



## 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 17, 2024  
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.**

#### Public Comment Process

The Mountain Line Board of Directors welcomes public comments during meetings. Members of the public can comment on items not on the agenda under the general call to the public and on items on the agenda at the time the item is considered, in the agenda order. There are three ways to submit comments:

1. Written Comments: Members of the public can submit public comments by email up until 9:00 a.m. on the day of the meeting. Comments can be emailed to [publiccomment@mountainline.az.gov](mailto:publiccomment@mountainline.az.gov) and should reference if the comment is part of the general call to the public or in reference to a specific agenda item. Every email, if received by 9:00 a.m. on the day of the meeting, will be entered into the official record.
2. Virtual Comments: Members of the public can join the meeting virtually to deliver public comments. Those wishing to attend virtually must email [publiccomment@mountainline.az.gov](mailto:publiccomment@mountainline.az.gov) by 9:00 a.m. on the day of the meeting with their name and agenda item for which they wish to provide comment. The Clerk of the Board will provide a link to access the meeting via Zoom and will introduce those giving public comments at the appropriate time in the agenda.

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3. In-Person Comments: Members of the public can attend any Board meeting in-person and submit a speaker card to the Clerk of the Board.

The agenda for the meeting is as follows:

-pages 1-4

1. CALL TO ORDER

2. ROLL CALL

3. SAFETY MINUTE

-Sam Short, Workforce Director

4. MILESTONE ANNIVERSARIES

-Heather Dalmolin, CEO and General Manager

5. CALL TO THE PUBLIC

The public is invited to speak on any item or any area of concern that is the jurisdiction of the Mountain Line Board. Comments relating to items on the agenda will be taken at the time the item is discussed. The Board is prohibited by the Open Meeting law from discussing, considering, or acting on items raised during the call to the public, but may direct the staff to place an item on a future agenda. Individuals are limited to a three minute presentation. A spokesperson for 10 or more people present at today's meeting may be given up to six minutes to speak. The Board will not recognize anonymous comments.

6. APPROVAL OF MINUTES 3/27/2024

-pages 5-11

### **CONSENT AGENDA:**

All matters under the Consent Agenda are considered by the Board of Directors to be routine and will be enacted by a single motion APPROVING THE CONSENT AGENDA. If discussion is desired on any particular consent item, that item will be removed from the consent agenda and will be considered separately. All items on the Consent Agenda with financial impact have been budgeted.

7. THE METROPLAN AND MOUNTAIN LINE COORDINATED PUBLIC TRANSIT – HUMAN SERVICES TRANSPORTATION PLAN

-pages 12-13

-Estella Hollander, Planning Manager

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

### **DISCUSSION / ACTION ITEMS:**

8. FY2023 FINANCIAL AUDIT REPORT

-pages 14-23

-Josh Stone, Management Services Director

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Staff recommends the Board of Directors approve the FY2023 Financial Audit Report which was completed by Fester and Chapman P.C. and filed as required by March 31, 2024.

9. FY2025 CAPITAL BUDGET -pages 24-25  
-Josh Stone, Management Services Director  
The Board may provide direction, but there is no recommendation from staff at this time.
10. EXPAND THE REDUCED FARE PROGRAM -pages 26-28  
-Heather Dalmolin, CEO and General Manager  
Staff recommends the Board of Directors approve expansion of the reduced fare program to add active military, veterans, and low-income as eligible persons.
11. COMMERCIAL DRIVER'S LICENSE (CDL) COURSE PROJECT CLOSEOUT  
-Anne Dunno, Capital Development Manager -pages 29-30  
The Board may provide direction, but there is no recommendation from staff at this time.

### PROGRESS REPORTS:

12. MOUNTAIN EXPRESS PERFORMANCE REPORT -pages 31-32  
-Bizzy Collins, Strategic Performance Planner
13. TRAINING UPDATE -page 33  
-Sam Short, Workforce Director
14. OPERATIONS DIRECTOR UPDATE -pages 34-35  
-Heather Dalmolin, CEO and General Manager
15. WASHINGTON, D.C. TRIP -pages 36-38  
-Heather Dalmolin, CEO and General Manager
16. DELEGATIONS OF AUTHORITY UPDATE -pages 39-40  
-Heather Dalmolin, CEO and General Manager
17. SUMMARY OF CURRENT EVENTS  
-Heather Dalmolin, CEO and General Manager

### ITEMS FROM COMMITTEE AND STAFF:

#### SCHEDULE NEXT MEETING DATE AND IDENTIFY AGENDA ITEMS

May/June Working Agenda

-page 41

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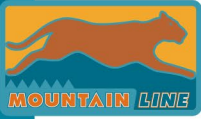
The next Board and TAC Joint meeting will be May 15, 2024, and it will be an in-person only meeting based in Flagstaff in the Community Room at the Flagstaff Aquaplex, 1702 N. Fourth St., Flagstaff, AZ 86004 at 10am. The public is invited to attend. Lunch will be served. May agenda items may include but not be limited to Review of the Strategic Plan, the Budget Presentation, Future Vehicle Procurement, Electric Vehicle Charging Update/Downtown Connection Center Phase Two, Bus Stop Acquisition Policy, 2024 Transit Tax Update, Triennial Review Update, Workforce Utilization Mid-Year Report, 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 26, 2024 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 the FY2025 Budget Adoption, Equal Employment Opportunity (EEO) Program, Bus Procurement, Triennial Review Final Report, Mobility as a Study, Procurement Resolution, Grant Resolution, Line of Credit, Personnel Policy Updates, Route 7 Timepoint Change, Annual Cybersecurity Report, Rider Satisfaction Survey Results, 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.

### **18. ADJOURNMENT**

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## Board of Directors Minutes for Wednesday, March 27, 2024

**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 27, 2024, 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), Vice President of Student Services, CCC, designee, (Zoom);  
Jeronimo Vasquez, (Vice Chair), Board of Supervisors, Coconino County, (Zoom), joined at approximately 10:12am;  
Miranda Sweet, City Councilor, City of Flagstaff, (Zoom);  
Lori Matthews, City Councilor, City of Flagstaff, (Zoom);  
Josh Maher, Associate VP for Community Relations, NAU, alternate  
*\*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.

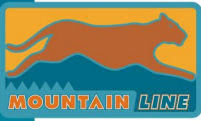
### **MOUNTAIN LINE STAFF IN ATTENDANCE:**

Jacki Lenners, Deputy General Manager;  
Josh Stone, Management Services Director, (Zoom), left at approximately 11:08am;  
Sam Short, Workforce Director;  
Anne Dunno, Capital Development Manager, left at approximately 11:08am;  
Jeremiah McVicker, Maintenance Manager, left at approximately 11:08am;  
Codi Weaver, Human Resources Manager, left at approximately 11:08am;  
Dave Doss, Operations Manager, (Zoom), left at approximately 10:32am;  
Bizzy Collins, Strategic Performance Planner, left at approximately 11:08am;  
Estella Hollander, Mobility Planner, left at approximately 11:08am;  
Heather Higgins, Purchasing and Contracts Officer, (Zoom), joined at approximately 10:05am, left at approximately 11:08am;  
LaReina Reyes, Associate Transit Planner, left at approximately 11:08am;  
Jon Matthies, IT Manager, left at approximately 11:09am and returned at approximately 11:26am;  
Rhonda Cashman, Executive Assistant and Clerk of the Board;  
Scott Holcomb, Mountain Line Attorney, (Zoom)

### **GUESTS PRESENT:**

None





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1. CALL TO ORDER -Chair Williams called the meeting to order at approximately 10:00am.

