 -pages 30-31
-Estella Hollander, Mobility Planner
The Board may provide direction, but there is no recommendation from staff at this time.

PROGRESS REPORTS:

13. DELEGATIONS OF AUTHORITY -pages 32-33
-Heather Dalmolin, CEO and General Manager
14. SUMMARY OF CURRENT EVENTS -pages 34-35
-Heather Dalmolin, CEO and General Manager

EXECUTIVE SESSION

Executive sessions are closed to the public.

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The Board will consider a motion to convene an executive session pursuant to A.R.S. § 38-431.03(A)(3) and (4) 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, regarding the Riggs v. NAIPTA litigation. ARS § 38-431.03(A)(3) and (4).
2. Discussion and consultation with Mountain Line's attorney for legal advice and with Mountain Line's attorney and designated representatives, regarding the Papanastasopoulos v. NAIPTA litigation. ARS § 38-431.03(A)(3) and (4).

Following the conclusion of the Executive Session, the Board will reconvene the public meeting.

ITEMS FROM COMMITTEE AND STAFF:

SCHEDULE NEXT MEETING DATE AND IDENTIFY AGENDA ITEMS

May/June Working Agenda

-page 36

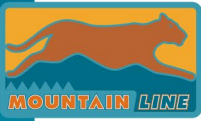
The Board and TAC Joint meeting will be held on Wednesday, May 17, 2023. It will be held in person at the Flagstaff Aquaplex, in the Community Room, 1702 N. Fourth Street, Flagstaff, AZ 86004 at 10am. The public is invited to attend. May agenda items may include but not be limited to Budget Presentation, Strategic Plan Review, Key Performance Indicators, Review Mission, Vision, Goals, Guiding Principles, Staff Development and Succession Planning, and Delegation of Authority Updates. The May 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 and TAC.

The next Board meeting will be June 21, 2023 and will be a hybrid in-person and Zoom meeting based in Flagstaff in the Mountain Line VERA Room, 3773 N. Kaspar Dr., Flagstaff, AZ 86004 at 10am. The public is invited to attend. June agenda items may include but not be limited to Budget Approval, Key Performance Indicators Adoption, DBE Goal Setting, Procurement Resolution, Grant Resolution, Line of Credit, Personnel Policy Manual Updates, Annual Cybersecurity Report, Meeting Calendar Review, and Delegation of Authority Updates. The June 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.

15. ADJOURNMENT

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Board of Directors Minutes for Wednesday, March 22, 2023

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, March 22, 2023, at 10:00am in the Mountain Line VERA Room, 3773 N. Kaspar Dr., Flagstaff, AZ 86004. This was a WEB BASED meeting. Members of the Board and Mountain Line staff attended in person, by internet conferencing, or by telephone. The public was invited to attend.

BOARD MEMBERS PRESENT:

Tony Williams, (Chair), Dean of Student Affairs, CCC, designee, (Zoom);
Jeronimo Vasquez, (Vice Chair), Board of Supervisors, Coconino County, (Zoom);
Miranda Sweet, Vice Mayor, City of Flagstaff;
Lori Matthews, City Councilor, City of Flagstaff, (Zoom);
Josh Maher, Associate VP for Community Relations, NAU, alternate, (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, (In Person and Zoom);
Jim Wagner, Operations Director, (Zoom);
Josh Stone, Management Services Director, (Zoom);
Jacki Lenner, Marketing and Communications Director, (Zoom);
Sam Short, Safety Manager, (Zoom);
Jeremiah McVicker, Maintenance Manager;
Bizzy Collins, Strategic Performance Planner;
Estella Hollander, Mobility Planner;
Mitch Reddy, Associate Transit Planner, (Zoom);
Heather Higgins, Purchasing and Contracts Officer, (Zoom);
Jon Matthies, IT Manager;
Rhonda Cashman, Executive Assistant and Clerk of the Board;
Scott Holcomb, Mountain Line Attorney, (Zoom)

GUESTS PRESENT:

Judy Begay, Board of Supervisors, Coconino County, alternate, (Zoom);
Robert Weber, Transit Administrator, City of Sedona, (Zoom), left at approximately 10:25am

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





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3. SAFETY MINUTE

-Sam Short, Safety Manager

Mr. Short reported on flooding. He noted how important it is to follow warnings to avoid the risk of drowning.

4. CALL TO THE PUBLIC

There were no members of the public in attendance.

5. APPROVAL OF MINUTES 2/15/2023

Director Maher moved to approve the minutes for February 15, 2023. Director Sweet seconded. There was no discussion. All approved, none opposed. Motion carried.

NAME	YES VOTE	NO VOTE
Tony Williams	X	
Jeronimo Vasquez	X	
Miranda Sweet	X	
Lori Matthews	X	
Josh Maher	X	

6. SEDONA TRANSIT PRESENTATION

-Robert Weber, Transit Administrator, City of Sedona

Mr. Weber reviewed a PowerPoint presentation with the Board. He shared his transit background and the City of Sedona's motivation to embrace transit during the pandemic and beyond. He answered Board member questions.

DISCUSSION / ACTION ITEMS:

7. UPDATE USER FEE SCHEDULE

-Josh Stone, Management Services Director

Staff recommends the Board of Directors update the adopted User Fee Schedule to include facility rental and use fees.

Ms. Dalmolin presented this item on behalf of Mr. Stone. She stated the User Fee Schedule is to assure the Federal Transit Administration (FTA) that when transit facilities are used by others, the costs are recovered reasonably, and that the agency is not using federally funded assets to compete with private businesses; it is required that collected fees go back into transit use. She also noted the updated facility rental and user fee structure is a requirement needed for construction grant agreements. There was no discussion. Director Sweet made a motion to approve the updated fees as recommended. Director Matthews seconded. There were no questions. All approved, none opposed. Motion carried.





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NAME	YES VOTE	NO VOTE
Tony Williams	X	
Jeronimo Vasquez	X	
Miranda Sweet	X	
Lori Matthews	X	
Josh Maher	X	

8. FY2024 OPERATING BUDGET

-Josh Stone, Management Services Director

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

Mr. Stone reported the overall operating budget will increase by 5.3 percent, with 70 percent being attributed to the workforce budget as discussed last month. He noted the remainder of the operating budget is increasing by 6.6 percent which is primarily due to a few expense categories: vehicle maintenance, parts, and supplies are up 20 percent; insurance is increasing by 31 percent; and facilities supplies and our janitorial contract are increasing by 14 percent. He communicated other program expenses will stay flat or increases will be absorbed by some savings in other areas and reallocation of budget capacity. Mr. Stone outlined some other budget factors: zero emissions bus operating costs are not clearly known, federal funds from the underutilized County Taxi program are being reallocated to maximize use of the County Vanpool program, planning software costs have been moved to a recurring expense, and recruitment/employee recognition/appreciation events were evaluated with some funds being reallocated to more broad appreciation efforts. Chair Williams acknowledged the cost of inflation. There was no discussion.

