



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, October 15, 2025
9:00am
Mountain Line Ponderosa Room
216 W Phoenix Avenue
Flagstaff, AZ 86001

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 8:00 a.m. on the day of the meeting. Comments can be emailed to 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 8:00 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 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.





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:

- a. Regular Meeting 8/27/2025

-pages 5-12

- b. Regular Meeting 9/24/2025

-pages 13-18

DISCUSSION / ACTION ITEMS:

7. CONSIDERATION AND POTENTIAL APPROVAL OF THE MOUNTAIN LINE CHIEF EXECUTIVE OFFICER (CEO) AND GENERAL MANAGER COST OF LIVING ADJUSTMENT (COLA) AMENDMENT TO THE MOUNTAIN LINE CHIEF EXECUTIVE OFFICER (CEO) AND GENERAL MANAGER CONTRACT

-Sam Short, Workforce Director
(No Staff Report)

8. REVISED ORGANIZATIONAL STRUCTURE

-pages 19-21

-Heather Dalmolin, CEO and General Manager

Staff recommends the Board of Directors approve the Revised Organizational Structure plan proposed to support the implementation of the 5-year plan while providing appropriate resources and oversight to meet the growing demands of the agency.





- 9. FY2024 FINANCIAL AUDIT REPORT AND CORRECTIVE ACTION PLAN
-Heather Dalmolin, CEO and General Manager -pages 22-24
Staff recommends the Board of Directors: 1) Approve the FY2024 Financial Audit Report as completed by HeinfeldMeech and file as required by the Federal Transit Administration's approved extension date of June 30, 2025; and 2) Approve the related Corrective Action Plan for implementing changes necessary to ensure financial management is done within policy and as required by regulations.

- 10. ELECTRIC BUS PERFORMANCE REPORT -page 25
-Bizzy Collins, Strategic Performance Planner
The Board may provide direction, but there is no recommendation from staff at this time.

- 11. BIANNUAL PERFORMANCE REPORT -page 26-27
-Bizzy Collins, Strategic Performance Planner
The Board may provide direction, but there is no recommendation from staff at this time.

- 12. FY2025 ANNUAL REPORT -page 28-29
-Heather Dalmolin, CEO and General Manager
Staff recommends the Board of Directors approve the FY2025 Annual Report and authorize staff to submit the report to the State of Arizona and partner agencies as required in the Master IGA.

- 13. VIRTUAL POWER PURCHASING AGREEMENT -pages 30-31
-Bizzy Collins, Strategic Performance Planner
The Board may provide direction, but there is no recommendation from staff at this time.

PROGRESS REPORTS:

- 14. MEETING ATTENDANCE -page 32
-Heather Dalmolin, CEO and General Manager

- 15. BUS SIMULATOR UPDATE -pages 33-35
-Sam Short, Workforce Director

- 16. SPRINTER VAN LEASE -pages 36-37
-Jeremiah McVicker, Maintenance Superintendent

- 17. DELEGATIONS OF AUTHORITY UPDATE -page 38
-Heather Dalmolin, CEO and General Manager

- 18. SUMMARY OF CURRENT EVENTS
-Heather Dalmolin, CEO and General Manager

ITEMS FROM COMMITTEE AND STAFF:

SCHEDULE FOR THE NEXT MEETING DATE AND IDENTIFY AGENDA ITEMS

- November/January Working Agenda -page 39





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The Board and TAC Strategic Policy Advance will be held on Wednesday, November 19, 2025 and it will be held in person at the Mountain Line Ponderosa Room, 216 W Phoenix Avenue, Flagstaff, AZ 86001 at 9am. Lunch will be offered. The public is invited to attend. November agenda items may include but not be limited to the Workforce Housing Partner Award, Business or Economic Development Citizen Representative Appointment to the TAC, Budget Kickoff, Triennial Review Closeout Report, Grant Award Notification, Workforce Utilization Report, Maintenance Facility Update, Downtown Connection Center (DCC) Phase 1 Closeout, 2025-2030 Strategic Plan, and the Delegation of Authority Updates. The November agenda will be available for review on Mountain Line's website and at Mountain Line's public posting places (listed on the Mountain Line website) at least 24 hours prior to the meeting and should be consulted for a list of items that will come before the Board and TAC.