2. ROLL CALL

3. SAFETY MINUTE

-Sam Short, Workforce Director

Mr. Short reported on Poison Prevention Month, and he provided information on how to keep your home safe.

4. MILESTONE ANNIVERSARIES

-Jacki Lenners, Deputy General Manager

Ms. Lenners reviewed the March milestone anniversaries and one retirement.

Ms. Lenners also made a couple announcements about the invitations going out for Jim Wagner's retirement party next month, asking Board members to RSVP to Rhonda, and Operations Supervisor Nick Johnson received first place in the Bus Roadeo in Tucson earlier this month.

5. CALL TO THE PUBLIC

Ms. Cashman stated no members of the public were present at the meeting and no comments were received via email in advance of the meeting.

6. APPROVAL OF MINUTES 2/21/2024

Director Maher moved to approve the minutes for the meeting held on February 21, 2024. Director Matthews seconded. There was no discussion. Chair Williams abstained as he was not in attendance at this meeting. All approved, none opposed. Motion carried.

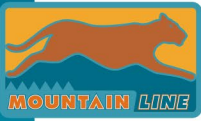
NAME	YES VOTE	NO VOTE	ABSTAINED
Tony Williams			X
Miranda Sweet	X		
Lori Matthews	X		
Josh Maher	X		

### CONSENT AGENDA:

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**7. PURCHASING POLICY CLERICAL EDITS**

-Heather Higgins, Purchasing and Contracts Officer

Staff recommends the Board of Directors approve and adopt Mountain Line’s Purchasing Policy, updated to incorporate clerical changes that reflect current Mountain Line staff approval levels for purchases and contracts, and authorize the CEO and General Manager to approve future updates that do not alter the intent of the Purchasing Policy.

Director Maher moved to approve the consent agenda. Director Sweet seconded. There was no discussion. All approved, none opposed. Motion carried.

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

**DISCUSSION / ACTION ITEMS:**

**8. FY2025 OPERATIONS BUDGET**

-Josh Stone, Management Services Director

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

Mr. Stone reviewed the portion of the Operations budget, aside from the Workforce budget presented last month. The focus of his report was primarily on the increased costs of liability insurance, fuel, vehicle parts and supplies, as well as facilities supplies and contracted services. He noted that despite staff efforts to keep costs down, there are market influences that are beyond our control. He also explained that Mountain Line anticipates occupying the new Downtown Connection Center in May 2025, and the budget reflects the associated costs of that facility being open for approximately two months in FY2025. One Board member requested a copy of the full proposed budget. Mr. Stone responded that it should be available in May. There was no other discussion.

**9. AMENDED MOUNTAIN LINE SAFETY PLAN**

-Sam Short, Workforce Director

Staff recommends the Board of Directors approve the amended Mountain Line Public Transportation Agency Safety Plan (the Safety Plan) as required by the Federal Transit Administration.

Mr. Short provided a brief history of the Mountain Line Safety Plan and its adoption by the Board in November 2020. He stated the plan establishes who is responsible for safety within the organization, a top down approach, and defines staff roles and responsibilities related to safety. He communicated the plan also outlines how we evaluate our policies and procedures in the Safety Assurance section and provides tools to evaluate risk. He shared an example using the Risk Assessment Matrix. The additions to the plan include an email address as another avenue to report safety concerns, new policies and procedures specific to Battery Electric Buses, and training for all staff, specifically related to Battery Electric Buses. He noted





any changes to this document requires Board approval. There were no questions. Director Sweet moved to approve the consent agenda. Director Maher 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	

**10. ELECTRIC BUS PERFORMANCE REPORT**

-Bizzy Collins, Strategic Performance Planner

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

Ms. Collins explained this report will compare the battery electric buses against each other, as well as against our hybrid buses. She noted the Gillig electric bus went into service in April 2023 and has a battery capacity of 440 kilowatts per hour, and the New Flyer electric bus went into service in September and has a capacity of 340 kilowatts per hour. She stated Mountain Line has one 50 kilowatt Heliox mobile charger at Kaspar Headquarters. She explained the Key Performance Indicators (KPIs) being tracked for reporting: Efficiency, per mile and by temperature; Environmental Impact, by diesel gallons avoided and by carbon dioxide avoided; and by Cost, cost per mile. She stated these categories are the industry standard for comparison. She reported the New Flyer with the smaller battery capacity is the most efficient per mile, and the hybrid is in the middle. She shared charts of comparisons with peers. She stated the temperature does not seem to be an impact; perhaps due to the buses being stored in a building when not in use, so they are not starting out terribly cold. She conveyed that the Battery Electric Buses do better when accounting for Gallons of Diesel Avoided. She reported on our energy cost per mile and shared our peer comparison with Missoula. She explained the next steps are for staff to come up with a bus procurement recommendation to place an order sometime this summer. She stated staff are still evaluating all options right now. There was a question about how much time it takes to recharge the batteries. Mr. McVicker answered that it typically takes 4-6 hours depending on the bus manufacturer. Ms. Collins added that the size of the charger has an impact on how much time it takes to charge as well. She reported that some outlets did have to be upgraded to handle the charger; currently, charging can occur in Shop 2 or Shop 3. A Board member asked for further explanation of energy cost. Ms. Collins stated the Battery Electric Buses are more cost effective, per the graph. She noted that a procurement recommendation should be brought forward in May. There was no further discussion.

**11. BIANNUAL 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 the focus of this report was the correlation between the FY2024 Goal and the actual FY2024 first and second quarters. She noted that reduced fixed route service during this period of time has impacted ridership. She reported that there has been an eight percent increase in ridership over the same time period in FY2023, which translates to 63 percent of pre-COVID ridership. She shared that our comingled paratransit and microtransit service has reduced our deadhead miles by 39 percent. She noted Paratransit trips have decreased by 14 percent, which may not be a bad thing, if clients are choosing a less costly taxi ride. She reported that the taxi programs offer clients more flexibility for same day service at a lower cost. She noted that City taxi trips increased by 36 percent and County taxi trips stayed relatively flat. She conveyed that the Vanpool program has continued to grow, now having 11 Vanpools, and ridership is 88 percent higher than pre-COVID. There was a question related to fixed route and why ridership has not recovered. Ms. Collins provided a Route 10 example; if a student can walk to their destination in the same time as waiting and riding the bus, due to less frequency, they are probably choosing to walk. She noted the reduced service is directly related to workforce shortages. Ms. Lenner stated the plan is to be back to full service by the time the school year starts this fall. Ms. Collins shared the Peer Agency Comparisons for fixed route and vanpool programs. Next, she reviewed the Strategic Plan Scorecard. She stated staff are still working toward trying to get “apples to apples” comparisons. There was no further discussion.