9. FY2023 MID-YEAR PERFORMANCE REPORT

-Bizzy Collins, Strategic Performance Planner

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

Ms. Collins stated Mountain Line is a data rich organization. She asked Board members to think about strategic performance as she proceeds through the presentation. She is seeking Board feedback related to selecting KPI's that are aligned with the Strategic Plan, maximizing performance-sharing, telling Mountain Line's story, operating in a more efficient manner, and comparing performance with peer agencies. She shared performance graphs and other metrics for all Mountain Line programs: Fixed Route, Paratransit, Microtransit, City and County Taxi, and Vanpools. She reported that with the return of fixed route to full service on January 16, 2023, Mountain Line is seeing an increase in ridership; on track to return to pre-COVID ridership by end of FY2025. She noted Missoula, Montana is fare-free, which is important when looking at the peer community comparison; also noting that all our programs are not comparable with peers. She explained the comingling of Paratransit and Microtransit, along with a Lyft partnership made available for several months through our software contractor. She reported there were concerns over the Lyft quality of service and a procurement may be done to consider another Microtransit partner in the future. Ms. Collins shared that the City Taxi program has seen an increase of 23 percent ridership, while the County Taxi ridership is down





about 37 percent; it is available for the people who need it. She reported the Vanpool program added five vans in January for healthcare organizations and the Forest Service; now a total of 10 vans are in operation. Board members shared their support for continuation of use of the historical data and projections; offering a full picture, which is helpful to them and potentially new Board members.

10. DOWNTOWN CONNECTION CENTER UPDATE

-Heather Dalmolin, CEO and General Manager

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

Ms. Dalmolin communicated that the Downtown Connection Center (DCC) project is moving along. She shared some updated renderings of the building. She explained Facilities staff will be moving the contents of the Operator Comfort Station out in order to make way for asbestos abatement of the current building, which is scheduled to begin on Monday. She stated a trailer is on order for an Operator break room, but it won't be received for about six weeks; meanwhile, a vehicle will be provided for breaks, along with portable restrooms. Ms. Dalmolin shared that there may be a possible groundbreaking in late April and construction is anticipated to last 18 months. She reported the City of Flagstaff Intergovernmental Agreement (IGA) amendment was passed by City Council the night before; a requirement for FTA to recognize the lease agreement as local match. Mr. Holcomb stated his appreciation for the hard work of Mountain Line staff and the support of the City Attorney in this matter. Chair Williams said he thought it looked good. There were no other comments.

11. 2024 TAX PACKAGE PROCESS

-Heather Dalmolin, CEO and General Manager

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

Ms. Dalmolin stated that we now have a Five-Year Plan, and we need funds for implementation. She noted Mountain Line plans to form a Citizen Advisory Committee (CAC) and member invitations have been sent out, looking for a wide audience. She explained that the CAC will report to staff, allowing the committee to be nimble and timely. She shared that the goal is to have a recommendation to City Council late this year, allowing a Mountain Line ballot initiative in 2024. She reported staff want time in the process to get out in the community. She noted there will be a procurement for a polling and education consultant; staff cannot advocate, only educate. She stated the plan is to share feedback from the CAC with the Board at future meetings, prior to requesting Board direction on the recommendation to the City. There were questions from the Board related to ballot competition, why we are going for funds, and if discussing fare free, and wondering if staff will know the impact prior to the tax initiative. Ms. Dalmolin responded that hopefully the fare free discussion would not impact a ballot initiative as it can be handled under current funding. She further replied that it is unknown currently as to how many other ballot initiatives there will be in 2024; she will stay aware. Chair Williams recommended being cognizant of associated costs and use of resources.

12. 2023 EMPLOYEE SATISFACTION RESULTS

-Heather Dalmolin, CEO and General Manager

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





Ms. Dalmolin reviewed the results of the Employee Satisfaction Survey. She communicated that it was the first time offering the survey 100 percent electronically, and there were 71 out of 80 respondents noting that leaders do not participate. She was pleased to report 74 percent of respondents would recommend Mountain Line as an employer. In summary, Ms. Dalmolin stated there are opportunities for improvement related to reoccurring on-the-job training, timely and consistent performance reviews, recognition of ideas and suggestions, and getting back to in-person meetings. Board members were supportive of the work done to identify employee satisfaction and cautioned not to be too critical, some staff may not feel the need to bring ideas if the situation is positive overall, and they recommended continuing to do the work staff are good at doing.

PROGRESS REPORTS:

There were no questions regarding the progress reports.

13. DELEGATIONS OF AUTHORITY

-Heather Dalmolin, CEO and General Manager

14. SUMMARY OF CURRENT EVENTS

-Heather Dalmolin, CEO and General Manager

Ms. Dalmolin shared the following highlights:

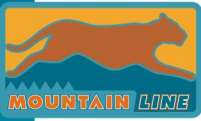
- Snow photos were shared, and she noted how challenging this winter has been with the abundance of snow and the Facilities team being down two team members: a small, but mighty team. She also stated six buses need repairs due to the berms and some glass was broken at bus stops due to the snowplows throwing up ice and snow.
- March anniversaries were reviewed.
- The Electric Bus Launch will be held tomorrow, and all Board members are welcome.
- Mountain Line received a Cybersecurity grant.
- Mountain Line received Section 5307/5339 grant funding for 4.5 new electric buses, support vehicles, and the Kaspar Master Plan construction.
- Mountain Line is not pursuing the AZ Smart Grant. Under the Arizona Department of Transportation's (ADOT's) interpretation, Mountain Line is not eligible, but this differs from the legislator's intent. Staff will work to figure this out.
- Transit Employee Appreciation was celebrated on March 18th.

Chair Williams stated he applauds staff for keeping operations going for riders at risk due to so much snow.

ITEMS FROM COMMITTEE AND STAFF:

Director Sweet stated she and Director Matthews would not be available for the April 19th meeting as they will be representing the City in Washington, D.C.





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SCHEDULE NEXT MEETING DATE AND IDENTIFY AGENDA ITEMS

April/May Working Agenda

The next Board meeting will be April 19, 2023 and will be a hybrid in-person and Zoom meeting based in Flagstaff in the Mountain Line VERA Room, 3773 N. Kaspar Dr., Flagstaff, AZ 86004 at 10am. The public is invited to attend. April agenda items will include but not be limited to the FY2022 Financial Audit, The Coordinated Plan, Zero Fare Pilot Program for Students, Capital Budget Overview, Bus Stop Equity Analysis, Mountain Express Report, and Delegation of Authority Updates. The April 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.

15. ADJOURNMENT -Chair Williams adjourned the meeting at approximately 11:47am.

Tony Williams, Chair of the Mountain Line Board of Directors

ATTEST:

Rhonda Cashman, Executive Assistant and Clerk of the Board

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DATE PREPARED: April 12, 2023

MEETING DATE: April 19, 2023

TO: Honorable Chair and Members of the Board

FROM: Josh Stone, Management Services Director

SUBJECT: FY2022 Financial Audit Report

RECOMMENDATION:

Staff recommends the Board of Directors approve the FY2022 Financial Audit Report as completed by Fester and Chapman P.C. and filed as required by March 31, 2023.

BACKGROUND:

In accordance with A.R.S. 28-9101 et seq. to establish an intergovernmental public transportation authority and the Master IGA, the Board will initiate an annual audit within 120 days of the end of each fiscal year and formally approve the report before submitting a certified copy to the Auditor General's Office.

In Spring 2018, Mountain Line completed a procurement process that identified Fester and Chapman P.C. as best value contractor to perform financial audit services and staff awarded the contract in March 2018. The performance of the FY2022 Financial Audit is the fifth year of the awarded 5-year agreement.

The FY2022 audit began in November with off-site document testing. The audit covered many areas of review to test the conformity of Mountain Line's prepared financial statements with U.S. generally accepted accounting principles (GAAP). During the off-site testing and through electronic document collection and review, staff from the auditing firm reviewed various topics of the financial statements, including but not limited to the examination of grant expenditures, fixed asset recording, purchase policy compliance, and internal controls.

During the normal course of work completed during the audit, Mountain Line staff was available and responsible for the timely submission of documents and information.

The issued Report to the Board of Directors, including the Financial Reports is dated March 31, 2023. Based on the final report and feedback from the auditors, the following conclusions were reached:

1. A deficiency was identified in completing year-end closing procedures timely and accurately requiring additional entries prior to completion of audit. It is noted that some of this was due to staff and time constraints. Staff will review the year-end closing procedures and identify any opportunities to complete more thoroughly in a timely manner.
2. Testing of compliance with laws, regulations, contracts, and grant agreements disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

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3. No transactions were entered into during the year without appropriate authorization.
4. All significant transactions have been recognized in the financial statements in the proper period.
5. Reasonable estimates were developed by staff for amounts due to other governments and depreciation of assets.
6. No difficulties were experienced in dealing with management.
7. There were no disagreements with management.
8. Mountain Line qualified as low-risk auditee.
9. Mountain Line did not consult another firm for a 2nd opinion on any matters.

The final report was issued and filed prior to the Board of Directors meeting on April 19, 2023, as the report filing due date is March 31, 2023.

FISCAL IMPACT:

Approval of the FY2022 Financial Audit has no fiscal impact.

ALTERNATIVES:

- 1) Approve the FY2022 Financial Audit report (**recommended**): Approval of the report is consistent with the Master IGA and allows staff to continue implementing changes needed for good internal controls.
- 2) Do not approve the FY2022 Financial Audit report (**not recommended**): As the report has already been filed, there is no option to rescind the report from publication.

TAC DISCUSSION:

There was no TAC member discussion or questions on this item.

SUBMITTED BY:

Josh Stone
Management Services Director

APPROVED BY:

Heather Dalmolin
CEO and General Manager

ATTACHMENTS:

- | | |
|--|----------------------|
| 1. FY2022 Report to the Board of Directors | -pages 12-17 |
| 2. FY2022 Audit Financial Statements | -separate attachment |
| 3. FY2022 Corrective Action Plan | -separate attachment |



**Northern Arizona Intergovernmental Public
Transportation Authority**

Report to the Board of Directors

June 30, 2022



March 31, 2023

The Board of Directors of
Northern Arizona Intergovernmental Public Transportation Authority
Flagstaff, Arizona

We have audited the financial statements of the business-type activities of Northern Arizona Intergovernmental Public Transportation Authority (the Authority) for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated October 03, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in Note 1 to the financial statements. As discussed in Note 1 in the financial statements, the Authority has adopted *Governmental Accounting Standard Board* (GASB) statement No.87 leases, as amended. We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Authority's financial statements were:

The net pension liability for ASRS was calculated using actuarial valuations as disclosed in Note 6.

Management's estimate of the amounts due to other governments is based on estimated future operating expenses for transit services the Authority provides to partnering governments.

The amount of depreciation recorded by management is based on management's estimates and Federal Transit Authority guidelines regarding the useful lives of the capital assets being depreciated.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of the Authority's pension plan in Note 6 to the financial statements is based on actuarial valuations involving estimates of the funded status of ASRS.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. There were four adjusting journal entries (as attached) detected as a result of audit procedures and corrected by management. Management posted six post-closing journal entries after commencement of field work.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 31, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention. We have reported an internal control deficiency over financial reporting, which is described in the schedule of findings and questioned costs included with the audited financial statements.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting standards generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Directors and management of the Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Fester & Chapman, PLLC

Northern Arizona Intergovernmental Public Transportation Authority

Year End: June 30, 2022

Audit adjusting entries and Client adjusting entries

Number	Date	Name	Account No	Debit	Credit
AJE 01	6/30/2022	ASRS Net Pension Assets	161000B	193,798.00	
AJE 01	6/30/2022	Deferred Outflows Related to Pe	1700000	175,498.00	
AJE 01	6/30/2022	ASRS Net Pension Liability	261000B	1,732,073.00	
AJE 01	6/30/2022	Deferred Inflows Related to Pen	2700000		-2,055,050.00
AJE 01	6/30/2022	Retained Earnings As of Jun 08	3020000		
AJE 01	6/30/2022	ASRS Pension Expense	5071000		-46,319.00

To present an audit entry on Pensions.

AJE 02	6/30/2022	Retained Earnings	32000	49,555.00	
AJE 02	6/30/2022	Miscellaneous - Admin-Bus	699941A		-49,555.00

To present an audit entry on opening Net Assets.

AJE 03	6/30/2022	Wells Fargo AP (59)	1002000		-1,441.00
AJE 03	6/30/2022	Wells Fargo AP (59)	1002000	749.00	
AJE 03	6/30/2022	Wells Fargo AP (59)	1002000	52,264.00	
AJE 03	6/30/2022	Wells Fargo Main (45)	1003000		-209,174.00
AJE 03	6/30/2022	Wells Fargo Payroll (52)	1004000	209,174.00	
AJE 03	6/30/2022	Accounts Payable	2010000	1,441.00	
AJE 03	6/30/2022	Accounts Payable	2010000		-749.00
AJE 03	6/30/2022	Accounts Payable	2010000		-52,264.00

To present an audit entry on Cash and Accounts Payable balances.

AJE 04	6/30/2022	Accrued Expenses	2420000		-67,541.00
AJE 04	6/30/2022	Const in Progress- Kaspar Bldg	806031P	60,406.00	
AJE 04	6/30/2022	Const in Progress-Campus Storag	806251P	7,135.00	

To present an audit entry on Accounts Payable.

CAJE 01	6/30/2022	Accrued Expenses - Comp Abs	2434000		-1,846.00
CAJE 01	6/30/2022	Regular Wages Ops-Bus	501111A	1,846.00	

To record a post-closing entry on PTO balances.

CAJE 02	6/30/2022	Inventory - Parts	1290000	46,036.00	
CAJE 02	6/30/2022	Auto Parts & Supplies RVM-Bus	627721A		-46,036.00

To record a post-closing entry on Inventory adjustment.