**12. LINDA VISTA PROPERTY LOT MODIFICATION UPDATE**

-Anne Dunno, Capital Development Manager

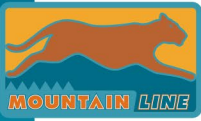
The Board may provide direction, but there is no recommendation from staff at this time.

Ms. Dunno explained the Linda Vista property was purchased in 2017 using local dollars, and in 2022 the Board determined that development of this parcel as part of the Kaspar Headquarters Master Plan was not feasible and directed staff to take action to realign property lines and consider disposition of property in the future. She shared a color-coded exhibit of the layout of all three parcels owned by Mountain Line with the lot modification line clearly marked and the two pieces in different colors to show the proposed changes to streamline the two eastern parcels for mutual benefit. She explained the green area would combine with the beige area due to trees needed for our maintenance facility development, and the pink would combine with the orange piece to allow for access to Kaspar and potentially to Linda Vista if it is ever extended, also making this parcel more favorable for sale in the future. There was a question about the timeline for the lot modification. Ms. Dunno responded that it is expected to take about two months; it is currently under City review, so hopefully it can be complete by June. She stated the next step would then be to get the Conditional Use Permit. A Board member asked if the Board would receive another update with a recommendation of how to proceed with the land disposition later this year. Ms. Dunno concurred. There was no further discussion.

**PROGRESS REPORTS:**

There were no questions regarding the progress reports.





- 13. TRIENNIAL REVIEW UPDATE  
-Bizzy Collins, Strategic Performance Planner
- 14. FY2025 MEETING DATES – MARCH 2025 BOARD MEETING  
-Rhonda Cashman, Executive Assistant and Clerk of the Board
- 15. DELEGATIONS OF AUTHORITY  
-Heather Dalmolin, CEO and General Manager
- 16. SUMMARY OF CURRENT EVENTS  
-Heather Dalmolin, CEO and General Manager

Current events were skipped in the interest of time. The written report was in the agenda packet.

At approximately 11:08am, Director Vasquez made a motion to move into executive session. 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	

**EXECUTIVE SESSION**

Executive sessions are closed to the public.

The Board considered a motion to convene an executive session pursuant to A.R.S. § 38-431.03(A)(3) 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 threatened litigation. ARS § 38-431.03(A)(3) and (4).

Following the conclusion of the Executive Session, the Board reconvened the public meeting at approximately 11:27am.

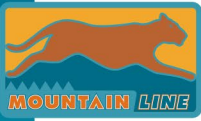
**ITEMS FROM COMMITTEE AND STAFF:**

SCHEDULE NEXT MEETING DATE AND IDENTIFY AGENDA ITEMS

March/April Working Agenda

The next Board meeting will be April 17, 2024 and will be a hybrid in-person and Zoom meeting based





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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 may include but not be limited to the MetroPlan Route 66 Operational Assessment, The Coordinated Plan, FY2023 Financial Audit, Capital Budget Overview, Modify Mountain Line Fare Program, Commercial Driver's License (CDL) Course Closeout Mountain Express Performance Report, Training Update, Status of Operations Director Position, 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.

17. ADJOURNMENT -Chair Williams adjourned the meeting at approximately 11:28am.

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Tony Williams, Chair of the Mountain Line Board of Directors

ATTEST:

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Rhonda Cashman, Executive Assistant and Clerk of the Board

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**DATE PREPARED:** April 9, 2024

**DATE:** April 17, 2024

**TO:** Honorable Chair and Members of the Board

**FROM:** Estella Hollander, Planning Manager

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

### **RECOMMENDATION:**

Staff recommends the Board of Directors adopt the MetroPlan and 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 and 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 23, 2024, the CMC recommended both Mountain Line's Board of Directors and MetroPlan's Executive Board adopt the Coordinated Plan.

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The Coordinated Plan has a minor update annually and a major update every four years. This year is a minor update which includes an update to the vehicle inventory list, project inventory, and MetroPlan regional demographics.

### **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 Transit Advisory Committee did not discuss this consent item.

### **SUBMITTED BY:**

Estella Hollander  
Planning Manager

### **APPROVED BY:**

Heather Dalmolin  
CEO and General Manager

### **ATTACHMENTS:**

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

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**DATE PREPARED:** April 9, 2024

**MEETING DATE:** April 17, 2024

**TO:** Honorable Chair and Members of the Board

**FROM:** Josh Stone, Management Services Director

**SUBJECT:** FY2023 Financial Audit Report

**RECOMMENDATION:**

Staff recommends the Board of Directors approve the FY2023 Financial Audit Report which was completed by Fester and Chapman P.C. and filed as required by March 31, 2024.

**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. Fester & Chapman continues to be engaged for these services through yearly contract extensions.

The FY2023 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 29, 2024.

Based on the final report and feedback from the auditors, the following conclusions were reached:

1. 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.
2. No transactions were entered into during the year without appropriate authorization.
3. All significant transactions have been recognized in the financial statements in the proper period.





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4. Reasonable estimates were developed by staff for amounts due to other governments and depreciation of assets.
5. No difficulties were experienced in dealing with management.
6. There were no disagreements with management.
7. A construction and other significant commitments statement has been included listing committed capital contracts currently awarded. This statement has been added due to the large number of Federal funds awarded for various projects and can be useful to account for contracts awarded using those funds to date.
8. Mountain Line qualified as low-risk auditee.
9. Mountain Line did not consult another firm for a 2<sup>nd</sup> opinion on any matters.

The final report was issued and filed prior to the Board of Directors meeting on April 17, 2024, as the report filing due date is March 31, 2024.

Looking towards the future, Mountain Line will be required to account for additional postemployment benefits due to GASB (Government Accounting Standards Board) reporting requirements for retiree costs. While Mountain Line only currently has a single retiree participating in enrollment of benefits, we are required to accrue expenses as if all retirees will participate in benefits enrollment in the future. This will result in a non-cash adjustment to our financial statements for FY2024 that could be significant. No cash impact should occur to Mountain Line's expenses as based on current retiree policies since we don't anticipate a large number of retirees being added to benefits enrollment. The current policy is for retirees to pay their own insurance costs so if any enrollments did occur, they are at no premium cost to Mountain Line and only nominal administrative cost.

### **FISCAL IMPACT:**

Approval of the FY2023 Financial Audit has no fiscal impact.

### **ALTERNATIVES:**

- 1) Approve the FY2023 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 FY2023 Financial Audit report (**not recommended**): As the report has already been filed, there is no option to rescind the report from publication.

### **TAC DISCUSSION:**

Advisor Covington directed attention to an error with the filing due date in the staff report. The error has been corrected in the report sent to the Board of Directors. No other questions or concerns were raised by the Transit Advisory Committee.

### **SUBMITTED BY:**

Josh Stone  
Management Services Director

### **APPROVED BY:**

Heather Dalmolin  
CEO and General Manager

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### **ATTACHMENTS:**

1. FY2023 Report to the Board of Directors -pages 17-23
2. FY2023 Audited Financial Statements -separate attachment

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**Northern Arizona Intergovernmental Public  
Transportation Authority**

**Report to the Board of Directors**

**June 30, 2023**



March 29, 2024

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, 2023. 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 July 14, 2023. 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. 96 Subscription-Based Information Technology Arrangements*. 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 7.