CAJE 03	6/30/2022		Construction in Progress	1602000	7,301.00	
CAJE 03	6/30/2022		Construction in Progress	1602000	138,086.00	
CAJE 03	6/30/2022		Construction in Progress	1602000	531,938.00	
CAJE 03	6/30/2022		Construction in Progress	1602000	285,771.00	
CAJE 03	6/30/2022		Construction in Progress	1602000	546,231.00	
CAJE 03	6/30/2022		Buildings & Improvements	1610000	8,415.00	
CAJE 03	6/30/2022		Buildings & Improvements	1610000	8,415.00	
CAJE 03	6/30/2022		Buildings & Improvements	1610000	114,118.00	
CAJE 03	6/30/2022		Shelter Maint/Improv-Bus	800131A	10,716.00	
CAJE 03	6/30/2022		Shelter Maint/Improv-Bus	800131A	19,367.00	
CAJE 03	6/30/2022		Software Maint/Support - IT-Bus	800571A	8,400.00	
CAJE 03	6/30/2022		Facility Maint/Improv-Bus	800931A	1,416.00	
CAJE 03	6/30/2022		Facility Maint/Improv-Bus	800931A	467.00	
CAJE 03	6/30/2022		Facility Maint/Improv-Bus	800931A	4,258.00	
CAJE 03	6/30/2022		Capital Planning-Dir.Pln	801051P	5,508.00	
CAJE 03	6/30/2022		Vehicles-Passengers-Fleet-Bus	805421A		-7,301.00
CAJE 03	6/30/2022		Vehicles-Other - Fleet-Bus	805521A		-8,400.00
CAJE 03	6/30/2022		Facility Rehab Maint - Bus	805631A		-1,416.00
CAJE 03	6/30/2022		Facility Rehab Maint - Bus	805631A		-21,555.00
CAJE 03	6/30/2022		Const in Progress- Kaspar Bldg	806031P		-138,086.00
CAJE 03	6/30/2022		Const in Progress- Kaspar/Rt 66	806041P		-5,508.00
CAJE 03	6/30/2022		Construction in Progress - DCC	806051P		-531,938.00
CAJE 03	6/30/2022		Construction in Progress - BRT	806053P		-285,771.00
CAJE 03	6/30/2022		Const in Progress-Campus Storag	806251P		-546,231.00
CAJE 03	6/30/2022		Shelters Rehab - Fac-Bus	806531A		-10,716.00
CAJE 03	6/30/2022		Shelters Rehab - Fac-Bus	806531A		-133,485.00

To record a post-closing entry on Construction In-Progress.

CAJE 04	6/30/2022	N	Accumulated Depreciation	1690000		-2,336,232.00
CAJE 04	6/30/2022	N	Deprec Expense - Operations GF	8901000	2,336,232.00	

To record a post-closing entry on depreciation expenses.

CAJE 05	6/30/2022		Miscellaneous Revenue-Bus	401401A		-12,081.00
CAJE 05	6/30/2022		Miscellaneous Revenue-Bus	401401A		-58,321.00
CAJE 05	6/30/2022		City of Flagstaff Operating-Bus	420411A	12,081.00	
CAJE 05	6/30/2022		City of Flagstaff Operating-Bus	420411A	58,321.00	

To record a post-closing entry on revenue reclass.

CAJE 06	6/30/2022		Buildings & Improvements	1610000		-266,299.00
CAJE 06	6/30/2022		Accumulated Depreciation	1690000	266,299.00	

To record a post-closing entry for disposals of fixed assets.



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DATE PREPARED: April 6, 2023

DATE: April 19, 2023

TO: Honorable Chair and Members of the Board

FROM: Mitch Reddy, Associate Transit Planner

SUBJECT: The MetroPlan and Mountain Line Coordinated Public Transit - Human Services Transportation Plan

RECOMMENDATION:

Staff recommends the Board of Directors adopt the MetroPlan & Mountain Line Coordinated Public Transit - Human Services Transportation Plan.

RELATED STRATEGIC PLAN OBJECTIVE

- ❖ Goal: Service Excellence
 - ❖ Objective: Develop and improve community partnerships and interagency relationships to enhance transit and improve our ability to meet community needs and deliver public transit services.

BACKGROUND:

Starting in 2007, all Metropolitan Planning Organizations (MPO's) and Councils of Governments (COG's) in Arizona were required to adopt and annually update a Coordinated Public Transit - Human Services Transportation Plan to satisfy the federal requirements for Section 5310 grant funds. These plans must inventory existing transportation services for elderly individuals, individuals with disabilities, and low-income individuals, identify unmet transportation needs, and provide strategies for improving coordination to meet those needs. To meet this requirement, Mountain Line and MetroPlan partnered to develop the MetroPlan & Mountain Line Coordinated Public Transit - Human Services Transportation Plan (Coordination Plan).

The Coordinated Plan serves two purposes: 1) Serves as a framework to improve coordination among transportation service providers and human service agencies to enhance transportation services for disadvantaged populations; 2) The Coordinated Plan meets federal requirements for a "locally developed, coordinated human services transportation plan". The Coordinated Plan was developed in collaboration with the Coordinated Mobility Council (CMC). Mountain Line and MetroPlan co-host quarterly CMC meetings. The CMC meetings are publicly noticed and have regular participation by seniors, people with disabilities, members of human service agencies, the City of Flagstaff, and Coconino County. At each meeting, specific items of the Coordinated Plan are discussed, and feedback is incorporated into the Coordinated Plan. During the most recent meeting on February 17, 2023, the

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CMC recommended both Mountain Line's Board of Directors and MetroPlan's Executive Board adopt the Coordinated Plan.

Coordinated Plan's Components

The Coordinated Plan includes the following information:

- Key demographics related to seniors and people with disabilities from the City of Flagstaff, MetroPlan/Mountain Line boundary, Arizona, and National;
- Significant origins and destinations in the Flagstaff area for seniors or people with disabilities;
- A transportation inventory including description of service, hours of operation, eligibility requirements, and type of fleet (public, private, and non-profit);
- A summary of existing coordination efforts in the region.
- An assessment of transportation needs for individuals with disabilities, older adults, and people with low incomes;
- Strategies, activities, and/or projects to address the identified gaps between current services and needs, as well as opportunities to achieve efficiencies in service delivery;
- Priorities for implementation based on resources and feasibility for implementing.

Identified Transportation Gaps and Strategies

Below are the five identified transportation gaps with identified new strategies included. The Coordinated Plan contains additional strategies for each gap and provides additional detail. Each strategy below is not exclusively Mountain Line's responsibility, but as the public transportation provider in the region, implementation often requires some level of Mountain Line's participation.

- Information Gaps:
 - New Strategies: Ensure all transportation programs are accessible and usable by technologically limited populations, develop a wide range of marketing materials to aid in the retention and frequency of information such as flyers or refrigerator magnets.
- Temporal Gaps (Times during the day when service is not provided):
 - New Strategy: Simplify the paratransit qualification process to reduce the amount of time and paperwork required to qualify.
- Spatial Gaps:
 - New Strategy: Increase the number of transportation options outside city limits but within MetroPlan's boundary.
- Infrastructure Gaps:
 - New Strategies: Improve connections between NAU and CCC focusing on lighting and infrastructure improvements to enhance safety at night, utilize Federal Railroad Administration safety grant or other funding to build safer railroad crossings to improve safety of people in mobility devices, promote the use of Community Development Block Grant funds to build sidewalks in target neighborhoods, bring awareness to taxi companies about the need for wheelchair accessible vehicles.
- Human Capital Gaps:
 - No new Human Capital Gaps.

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In previous years, all updates were reviewed and recommended first by the CMC and then by the MetroPlan Technical Advisory Committee (TAC) and adopted by the MetroPlan Executive Board. The MetroPlan TAC, on March 22, 2023, recommended the Executive Board adopt the MetroPlan & Mountain Line Coordinated Public Transit - Human Services Transportation Plan, which is scheduled for April 6, 2023.

ALTERNATIVES:

- 1) Adopt the MetroPlan & Mountain Line Coordinated Public Transit - Human Services Transportation Plan (**recommended**): Staff recommends that the Board of Directors adopt the MetroPlan & Mountain Line Coordinated Public Transit - Human Services Transportation Plan. If adopted, it will further strengthen the partnership between MetroPlan and Mountain Line, enhance Mountain Line's ownership as many policies and strategies influence Mountain Line's programs, identify projects for our Section 5310 application funding, and further solidify Mountain Line's commitment to coordinated mobility within the region.
- 2) Do not adopt the MetroPlan & Mountain Line Coordinated Public Transit - Human Services Transportation Plan (**not recommended**): If not adopted, the Board could direct staff to modify the Coordinated Plan for future consideration.

FISCAL IMPACT:

The completion of the Coordinated Plan is done internally and supported by Mobility Management funding through the ADOT Section 5310 Program at an 80/20 split. Although the Coordinated Plan has no immediate costs associated, the implementation of the identified projects may have financial impacts to Mountain Line's current and future budgets. The details of the impacts will be explored more specifically on a case-by-case basis prior to implementation of a project and will be identified in future Mountain Line budgets.

TAC DISCUSSION:

The TAC had no questions or comments.

SUBMITTED BY:

Mitchell Reddy
Associate Transit Planner

APPROVED BY:

Heather Dalmolin
CEO and General Manager

ATTACHMENTS:

1. MetroPlan & Mountain Line Coordinated Public Transit
- Human Services Transportation Plan -available upon request

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DATE PREPARED: April 12, 2023

MEETING DATE: April 19, 2023

TO: Honorable Chair and Members of the Board

FROM: Heather Dalmolin, CEO and General Manager

SUBJECT: Zero-Fare Policy

RECOMMENDATION:

Staff recommends that the Board of Directors direct staff to develop a plan to 1) test zero-fare policies as a consideration in a potential transit tax extension or expansion and 2) make Mountain Line zero-fare for all riders no later than the end of FY2025.

RELATED STRATEGIC PLAN OBJECTIVE

- ❖ Goal Six: Fiscal Responsibility
- ❖ Diversify funding sources to reduce dependency on federal funding for ongoing operations.

BACKGROUND:

The Mountain Line 2020-2025 Strategic Plan and the 12–18 month Workplan directs staff to develop options to replace fares with alternative revenues to support implementation of zero-fare system and to implement a 18-month zero-fare pilot program for K-12 and college students.

There are many reasons to consider adopting zero-fare policies:

- Reduce on board conflicts between rider and driver
- Address equity concerns
- Improve route timing/performance
- Reduce cost of fare collection
- Removes a barrier to transit
- Transit is a public service/utility

In a recent survey of riders, “typical” Mountain Line customers have an annual household income of less than \$20,000 (51%) and lack access to a private automobile (72%). Forty-eight percent (48%) of riders identified as a minority population. Mountain Line public transit is the only reliable transportation for an estimated 740,424 transit trips taken by disadvantaged community members to access jobs, health care, school, or childcare services in a community of 77,000 people. Zero-fare policies would have a significant impact on the lives of these riders.

Zero-fare policies does have some drawbacks to be considered:

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- Emphasizes the perception that transit is a social services program
- Increase in riders using transit as shelter or a place to gather
- Capacity concerns of existing vehicles and routes
- Need for new/additional field staff

In Missoula Montana, the transit system has been zero-fare for several years. They began their zero-fare program through partnership with 13 businesses that contributed and covered the lost revenue. They saw a jump in ridership immediately and ridership is now up by 70%. Since implementation, they have replaced fares with public funding and the increase in ridership has resulted in an increase to federal funding.

Some of the community benefits of zero-fare policies:

- More affordable community
- Increase access
- Serve our most vulnerable
- Increase use of transit

From the Shared Use Mobility Center (SUMC), there is an emphasis on transit to address social justice and equity concerns. “Fares can be seen as a regressive tax that places a disproportionate burden on low-income populations.”

More recently, and closer to home, the City of Tucson is looking at zero-fare policies. Tucson has used federal funding from the CARES Act to remain fare free for riders since the onset of the pandemic. With the complete spending of the CARES money, they are now grappling with how to replace the fares as the public is calling for a permanent change to policy to keep the system zero-fare. The City of Tucson is looking to partnerships with the university, the community college, the school district, and other business partners.

For Mountain Line, a transition to zero-fares requires a replacement of roughly \$500,000 in lost revenues from fares. There are several ways those revenues could be covered.

- Pursue a tax increase as part of the overall FY2024 ballot question.
- Identify partners in the community who would be willing to contribute to transit to cover the fare revenue (ecoPASS partners, school district, college and university, the City and County, job generators, retailers, etc.).
- Use the increase in federal funding as passed in FY2022 and as appropriated in FY2023. The infrastructure bill provides a plus up of \$1.9M in each of the next 5 years that could be allocated to cover loss of fares. Within the increase, is a plus up of \$1.6M that is attributed to ridership and high performance. Each STIC measure is worth \$550,000 and this funding is directly tied to ridership, hours, and miles.

Last fall, staff proposed the Board adopt an updated 2020-2025 Strategic Plan that includes a 12–18-month workplan for 2023 through 2024. That workplan identified an 18-month pilot program for K-12 and secondary education students. The pilot was proposed as a way to test zero-fare (identify route timing changes, experience an increase in ridership, and weigh reduced costs of collecting fares) without a need to address 100% loss of fares. After much consideration, staff are recommending that a pilot is not





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necessary and that we can extrapolate these answers from our experience while we were fare free during the pandemic.

Staff are instead seeking direction from the Board on next steps as per the recommendation made within this report, the information to be further explored in the presentation during the Board meeting, and as identified in the alternatives below.

References (additional reading):

- Missoula Montana: <https://mountainline.com/sustainability/zero-fare/>
- Shared Use Mobility Center : <https://learn.sharedusemobilitycenter.org/casestudy/zero-fare-transit/>
- Tucson, Arizona:
https://www.transitallent.com/articles/index.cfm?story=Tucson_Fare_Free_Partnerships_4-10-2023

FISCAL IMPACT:

If Mountain Line transitions to zero-fare, the anticipated loss of fare revenue will be approximately \$644,000 (the FY2023 budget) while the anticipated savings of operating cost will be approximately \$110,000. The remaining revenue to be replaced is \$534,000.

ALTERNATIVES:

- 1) Direct Staff to develop a plan to 1) test zero-fare with likely voters and 2) make Mountain Line zero-fare by end of FY2025 (recommended): This direction will cancel the planned zero-fare pilot and replaces it with timely testing of zero-fare messaging in the community and time needed to put together a funding plan to replace lost fares.
- 2) Do not develop the plan as recommended and direct staff on one or more of the following options:
 - a. Complete the pilot as per the 12-18-month workplan and consider zero-fare after the pilot.
 - b. Skip testing zero-fare with likely voters and introduce zero-fare, as either a phased program or whole program, and use combination of existing revenues, including federal funding, to cover lost revenues.
 - c. Introduce zero-fare for identified groups of riders, like students, vets, and low income populations and use combination of existing revenues, including federal funding, to cover lost revenues.

TAC DISCUSSION:

The Transit Advisory Committee had some discussion around value of the pilot and a need to consider impacts to funding as we talk about extended and/or expanding the transit tax. Advisor Jackson did voice concern that Mountain Line does ask local industry and business leaders to fund operations while offering zero-fare reduces the need for the actual riders to contribute. Advisor Stam shared our prior experience

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with a route that went from free to fee and the dramatic change to ridership; voicing it as an example of what ridership can look like without fare. Advisor Covington asked if we have an idea of what operations time savings can be achieved and whether it is enough to allow for additional services or frequency. Estella Hollander responded that we had tentatively evaluated that in the prior Strategic Investment Plan and while the time saved doesn't really offer an option for increasing service or frequency it does make existing routes more resilient to ongoing increases in congestion and delays that are being experienced, on-time performance is anticipated to improve.