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. The attached schedule "Adjusting Journal Entries" summarizes an audit adjustment and four client post-closing entries. The attached schedule "Proposed Adjusting Journal Entries" summarizes two uncorrected misstatements of the financial statements. Management has determined the effects are immaterial to the financial statements taken as a whole.

#### *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 29, 2024.

#### *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.

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, 2023

**Adjusting Journal Entries**

Number	Date	Name	Account No	Debit	Credit
AJE 01	6/30/2023	Retained Earnings	32000	67,538.00	
AJE 01	6/30/2023	Miscellaneous - Admin-Bus	699941A	3.00	
AJE 01	6/30/2023	Construction in Progress - DCC	806051P		-60,406.00
AJE 01	6/30/2023	Const in Progress-Campus Storag	806251P		-7,135.00
To correct opening year net assets and properly record prior year audit adjusting entry.					
CAJE 01	6/30/2023	ASRS Net Pension Assets	161000B	45,089.00	
CAJE 01	6/30/2023	Deferred Outflows Related to Pe	1700000		-291,773.00
CAJE 01	6/30/2023	ASRS Net Pension Liability	261000B		-1,787,544.00
CAJE 01	6/30/2023	Deferred Inflows Related to Pen	2700000	1,760,968.00	
CAJE 01	6/30/2023	Fixed Wages & Benefits:EECONTRAASRS	5010001		-76,127.00
CAJE 01	6/30/2023	ASRS Pension Expense	5071000	349,387.00	
To record a post-closing entry on pension accounts.					
CAJE 02	6/30/2023	Construction in Progress	1602000	158,299.00	
CAJE 02	6/30/2023	Construction in Progress	1602000	39,516.00	
CAJE 02	6/30/2023	Construction in Progress	1602000	1,504,336.00	
CAJE 02	6/30/2023	Construction in Progress	1602000	459,337.00	
CAJE 02	6/30/2023	Construction in Progress	1602000	1,375,497.00	
CAJE 02	6/30/2023	Construction in Progress	1602000	1,414.00	
CAJE 02	6/30/2023	Buildings & Improvements	1610000		-7,217.00
CAJE 02	6/30/2023	Buildings & Improvements	1610000		-13,104.00
CAJE 02	6/30/2023	Buildings & Improvements	1610000	7,437.00	
CAJE 02	6/30/2023	Buildings & Improvements	1610000	19,997.00	
CAJE 02	6/30/2023	Buildings & Improvements	1610000	31,491.00	
CAJE 02	6/30/2023	Buildings & Improvements	1610000	31,491.00	
CAJE 02	6/30/2023	Buildings & Improvements	1610000	31,491.00	
CAJE 02	6/30/2023	Buildings & Improvements	1610000	97,633.00	
CAJE 02	6/30/2023	Buildings & Improvements	1610000	70,241.00	
CAJE 02	6/30/2023	Buildings & Improvements	1610000	22,129.00	
CAJE 02	6/30/2023	Buildings & Improvements	1610000	98,416.00	
CAJE 02	6/30/2023	Vehicles & Equipment	1620000		-521,150.00
CAJE 02	6/30/2023	Vehicles & Equipment	1620000		-20,749.00
CAJE 02	6/30/2023	Vehicles & Equipment	1620000	966,436.00	
CAJE 02	6/30/2023	Accumulated Depreciation	1690000		-1,835,620.00
CAJE 02	6/30/2023	Accumulated Depreciation	1690000	7,217.00	
CAJE 02	6/30/2023	Accumulated Depreciation	1690000	13,104.00	
CAJE 02	6/30/2023	Accumulated Depreciation	1690000	521,150.00	
CAJE 02	6/30/2023	Accumulated Depreciation	1690000	20,749.00	
CAJE 02	6/30/2023	IT Maintenance/Equipment-Bus	800371A		-7,437.00
CAJE 02	6/30/2023	Software Maint/Support - IT-Bus	800571A		-97,633.00
CAJE 02	6/30/2023	Software Maint/Support - IT-Bus	800571A		-70,241.00
CAJE 02	6/30/2023	Software Maint/Support - IT-Bus	800571A		-20,580.00
CAJE 02	6/30/2023	Software Maint/Support - IT-Bus	800571A		-98,416.00
CAJE 02	6/30/2023	Software Maint/Support -IT-Para	800572B		-1,549.00
CAJE 02	6/30/2023	Capital Planning-Charging Infra	802151P		-158,299.00
CAJE 02	6/30/2023	IT Replacement - Bus	805171A		-18,597.00
CAJE 02	6/30/2023	IT Replacement - Para	805172B		-1,400.00
CAJE 02	6/30/2023	Vehicles-Passengers-Fleet-Bus	805421A		-966,436.00
CAJE 02	6/30/2023	Const in Progress- Kaspar Bldg	806031P		-39,516.00
CAJE 02	6/30/2023	Construction in Progress - DCC	806051P		-1,504,336.00
CAJE 02	6/30/2023	Construction in Progress - BRT	806053P		-459,337.00
CAJE 02	6/30/2023	Const in Progress-Campus Storag	806251P		-1,375,497.00
CAJE 02	6/30/2023	Const in Progress-Ped/Bike/Tran	806351P		-1,414.00
CAJE 02	6/30/2023	Shelters Rehab - Fac-Bus	806531A		-31,491.00

CAJE 02	6/30/2023	Shelters Rehab - Fac-Bus	806531A	-31,491.00
CAJE 02	6/30/2023	Shelters Rehab - Fac-Bus	806531A	-31,491.00
CAJE 02	6/30/2023	Deprec Expense - Operations GF	8901000	1,835,620.00

To record a post-closing entry to record FY23 fixed asset activity.

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CAJE 03	6/30/2023	City of Flagstaff Operating-Bus	420411A	66,314.00
CAJE 03	6/30/2023	Revenue Other Operating-MtnLine	420611A	-66,314.00

To record a post-closing entry to reclassify other operating revenue.

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CAJE 04	6/30/2023	Accrued Expenses	2420000	-45,725.00
CAJE 04	6/30/2023	Construction in Progress - DCC	806051P	45,725.00

To record a post-closing entry to record additional accrued expenses.

**Northern Arizona Intergovernmental Public Transportation Authority**

Year End: June 30, 2023

**Proposed Adjusting Journal Entries**

Number	Date	Name	Account No	Debit	Credit
PAJE 01	6/30/2023	Accumulated Depreciation	1690000		-41,866.00
PAJE 01	6/30/2023	Deprec Expense - Operations GF	8901000	41,866.00	
Unrecorded adjustment for depreciation on software in FY23.					
PAJE 02	6/30/2023	Subscription Asset	1501000	182,445.00	
PAJE 02	6/30/2023	Accumulated Amortization - Subscription Asset	1501001		-60,815.00
PAJE 02	6/30/2023	Buildings & Improvements	1610000		-97,633.00
PAJE 02	6/30/2023	Subscription Liability	2500000		-89,139.00
PAJE 02	6/30/2023	Subscription Interest	8900000	4,327.00	
PAJE 02	6/30/2023	Subscription Amortization	8900001	60,815.00	
Unrecorded adjustmnet for GASB 96 implementation of TransTrack Software.					