APPROVED BY:

Heather Dalmolin
CEO and General Manager

ATTACHMENTS:

None.

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DATE PREPARED: April 12, 2023

MEETING DATE: April 19, 2023

TO: Honorable Chair and Members of the Board

FROM: Josh Stone, Management Services Director

SUBJECT: FY2024 Capital Budget

RECOMMENDATION:

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

RELATED STRATEGIC PLAN OBJECTIVE

- ❖ FY2024 budget supports all aspects of the Strategic Plan Goals and Key Objectives

BACKGROUND:

The FY2024 capital budget is \$52,236,233. This capital budget includes \$47,424,161 of FY2023 carryforward projects with all funding previously approved. New projects in the FY2024 capital budget were identified and evaluated through a Capital Improvement Plan process by staff for urgency of need, feasibility of achieving project outcomes, financial capacity, and funding options. Projects were ranked on a 5-year timeline, and projects and funding sources for future years serve as a guide for future planning and are subject to further review and modification. The FY2024 budget includes the following items:

- Replacement of security cameras in buses (80% federally funded).
- Operations support vehicles (80% federally funded).
- Administrative Projects include implementation of new financial software (locally funded).
- Rehabilitation and maintenance of various stops (locally funded).
- Continuing transition to zero emission fleet with electric buses ordered, as well as continued buildout of Kaspar charging infrastructure (80% federally funded).
- Construction of the Downtown Connection Center (80% federally funded, and \$6 Million State of Arizona contribution).
- Maintenance funds for information technology, router & server replacements (locally funded).

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- Maintenance funds for facilities, concrete and asphalt repairs, (locally funded).
- Maintenance funds for fleet (locally funded).
- Website accessibility updates (80% federally funded).
- Technology improvements which benefit operations (80% federally funded).
- Bicycle and pedestrian improvements adjacent to or near transit routes (80% federally funded with local match provided by the City of Flagstaff's Prop 419 funding).
- CDL course completion in partnership with Northern Arizona University (80% federally funded with matching funds shared NAU and Mountain Line).

FISCAL IMPACT:

There is no fiscal impact currently associated with this FY2024 Budget discussion. The items discussed will impact the final FY2024 budget proposed at the June 2023 Board meeting.

ALTERNATIVES:

No action is recommended; however, the Board may provide direction on additional information needed or on budget items as presented.

TAC DISCUSSION:

There was no TAC member discussion or questions on this item.

SUBMITTED BY:

Josh Stone
Management Services Director

APPROVED BY:

Heather Dalmolin
CEO and General Manager

ATTACHMENTS:

None.

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DATE PREPARED: April 12, 2023

MEETING DATE: April 19, 2023

TO: Honorable Chair and Members of the Board

FROM: Anne Dunno, Capital Project Manager

SUBJECT: Bus Stop Equity Analysis Update

RECOMMENDATION:

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

RELATED STRATEGIC PLAN OBJECTIVE

- ❖ Goal: Service Excellence
 - ❖ Objective: Invest in capital to improve efficiencies and infrastructure to enhance customer-first service delivery.

BACKGROUND:

In September 2019, the Mountain Line Board adopted the Mountain Line Transit Guidelines, a planning tool and framework to guide both the internal and external decision-making to integrate transit into the built environment in a transparent and equitable manner. Specifically, it provides a bus stop type scoring tool to recommend bus stop amenities based on multiple criteria for ridership, zoning, proximity to affordable housing, schools. Reference the attached Table from the Transit Guidelines (TGs).

Recently Mountain Line analyzed the existing 180 bus stops for alignment with the TGs. Staff identified the following:

- 119 (66%) bus stop amenity levels align with the Transit Guidelines analysis.
- 58 (32%) bus stops are recommended for upgrade; of which 20 stops are for shelter upgrade.
- 3 (2%) bus stops have higher than recommended amenity levels.

The two key factors that typically limit bus stop amenity improvements are available right-of-way and budget. Staff are developing an easement policy to outline a transparent and consistent approach to acquiring easements that may include an offer to purchase the transit easement for fair market value. This policy will be available for the Board's consideration at a future date.

FISCAL IMPACT:

Mountain Line Capital Improvement Plan (CIP) identified \$383,000 in the illustrative year (unfunded) for bus stop equity improvements. The draft FY2024 budget includes \$96,627 for three shelters amenity packages for new bus stops associated with the City's Beulah Extension Project and a private





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development project on Milton Avenue. Mountain Line is currently seeking grant funding for bus stop upgrades and new bus stops.

TAC DISCUSSION:

TAC was supportive of the equity analysis methodology to identify the level of bus stop amenities merited at bus stops.

SUBMITTED BY:

Anne Dunno
Capital Project Manager

APPROVED BY:

Heather Dalmolin
CEO and General Manager

ATTACHMENTS:

1. Transit Guidelines: Table 3-2 Bus Stop Type Criteria -page 29

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Mountain Line staff will perform a projected ridership analysis based on the proximity to the bus stop, route frequency, development density and stop performance at comparable developments. In addition, existing or proposed zoning of the development will be needed to complete the table.

Table 3-2: Bus Stop Type Scoring Criteria

Scoring Criteria	Score
Projected Ridership (Transit Activity) Low ridership (<10 boardings/alightings a day) – 0 points Moderate ridership (11-50 boardings/alightings a day) – 3 points High ridership (51-99 boardings/alightings a day) – 5 points Very high ridership (>100 boardings/alightings a day) – 8 points	
Land Use Density (Derived from jurisdiction's zoning code) Low density (T1, T2, RR, ER) – 0 points Moderate ridership (T3, T4, R1, R1N, SC, LI, RD, MH) – 3 points High ridership (T5, T6, MR, HR, CB, HC, CS, CC) – 5 points	
Youth, Senior, Disabled, or Low-Income Populations (includes schools, dedicated housing, and social service entities) Within a 1/4 mile (network distance, not radius) of population concentrations – 3 points Within a 1/8 mile (network distance, not radius) of population concentrations – 5 points	
Activity Center (Derived from Flagstaff's Regional Plan) Within Suburban Activity Center – 3 points Within Urban Activity Center – 5 points	
Community Spaces and Cultural Centers (includes museums, parks, community centers, and other spaces) Within network distance of 1/4 mile – 3 points Within network distance of 1/8 mile – 5 points	
Along Permanent Transit Network Located along Permanent Transit Network – 3 points	
High Exposure to Elements* In area with high exposure to wind, rain, traffic speeds greater than 40-mph, and areas with no parkway – 2 points	

**High exposure to elements such as wind and rain will be evaluated on a case-by-case basis and will be determined based off of the qualitative features of the area, such as whether or not the stop is located near a building that could provide some protection to passengers.*

Bus Stop Types	Outcomes
Type I	0-6
Type II	7-13
Type III	14-20
Type IV	21+



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DATE PREPARED: April 6, 2023

MEETING DATE: April 19, 2023

TO: Honorable Chair and Members of the Board

FROM: Estella Hollander, Mobility Planner

SUBJECT: Mountain Express Service for 2022 - 2023

RECOMMENDATION:

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

RELATED STRATEGIC PLAN OBJECTIVE

- ❖ Goal: Service Excellence
 - ❖ Objective: Develop and improve community partnerships and interagency relationships to enhance transit and improve our ability to meet community needs and deliver public transit services.

BACKGROUND:

Mountain Express service, Mountain Line's seasonal route serving the Arizona Snowbowl, has completed its eighth season of service. The details of the Mountain Express service are as follows:

- Service every day during holiday break (from December 26-January 1) and weekends in January and February. Service did not run on 1/15 or 2/26 due to inclement weather.
- First bus leaves the Downtown Connection Center at 7:30am and last bus departs Snowbowl at 5:30pm
- Service every 30 minutes
- Free to ride
- Snowbowl funds Mountain Express service based on terms of the mutually agreed upon Service Contract

In the 2022-23 season, the Mountain Express service had a total ridership of 8,225 passengers. This is a 12% increase from last year. Mountain Express ridership often mirrors weather patterns, in that increases in snowfall increases the number of passengers using Mountain Express. More snow means more visitors to Snowbowl, but also necessitates chain requirements which lead to individuals riding the bus. Service this year ran three days less than last year due service cancelations and how winter break fell this year. Due to staffing issues, this is the second year that Mountain Line ran three buses on the Mountain Express route, compared to four buses in past seasons. This changes bus frequency from 20-minutes to 30-minutes. Ridership was highest during the holiday break with an average of 513 boardings per day, compared to 304 average daily boardings during weekends in January and February.

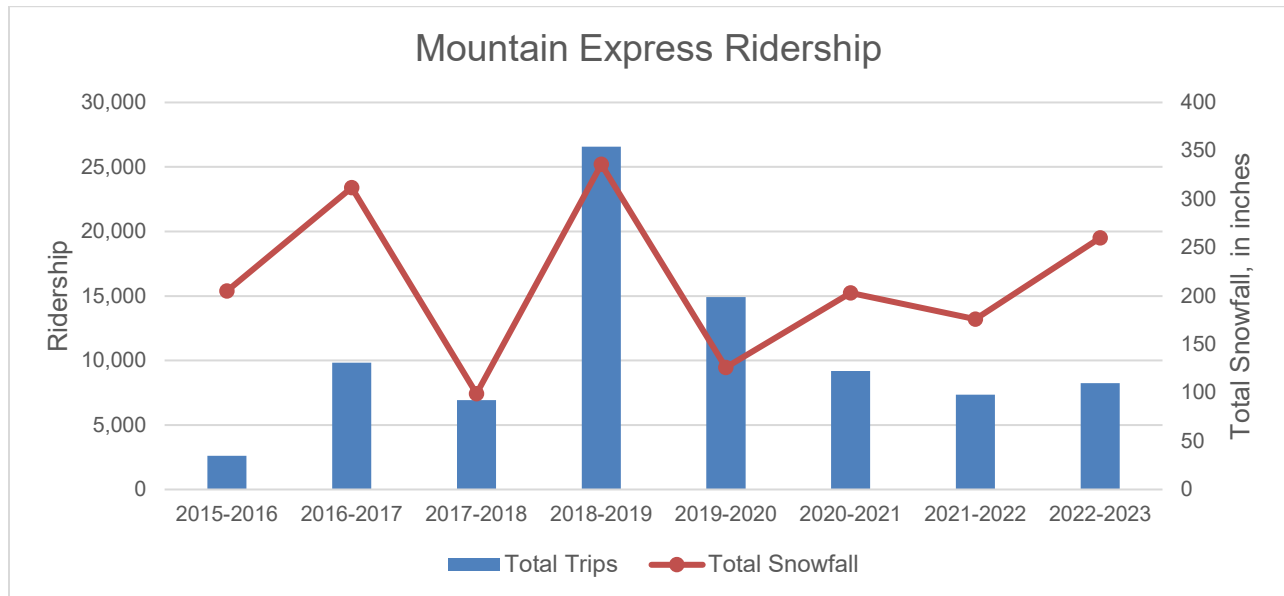




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Below is a graph of Mountain Express ridership year over year with information about yearly snowfall (in inches):



FISCAL IMPACT:

Mountain Express is paid by Arizona Snowbowl. Arizona Snowbowl pays the actual costs associated with the route based on Mountain Line's adopted budget per the Strategic Investment Plan cost allocation methodology.

TAC DISCUSSION:

There were no comments or questions from TAC members.

SUBMITTED BY:

Estella Hollander
Mobility Planner

APPROVED BY:

Heather Dalmolin
CEO and General Manager

ATTACHMENTS:

None.

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MOUNTAIN LINE MEMORANDUM

DATE: April 06, 2023

TO: Honorable Chair and Members of the Board

FROM: Heather Dalmolin, CEO and General Manager

SUBJECT: Delegations of Authority

In keeping with the requirements of the various authorities granted by the Board of Directors to the CEO and General Manager and as per the most recently adopted Resolutions, this update reports on all actions, including funding applications and executions of awards, enacted by the CEO and General Manager.

Collective Grant Authority – Resolution 2023-100

Procurement Authority – Resolution 2023-110

RFP 2023-180, Financial Software

RFP 2023-180, Financial Software was released on December 5, 2022, and closed on January 3, 2023. Two proposals were received. After review of the proposals by Mountain Line staff, as well as demos from both vendors, staff recommended award to Baker Tilly. The contract was executed on February 27, 2023, with a value of \$327,472 for a five year term, including implementation fees of \$53,214.40. Years 1, 2, and 3 will be billed at \$53,776; years 4 and 5 will have a 5% increase and will be billed at \$56,464.80.

Guaranteed Maximum Price (GMP) No. 1 to Contract No. 2022-170, Campus Bus Storage Phase 1: CDL Course & Access Road Construction Manager at Risk Services (CMAR)

GMP No. 1 includes costs for general conditions, labor, materials, and equipment for construction of the CDL course. The GMP budget includes Owner and Contractor contingencies, bond, insurance, taxes, and contractor fee. The CDL construction schedule is anticipated to start mid-March 2023. Start of construction is contingent upon approval of the NEPA environmental update required for the facility access road and temporary construction haul road. Construction duration is approximately eight months with final completion by October 31, 2023. This amendment does not affect the contract term. The value of this GMP is \$3,553,585.

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RFP 2022-500, Architectural Design Services Task Order #2, Furniture, Fixtures, and Equipment

Mountain Line awarded RSOQ 2022-500 to HDR, Inc on April 7, 2022. Services include architectural design of Phase 1 of the DCC for the building. At the time, it was anticipated a 3rd party would assist with Furniture Fixtures and Equipment (FF&E). As design has progressed, it has been determined that HDR is well suited to ensure the seamless design of FF&E are integrated into the building and construction, rather than bring on another party to coordinate. As such, staff requested HDR submit a scope and fee for such services. The scope of services included project management, design development, creation of bid documents, procurement, and installation, as well as three renderings. The value of this Task Order #2 is \$21,290, bringing the total contract value to \$1,006,465.

RFP 2022-140, Downtown Connection Center (DCC) Construction Manager at Risk (CMAR) Contract Amendment #1 for pre-construction services to include Temporary Operations Trailer

In July 2021, Mountain Line released Request for Bids (RFB) 2022-100, Modular Unit, Temporary Operations Space in order to purchase a customized trailer for operator use during the construction of the new DCC, as well as RFB 2022-200, Modular Unit Utilities Installation. Both procurements closed without submitted bids and were closed without award. Subsequently, it was determined that Loven Contracting was able to lease a utility trailer on Mountain Line's behalf that meets all federal requirements utilizing the CMAR competitive bidding process required under their contract No. 2022-140, DCC Construction Manager At Risk. The installation and make-ready for operator use will be included in the forthcoming CMAR Demolition Guaranteed Maximum Price (GMP) scope and fee. The value of this GMP contract amendment to Loven's CMAR contract is \$97,738.89.