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**DATE PREPARED:** April 9, 2024

**MEETING DATE:** April 17, 2024

**TO:** Honorable Chair and Members of the Board

**FROM:** Josh Stone, Management Services Director

**SUBJECT:** FY2025 Capital Budget

### **RECOMMENDATION:**

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

### **RELATED STRATEGIC PLAN OBJECTIVE**

❖ FY2025 budget supports all aspects of the Strategic Plan Goals and Key Objectives

### **BACKGROUND:**

The FY2025 capital budget is \$70,388,838. This capital budget includes \$47,424,161 of FY2024 carryforward projects with all funding previously approved. New projects in the FY2025 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 FY2025 budget includes the following items:

- Electrical charging infrastructure, on Kaspar property and offsite likely at the Downtown Connection Center (80% federally funded).
- Operations support vehicles (80% federally funded).
- Administrative Projects include implementation of a capital asset management solution (locally funded).
- Rehabilitation and maintenance of various bus stops (locally funded).
- Various possible bus stop upgrades performed in conjunction with developer or City of Flagstaff construction projects where possible.
- Continuing transition to zero emission fleet with order of additional electric buses (80% federally funded).
- Construction of the Downtown Connection Center (80% federally funded, and \$6 Million State of Arizona contribution).
- Construction of Kaspar Maintenance Facility expansion to allow maintenance of new electric vehicle types and a facility size appropriate to accommodate maintenance without exposure to weather for comfort and safety of vehicle maintenance staff.
- Maintenance funds for facilities, concrete and asphalt repairs, (locally funded).
- Maintenance funds for fleet (locally funded).

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- 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).

### **FISCAL IMPACT:**

There is no fiscal impact currently associated with this FY2025 Budget discussion. The items discussed will impact the final FY2025 budget proposed at the June 2024 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:**

Advisor Jackson questioned the cost of electrification to the entire system, and whether a goal to convert the entire fleet by a certain date existed. Around \$17,000,000 is the estimated cost from Mountain Line's Zero Emission Bus plan to complete electrification of the entire vehicle fleet and associated infrastructure. This additional cost assumes existing hybrid vehicles are replaced with all electric vehicles instead of similar hybrid vehicles. Mountain Line does not have a goal date to complete the transition to all electric vehicles. Existing vehicles would only be replaced as they reach the end of their useful service life – not on any sort of accelerated timeline.

### **SUBMITTED BY:**

Josh Stone  
Management Services Director

### **APPROVED BY:**

Heather Dalmolin  
CEO and General Manager

### **ATTACHMENTS:**

None.

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**DATE PREPARED:** April 4, 2024

**MEETING DATE:** April 17, 2024

**TO:** Honorable Chair and Members of the Board

**FROM:** Heather Dalmolin, CEO and General Manager

**SUBJECT:** Expand the Reduced Fare Program

### **RECOMMENDATION:**

Staff recommends the Board of Directors approve expansion of the reduced fare program to add active military, veterans, and low-income as eligible persons.

### **RELATED STRATEGIC PLAN OBJECTIVE**

- ❖ Goal One: Service Improvements
- ❖ 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.
- ❖ Goal Five: Community Engagement
- ❖ Objective: Increase the community's awareness of Mountain Line's value to the community.
- ❖ Goal Six: Fiscal Responsibility
- ❖ Objective: Ensure a sustainable financial future through long-term financial planning.

### **BACKGROUND:**

In June 2023, the Board of Directors instructed staff to delay consideration of a zero fare program for Mountain Line until Spring of 2025 and requested staff consider what can be done in the interim. After much consideration, staff are recommending the Mountain Line eligibility criteria for reduced fare be expanded to add persons who are active military, veterans, and are considered low income. This change creates a more equitable fare system for Mountain Line's low-income passengers and is a positive step towards increasing access to transportation for many in our community. Access to transportation means access to education, jobs, improved healthcare, and so much more.

Mountain Line's current fare program offers reduced fares (half fare) to those that qualify and can show proof of eligibility: Medicare recipients as required by the Federal Transit Administration, and individuals that are 17 and younger or over 60. We also offer reduced fare to individuals with a disability. Anyone who is eligible for and wishes to pay a reduced fare must have proper identification (i.e. their Medicare card and photo ID. A school ID, or a government issued ID) along with fare when boarding. Individuals qualifying due to a disability must apply for a Mountain Line ID card and provide medical certification regarding their disability. We also offer a Reduced Fare ID to anyone who wishes to obtain one to save the need to carry the other documents and ID.

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As we expand eligibility for the reduced fare program, we will need to adjust our application process to include these new qualifying categories for the purpose of identifying and recognizing these persons, we will use the following criteria to qualify individuals for reduced fare:

- Veteran's Identification Card issued by the U.S. Department of Veteran Affairs
- Driver's License or State Identification with veteran status listed
- DD Form 214 Verification of Military Service with one of the following characters of service: General, General under Honorable, Honorable Discharge
- Military or Veteran Identification Card issued by the Department of Defense (DoD)
- Identification card or eligibility letter from any federal or state income based public assistance program, including but not limited to Medicare, Food Assistance, Supplemental Security Income (SSI), Supplemental Nutrition Assistance Program (SNAP), Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), etc.

Mountain Line does not intend to qualify a person as low-income but allow those that qualify for any other low-income public assistance program to use that eligibility to qualify for reduced fare. This expansion of criteria allows us to build upon our existing fare program and create fares that increase transit equity for our community. Our recommendation to add active military and veterans is not so much about income but is part of our desire to recognize the service these individuals offered to our country. The change for these individuals is meant to support our military personnel living, working, or retiring in our community.

Upon approval to expand the reduced fare program, staff will formulate a plan for implementation that will include public outreach, updated website and signage, changes to the Ride Guide, and an education effort for partners around the community who serve these same persons. Additionally, we will modify the defined Discount Pass program to add 30-day passes as eligible for purchase by human service agencies at a discounted rate of 40%. The current program offers the same 40% discount on day passes to agencies that serve people in our community that cannot otherwise afford or access transit. We currently cap total purchases at \$2,500 annually and would also increase that to \$3,500 annually. We believe these changes are a necessary part of the efforts to create a more equitable fare program.

This change is a critical effort to serve more people in our community, to reach more riders and connect more people to jobs, services, education, etc. Mountain Line staff will continue to research and analyze zero fare transit programs. As discussed with the Board last summer, the current focus is the renewal and potential expansion of the transit tax to ensure Mountain Line has secure and stable funding to continue providing transit service to the community. We believe the addition of these reduced fare categories is a step to address the fare equity concerns that have been raised about transit fare programs across the country.

### **FISCAL IMPACT:**

The expansion will impact fare collection as some riders will move from full fare to half fare (reduced fare) but we believe that this change will attract more riders offsetting the loss of fares for existing riders. We

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do not anticipate a significant adverse funding impact in the coming year and have capacity in the transit tax fund balance to make small adjustments to budgeted fare revenues in future years.

### **ALTERNATIVES:**

- 1) Expand the reduced fare program (**recommended**). This expansion will create a more equitable fare program in our community for some of our most vulnerable individuals. Adding these categories of reduced fare eligibility is being viewed across the industry as a measure to reduce the impact of fares on transit access and ensure people have access to work, medical, school, services, etc.
- 2) Do not expand the program (**not recommended**). If the recommendation is not approved, the fare program will remain as is and the concerns about access to transit go unaddressed.

### **TAC DISCUSSION:**

The Transit Advisory Committee supported the recommendation of staff without any questions or concerns. Advisor Kerr, Coconino County, offered to assist staff with update to Reduced Fare application based on experience with low-income program within County.

### **APPROVED BY:**

Heather Dalmolin  
CEO and General Manager

### **ATTACHMENTS:**

None.

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**DATE PREPARED:** April 1, 2024

**MEETING DATE:** April 17, 2024

**TO:** Honorable Chair and Members of the Board

**FROM:** Anne Dunno, Capital Development Manager

**SUBJECT:** CDL Course Project Closeout

### **RECOMMENDATION:**

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

### **RELATED STRATEGIC PLAN OBJECTIVE**

- ❖ Goal: Investing in Mountain Line Workforce
- ❖ Objective: Expand and enhance employee Training and Development

### **BACKGROUND:**

In accordance with an Intergovernmental and Lease Agreements with NAU, the CDL Training and Testing Facility (the CDL Project) is a partnership with NAU to construct a concrete course to provide operator training and testing site for Mountain Line, NAU transit, and incidental users such as Coconino Community College. The project also included improvements to the facility access driveway for pedestrian safety to facilitate the regular access of buses and semi-trucks to the CDL course.

Mountain Line issued approval of substantial completion of construction of the CDL course and access driveway on March 26, 2024. The following minor items will carry over into spring 2024 for final completion and contract close-out with Construction Manager at Risk, Kinney Construction Services: 1) install CDL entry gate 2) install seating canopy, 3) stripe CDL course, 4) install erosion control and hydroseed, and 5) final clean "street sweep" of the CDL and access driveway. Final completion is anticipated by mid-May.

The CDL course is located in an APS, the electric utility company, easement under APS transmission lines which requires an APS agreement to operate the facility. As of date of this report, the APS agreement is pending execution by APS; Mountain Line and NAU have signed the agreement. Upon execution of the agreement, Mountain Line and NAU may use the course.

Mountain Line owns the CDL facility, located on NAU property, under a long-term lease agreement with NAU. Mountain Line will operate and maintain the facility. The CDL course has two carousels such that two groups may use the course concurrently. Mountain Line and NAU will share equally (50/50), the maintenance and repairs of the CDL course. Mountain Line is setting up an internal CDL calendar and

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standard operating procedure to schedule use of the course with NAU and third parties. Mountain Line and NAU, as shared use partners, have first priority of the CDL course.

Mountain Line may use the CDL course for “Incidental Uses” as defined by FTA Circular 5010.1. Incidental use may include third parties such as Coconino Community College (CCC). The Mountain Line Board of Directors approved facility use rates in March 2023. The CDL use fee is \$50 per day for third parties.

Total project costs for the CDL and access road are pending final close-out but tracking to be \$1.4M for design; this value included the schematic design of the Campus Bus Storage Facility, \$4.9M for construction of the CDL and access driveway improvements, and \$375,000 for project management and permit related fees.

Mountain Line is planning a ribbon cutting event on May 22 with invitations forthcoming to stakeholders.

### **FISCAL IMPACT:**

The adopted FY2024 Mountain Line budget in amount of \$5,078,000 includes fiscal capacity to complete the CDL and road access construction.

The construction of the CDL Project is funded by two federal grants:

- 1) Omnibus Appropriation in federal amount of \$2,590,000. There is no local match required.
- 2) FTA 5307/5339 competitive grants for a total value of \$4,375,581 (\$3,500,465 federal/\$875,116 local). The local match is split 50/50 with NAU with the exception of direct purchase of Beulah fill material which will be 100% matched by Mountain Line.

### **TAC DISCUSSION:**

The Transit Advisory Committee was supportive of this project, but had no comments or questions.

### **SUBMITTED BY:**

Anne Dunno  
Capital Development Manager

### **APPROVED BY:**

Heather Dalmolin  
CEO and General Manager

### **ATTACHMENTS:**

None

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# MOUNTAIN LINE MEMORANDUM

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**DATE:** April 17, 2024

**TO:** Honorable Chair and Members of the Board

**FROM:** Bizzy Collins, Strategic Performance Planner

**SUBJECT:** Mountain Express Performance Report

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Mountain Express service, Mountain Line's seasonal route serving the Arizona Snowbowl, has completed its ninth season of service. Details of the Mountain Express service included:

- Service every day during holiday break (from December 26-January 2) and weekends in January and February.
- First bus left the Downtown Connection Center at 7:30am and last bus departed Snowbowl at 5:30pm.
- Service every 30 minutes.
- Free to ride.
- Arizona Snowbowl paid the actual costs associated with the route based on Mountain Line's adopted budget per the Strategic Investment Plan cost allocation methodology.
- As further incentive to ride the bus, Snowbowl provided a \$10 voucher to every rider that could be redeemed for any purchase at Snowbowl.

One of the main reasons why Mountain Express was created in 2015 was to reduce congestion on US 180. While the 2023-24 season had a 21% decrease in ridership compared to last year, the 6,501 trips taken on Mountain Express service represents a possible 135 additional cars on US 180, if every bus rider drove a car instead, for each of the 24 days that Mountain Express served Snowbowl. Mountain Express saved 37 metrics tons of carbon dioxide from entering Flagstaff's air, the equivalent to removing almost nine cars from the road for one 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 to ride the bus. Total snowfall is included in the chart below.