Zero Emission Bus Procurement

In December 2019, Mountain Line received a federal 5339 Bus and Bus Facilities grant in the amount of two million dollars for the purchase of two Battery Electric Buses (BEBs) as replacement fleet for end-of-life fixed route buses. Two vendors, Gillig Inc and New Flyer Corp, were selected to participate in a BEB pilot program to test their vehicles in our mountain environment. On January 7, 2023, we received the Gillig BEB, and it is currently being tested on various routes before being placed into revenue service. The New Flyer BEB has not been placed on the manufacturing line and is being held up due to supply chain issues as well as concerns about critical battery components creating thermal events. New Flyer engineering is working on a solution. Communication with New Flyer representatives suggest that our order would be scheduled for manufacturing in May of 2023.

Agreements and Contracts Authority – Resolution 2020-100

Mountain Line-NAU Construction IGA, CDL Test Course

The Purpose of this IGA is to set out the roles and responsibilities of the Parties as related to phased construction of the Commercial Driver's License ("CDL") Test Course, Parking, and Roadway Infrastructure Facility. Mountain Line shall act as the Project Sponsor and construction Project Manager ("PM"). NAU shall act as the Authority Having Jurisdiction ("AHJ") and will remain the owner of the real property the Project will be constructed upon and will lease the property to Mountain Line under a separate agreement ("Landlord").

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MOUNTAIN LINE MEMORANDUM

DATE: April 19, 2023
TO: Honorable Chair and Members of the Board
FROM: Heather Dalmolin, CEO and General Manager
SUBJECT: Current Events

The monthly Transit Voice is available with highlights of news to know, job well done, note-worthy events, and updates on projects. Some of these were also noted in the Mountain Line Minute.

Operations and Staffing

- Operations is preparing for summer service with new summer driver schedules. We have 43 full-time bids and expect to use our 6 team members without bids to relieve drivers for much needed time-off and to enable us to conduct a robust refresher training series for all team members. Here is some data around driver bids: 37 drivers are needed every weekday and 21 every weekend day; average shift is 7.4 hours.
- We have identified a finalist for the HR Manager position. He will visit Flagstaff for his final interview next week. We are excited about reaching this point and hopeful to add back this much needed resource for our team.
- Mountain Line will start our summer schedule for Route 10 on May 15 and eliminate route deviations near K-12 schools with the conclusion of the school year.
- We will launch the new electric bus on routes starting April 24. We are excited to get riders on the bus.
- Fleet is installing a new air cleaning system in our buses. The system will purify the air through scrubbers in the ventilation system.
- Jordan, a long-time rider and superfan of Mountain Line, is scheduled to join our fleet team later this month. We are excited to make this possible through a partnership with Quality Connections, who will be providing job coaching for Jordan. I am grateful to our team who recognized Jordan's enthusiasm for Mountain Line as an opportunity to participate in workforce and skills development.

Partnerships and Outreach

- Several Mountain Line staff members were in Mesa the first week in April to attend the Arizona Transit Association (AzTA) conference. Governor Hobbs opened with a commitment to support transit and calling for transit to be part of infrastructure conversations within the state. We connected with many of our peers as well as staff from Senator Sinema's and Kelly's offices. It was a good event, and we see many collaboration opportunities in our future.
- Our new battery electric bus was showcased by Gillig during the AzTA conference and was used to help our partners at the City of Phoenix to test route performance while in Mesa. As it has in our community, it generated a lot of excitement amongst conference attendees.
- Mountain Line will be fare-free for Earth Day on Saturday, April 22 and staff will participate in the City's Earth Day event at Bushmaster Park with the electric bus.

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- Mountain Line will bring the electric bus to the STEM Celebration at Fort Tuthill on April 29.
- Staff met with Hopi Senom Transit to discuss potential partnerships and coordination efforts. Key topics for partnership include utilizing Mountain Line's bus stops and connection centers, joining Mountain Line's CDL class to increase the number of CDL drivers, and utilizing the future CDL course once it is built on NAU's campus.
 - As a side note, Mountain Line and Hopi Senom also discussed new challenges for riders of Hopi Senom transit once the new Hospital is built south of Flagstaff. Currently, Hopi Senom riders are taken directly to the current location while other riders use Mountain Line's system to access the hospital and physicians.
- Mountain Line has added additional support services for MetroPlan, now supplying IT support as the staff are in our building. This add-on to our partnership just made sense as they occupy our building, and we are able to cost share with neither agency adding additional staff.
- MetroPlan shared the news with Mountain Line that the application for federal planning funding through ADOT has been awarded. The project will be a joint project between Mountain Line and Metroplan and support our effort to evaluate zoning and codes to advance transit as a City/County priority in community plans and development approvals. Congratulations to Kate Morley who envisioned the project and to Estella who wrote the application. The award was for \$200,000 and the award was made to MetroPlan as the lead planning agency.

Finance, Compliance, and Procurement

- Our second battery electric bus, which we reported last month would be delayed as much as 12-21 weeks, is now on the manufacturing line! New Flyer has identified and corrected the issue that increased the risk of a battery fire. Our fleet members fly out to inspect the bus on May 4 and if all goes well during the inspection, it will be scheduled for delivery by the end of the month.

Employees and Morale

- Happy Anniversary to our April anniversaries.
- A special congratulations to Bizzy Collins who will not be at the Board Meeting as she is getting married on April 15 and will be away to celebrate that milestone with family and friends.

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May: No TAC Meeting TAC and Board Joint Meeting is Wed, 5/17

ITEMS:	WHO & WHAT:
Safety Minute	Sam
Milestone Anniversaries	Heather D
Budget Presentation	Josh - D
Key Performance Indicators (KPIs)	Bizzy - D
Review Strategic Plan	Heather D - D
Review Mission, Vision, Goals, Guiding Principles, Staff Development and Succession Planning – tie to Strategic Plan and reaffirm	Heather/GM Team
Kaspar Maintenance Facility	Anne - PR
Workforce Utilization Report	Josh - PR
Delegation of Authority Update – Agreements, Grants, and Procurements: JOC Contract, Kaspar Maintenance Facility, Beulah Extension – Bus Only Lanes	
May/June Agenda Calendar	

June: TAC Meeting is Thurs, 6/1 Board Meeting is Wed, 6/21

ITEMS:	WHO & WHAT:
Safety Minute	Sam
Milestone Anniversaries	Heather D
Budget Approval	Josh - D/A
Key Performance Indicators (KPIs) Adoption	Bizzy - D/A
DBE Goal Setting	Heather H - D/A
Cybersecurity Policies (BOD Only)	Jon - D/A
Procurement Resolution	Josh - C
Grant Resolution	Josh - C
Line of Credit	Josh - C
Personnel Policy Manual Updates	Josh - C
Annual Cybersecurity Report	Jon - PR
Meeting Calendar Review	Rhonda - PR
Delegation of Authority Update – Agreements, Grants, and Procurements: Nation's Group Contract	
August/September Agenda Calendar	