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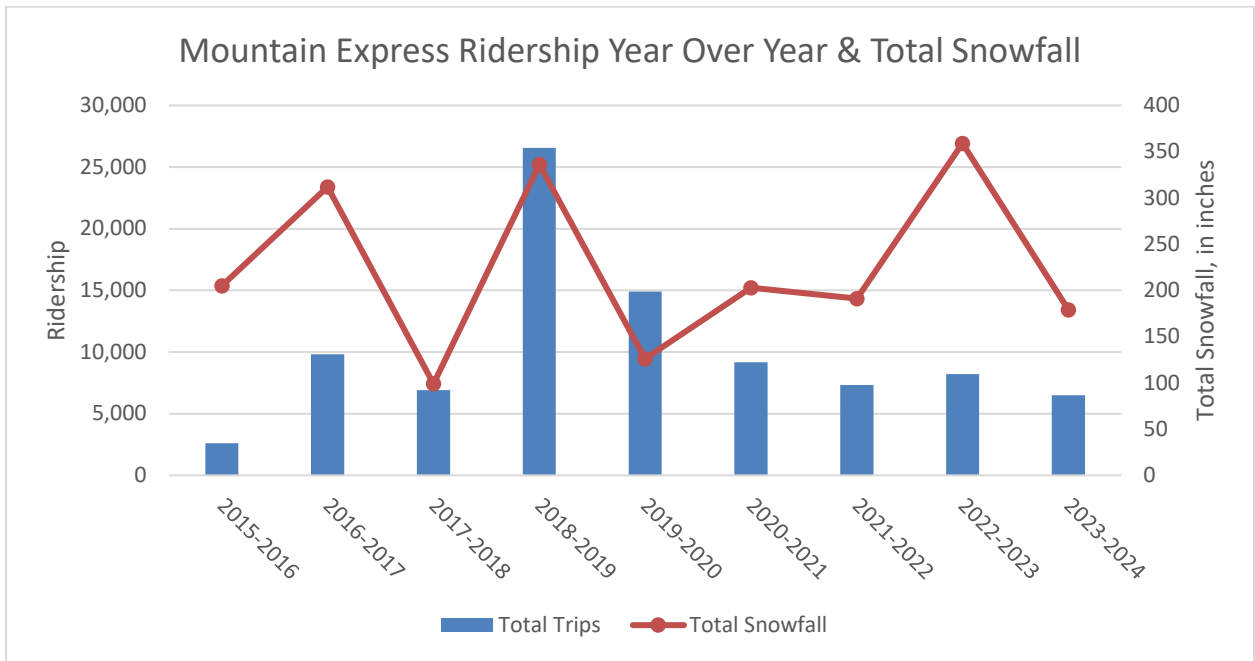


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Ridership was highest during weekends in February with an average of 300 boardings per day, compared to 282 average daily boardings during weekends in January, and 214 average daily boardings over the holiday break.

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



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# MOUNTAIN LINE MEMORANDUM

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**DATE:** April 17, 2024

**TO:** Honorable Chair and Members of the Board

**FROM:** Sam Short, Workforce Director

**SUBJECT:** Training Update

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In keeping with good work practices and industry standards, Mountain Line has resumed its recurring training efforts for staff. Since the pandemic, staff have found it difficult to hold any additional training as a result of our staffing shortages. Despite these challenges, the Training and Operations teams have developed a strategy to renew our recurring training sessions. The new strategy has been to build training sessions into the work schedule and allow the employees to participate in training sessions for 6 hours a day, one day a week, for an entire month. This ensures that each employee is afforded approximately 24 hours of recurring training that month. Each employee will have these training sessions built into their schedule 2-3 times per year, depending on staffing at that time.

Recurring training is very important to our staff as it has a direct impact on the organization's morale and performance. We not only provide updated information but listen to the employees' opinions and concerns. Recurring training also gives employees a better understanding of their responsibilities and the updated or refreshed knowledge and skills they need to do that job. This will improve their confidence, which can have a positive impact on their performance.

Some of the many topics covered during this recurring training are:

- Mobility Device Securement
- De-escalation techniques
- Defensive Driving
- Distracted Driving
- Skills (driving a bus through prescribed courses)
- Americans with Disabilities Act
- Route/service stop challenges
- Customer service
- Title VI
- Human Trafficking
- Assault Awareness
- General Safety Information
- Electric Bus Training
- Paratransit cross training
- Vehicle pre-trip
- P.A.S.S. (passenger assistance, safety, and sensitivity)

As staffing issues subside, additional training will be added, and more staff will receive training.

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# MOUNTAIN LINE MEMORANDUM

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**DATE:** April 17, 2024

**TO:** Honorable Chair and Members of the Board

**FROM:** Heather Dalmolin, CEO and General Manager

**SUBJECT:** Operations Director Update

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The Operations Director is a key position at Mountain Line, providing direct support to our daily operational functions, including fleet maintenance and to our Capital Asset division. The retirement announcement received in February was unexpected and as such, the vacancy has created a gap in our leadership. In addition to regular and ongoing support, the Operations Department has two new managers and was in the process of implementing new procedures and other changes to improve support for our Transit Operators in the field. In considering our next steps to recruit and fill this crucial position, we determined it was important to bring in an interim leader to support the team and facilitate the changes that were already underway.

Mountain Line has a contract with TransPro for employee development and training. We use this contract to provide our newest team members with coaching and training, and to help them adjust to their new roles and duties. TransPro offered additional contract terms to help with short-term and long-term strategies for the Operations Director position.

Below is a summary of steps and actions that have either taken place or that are planned to take place to bridge the gap and fill our long-term needs:

- Assign the Operations Manager and Capital Development Manager (the two staff that reported directly to Jim) to CEO and General Manager; this was done in February to ensure continuity of supervision and support.
- Bring on an Interim Operations Director via the TransPro contract. We identified a contractor to fill this role and put boots on the ground in Flagstaff, offering leadership to our team. This was enacted and is further detailed below.
- Begin the executive search for a new Operations Director. This is underway with the next steps outlined below.

### Interim Operations Director:

Mountain Line worked quickly to engage TransPro to recruit a contracted Interim Operations Director to assist our team while we conduct a search for a new Operations Director. The Mountain Line Executive Team interviewed three candidates and unanimously selected Steve Hamelin as the top candidate. Steve

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started with Mountain Line as the Interim Operations Director on March 20. He brings more than 15 years of transit operations experience, having served in both large and small agencies to oversee Operations and Fleet divisions. Steve immediately engaged team members to assess the most current needs, and to provide organization, develop procedures needed for consistency across staff and shifts, and implement training to create reliable expectations for our Operators and Operations Supervisors. Steve acts as daily supervisor to the Operations Manager and his team and assists me with day-to-day input and decisions. Steve is expected to serve in the role until at least May 1 and he is working hard to ensure we are better prepared for a temporary vacancy if we don't have the long-term decision and hire complete at the end of his contract.

### Executive Search

Parallel to the efforts to identify a short-term solution, we engaged TransPro to conduct our executive search for the Operations Director hire. The first step was to review and update the job description which was completed in late March. The next steps are detailed below:

- Priorities Review
- Competencies and Credentials Review
- Recruitment Strategy and Outreach
- Screen and Select Candidates
- Interview and Negotiate Offer
- Transitional Services: (Optional)
  - Employee Outreach
  - Organizational Assessment
  - Coaching
  - Performance Review

The executive search agreement with TransPro offers a placement guarantee that will repeat services at no additional cost if the placed candidate leaves for any reason in the first year or Mountain Line is not satisfied with the candidates presented.

We initiated this work on April 1 and are planning for the effort to take approximately 3-4 months.

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# MOUNTAIN LINE MEMORANDUM

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**DATE:** April 17, 2024

**TO:** Honorable Chair and Members of the Board

**FROM:** Heather Dalmolin, CEO and General Manager

**SUBJECT:** Washington, D.C. Trip

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CEO and General Manager, Heather Dalmolin, was invited to attend the Community Transportation Association of America (CTAA) legislative fly-in/summit in Washington, D.C. in March, and also conducting her own meetings with Arizona elected officials while in D.C.

### CTAA Legislative Summit

*Meetings:* Mountain Line joined CTAA members from across the nation to discuss transit challenges and priorities and review the broad national messages to be included in these meetings. Time spent on Capitol Hill included meetings with:

- House Subcommittee on Highways and Transit staff
- House Committee on Transportation and Infrastructure staff
- Senate Subcommittee on Housing, Transportation, and Community Development staff

*Key Messages:* The delegation represented a wide variety of transit systems, so we worked to consolidate our messaging into themes that resonate throughout our systems:

- **Funding:** There is a need for continued and predictable federal funding included in the Bipartisan Infrastructure Law. It needs to be apportioned at the authorized levels through formula funding and programs like Bus and Bus Facilities and Low-No (low and zero emission bus funding) competitive programs.
- **Driver Shortages:** The focus of this conversation was on the duplicative nature of some Commercial Drivers' License (CDL) requirements and the lack of flexibility for drivers to switch from over-the-road trucking to transit driving with a passenger endorsement. The delegation advocated for a transit specific CDL that recognizes when an individual has already completed other CDL training and doesn't force unnecessary duplication of that training and removes the need for transit drivers to be certified in "under the hood" skills.

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- **Local Match:** The delegation expressed a desire for increased flexibility in using local dollars to match federal funds. While this is less of a concern for Mountain Line, we supported our partners in this conversation.
- **Vehicles:** The delegation discussed concerns regarding the shortage of transit vehicle supply due to limited manufacturers working in the transit space (loss of 2 bus manufacturers since January 1, 2024) and challenges with supply due to Buy America requirements. There was some discussion about the impact of the recent FTA announcement regarding preferences that will be used in evaluating applications and making awards for vehicle funding, and the impact on small transit agencies.

### **Mountain Line-specific Meetings**

**Meetings:** Joined by our legislative representatives in Washington, D.C., Mountain Line staff spent a busy day meeting with the Arizona congressional delegation and staff from the committees that oversee federal transit funding. While some of these meetings were duplicative of the previous day, it was an opportunity to further tell Mountain Line's story and make our specific requests. These meetings included:

- Congressman Eli Crane and his staff
- Senator Mark Kelly and his staff
- Senator Kyrsten Sinema and her staff
- Congressman Ruben Gallego's staff
- Congressman Greg Stanton's staff
- Congressman Juan Ciscomani's staff
- Senate Banking Committee staff
- House Transportation and Infrastructure Subcommittee on Highways and Transit staff

**Key Messages:** Many of the messages were consistent with those from the CTAA meetings, but Mountain Line staff also took the opportunity to recognize our delegation for their support. Messaging included:

- **Recognition:** Many of these individuals have written letters of support for Mountain Line's grant applications, have championed Congressionally Directed Spending (earmark) requests, and were instrumental in the historic Bipartisan Infrastructure Law. Instead of always being in a position of asking for something from our elected officials, we wanted to take the opportunity to thank them for their support.
- **Federally Funded Projects:** Staff gave an update on Mountain Line's four major federally funded projects (many of which were supported by our delegation): Downtown Connection Center, Zero Emission Bus Transition, CDL Training and Testing Course, Maintenance Facility.
- **Federal Funding Requests:** Staff provided an overview of funding requests anticipated in coming months, including Bus Stop Infrastructure, Electric Charging Infrastructure, and Replacement Vehicles.
- **Driver Shortages:** Staff reiterated the CDL requirement messaging from the CTAA meetings.

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Of note, many of the representatives we met with recognized our projects and issues and we attribute this to staff efforts to schedule three D.C. visits in the last 18 months. As we prepare for reauthorization when the BIL expires in 2025, it is vital to be present for these conversations and make our case about how this funding impacts the transit industry.

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# MOUNTAIN LINE MEMORANDUM

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**DATE:** April 17, 2024

**TO:** Honorable Chair and Members of the Board

**FROM:** Heather Dalmolin, CEO and General Manager

**SUBJECT:** Delegations of Authority Update

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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**

##### RFB 2024-140 Solar System Installation and Maintenance

RFB 2024-140 Solar System Installation and Maintenance was released in January of 2024, closing in February 2024 with one bid from Rooftop Solar. The submission was evaluated by the selection committee which consisted of one Mountain Line staff and Mountain Line's Owner Representative with technical review by the DCC CMAR, Loven Contracting and the DCC electrical design professional for coordination with the building electrical system. Rooftop Solar scored 95 out of a possible 100 points. A contract was executed with Rooftop Solar on February 15, 2024 for a value of \$360,032.30.

##### RFP 2022-140, Construction Manager At Risk, Change Order #9 to Task Order #1

In May 2022, RFP 2022-140, Construction Manager At Risk was awarded to Loven Contracting for Construction Manager At Risk services for the construction of the new Downtown Connection Center on Pheonix Avenue. Change Order #9 to Task Order #1 is to include relocation of doors on the north side of electrical room 143 and utility room 139, vertical rebar for the previous door layout has already been installed. Existing rebar will need to be cut and new bar drill and epoxied in place to accommodate the design revision. The value of Change Order #9 is \$170,716.66, bringing the total cumulative value of the contract to \$25,447,158.09.

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### RFP 2024-100, Kaspar Maintenance Facility Construction Manager At Risk

RFP 2024-100, Kaspar Maintenance Facility Construction Manager At Risk was released in November of 2023, closing in January 2024 with two proposals, from Kinney Construction Services and FCI Constructors. A scoring committee composed of Mountain Line staff, a licensed general contractor, and the design professional for the project evaluated proposals as well as held in person interviews, and ultimately recommended award to Kinney Construction Services for a pre-construction value of \$87,149 and construction phase profit and overhead fee of 4.4%.

### **Agreements and Contracts Authority – Resolution 2020-100**

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**May: No TAC Meeting Board and TAC Joint Meeting is Wed, 5/15**

ITEMS:	WHO & WHAT:
Safety Minute	Sam
Milestone Anniversaries	Heather D
Review Strategic Workplan	Heather D - D
Budget Presentation	Josh - D
Zero Emission Transition Plan Update	Heather D, Bizzy, and Anne - D
Bus Stop Acquisition Policy	Anne - D
2024 Transit Tax Update	Jacki - D
Triennial Review Update	Bizzy - PR
Workforce Utilization Report (Mid-Year)	Codi - PR
Delegation of Authority Update – Agreements, Grants, and Procurements:	Heather D - PR
June/August Agenda Calendar (July Recess)	

**June: TAC Meeting is Thurs, 6/6 Board Meeting is Wed, 6/26**

ITEMS:	WHO & WHAT:
Safety Minute	Sam
Milestone Anniversaries	Heather D
FY2025 Budget Adoption	Josh S - D/A
EEO Program	Codi - D/A
Bus Procurement	Jeremiah M - D/A
Triennial Review Final Report	Bizzy - D/A
Mobility as a Study	Estella - D
Procurement Resolution	Josh S - C
Grant Resolution	Josh S - C
Line of Credit	Josh S - C
Personnel Policy Updates	Codi - C
Route 7 Timepoint Change	Estella - PR
Annual Cybersecurity Report	Jon - PR
Rider Satisfaction Survey Results	Jacki - PR
Meeting Calendar Review	Rhonda - PR
Delegation of Authority Update – Agreements, Grants, and Procurements:	Heather D - PR
August/September Agenda Calendar	

C = Consent, D/A = Discussion/Action, D = Discussion, PR = Progress Report