The next Board meeting will be held on January 21, 2026 and it will be a hybrid in-person and Zoom meeting based in Flagstaff in the Mountain Line Ponderosa Room, 216 W. Phoenix Ave., Flagstaff, AZ 86001 at 10am. The public is invited to attend. January agenda items may include but not be limited to the Legislative Priorities, New Strategic Plan, Ability to Access Impact Fees for Necessary Transit Infrastructure Costs, Reduce Liability Limit to \$11 Million and Join Insurance Pool, Employee Satisfaction Survey, Budget Message, First Mile Last Mile Update, Huntington Update, Meeting Calendar Review, and Delegation of Authority Updates. The January 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.

19. ADJOURNMENT

Getting you where you want to go





Board of Directors Minutes for Wednesday, August 27, 2025

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, August 27, 2025, at 10:00am in the Mountain Line Ponderosa Room, 216 W. Phoenix Ave., Flagstaff, AZ 86001. 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:

Jeronimo Vasquez, (Chair), Board of Supervisors, Coconino County;
Josh Maher, (Vice Chair), Associate VP for Community Relations, NAU, designee;
Tony Williams, Vice President of Student Services, CCC, designee;
Miranda Sweet, Vice Mayor, City of Flagstaff;
Lori Matthews, City Councilor, City of Flagstaff

**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;
Jacki Lenners, Deputy General Manager, left at approximately 11:23am;
Sam Short, Workforce Director;
Randy Sherping, Operations Director, left at approximately 11:23am;
Jeremiah McVicker, Maintenance Superintendent, left at approximately 11:23am;
Anne Dunno, Capital Development Manager, left at approximately 11:23am;
Codi Weaver, Human Resources Manager, left at approximately 11:23am;
Heather Higgins, Purchasing and Contracts Officer, (Zoom), left at approximately 11:23am;
Bizzy Collins, Strategic Performance Planner, (Zoom), left at approximately 11:23am;
LaReina Reyes, Associate Transit Planner, (Zoom), joined at approximately 10:57am and left at approximately 11:15am;
Aliya De La Torre, Finance Coordinator, left at approximately 11:23am;
Sam Bradbury, Systems Administrator, left at approximately 11:27am and returned at approximately 12:24pm;
Jon Matthies, IT Manager, left at approximately 11:27am and returned at approximately 12:24pm;
Rhonda Cashman, Executive Assistant and Clerk of the Board, left at approximately 11:27am and returned at approximately 12:24pm;
Scott Holcomb, Mountain Line Attorney, (Zoom);
Cameron Stanley, Mountain Line Attorney, (Zoom)

GUESTS PRESENT:





Jeff McKay, Vice President for Capital Planning and Campus Operations, NAU, alternate, (Zoom), left at approximately 12:05pm;

Eddie Thomas, Insurica, (Zoom), left at approximately 10:37am;

Ehren Bingaman, TransPro, (Zoom), joined at approximately 10:03am and left at approximately 12:05pm;

Brendan Morgan, TransPro, (Zoom), left at approximately 12:05pm;

Micah McNatt, Mercer, (Zoom), left at approximately 12:05pm

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

2. ROLL CALL

3. SAFETY MINUTE

-Sam Short, Workforce Director

Mr. Short reported on emergency preparedness.

4. MILESTONE ANNIVERSARIES

-Heather Dalmolin, CEO and General Manager

Ms. Dalmolin recognized the August milestone anniversaries.

5. CALL TO THE PUBLIC

There were no members of the public in attendance at the meeting and there were no public comments received via email.

6. APPROVAL OF MINUTES: 6/18/2025

Director Williams made a motion to approve the minutes for the June 18, 2025 meeting.

Director Sweet seconded. There was no discussion. All approved, none opposed. Motion carried.

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

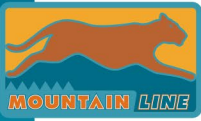
DISCUSSION / ACTION ITEMS:

7. INSURANCE POLICY EXCESS LIMIT REQUIREMENTS

-Sam Short, Workforce Director

Staff recommends the Board of Directors approve lowering Mountain Line’s Insurance Policy Excess Limit requirements from 21 million dollars to 16 million dollars for Fiscal Year 2026.





Mr. Short reported that Mountain Line has currently maintained excess liability insurance coverage of \$21 million, but notification was received at the end of June that the insurance company offering the \$10 million layer would no longer do so for any amount; however, they would extend the policy until September 1st to allow time for staff to find alternative coverage. He noted the market has changed and that it would take two companies to offer half the coverage for more than double the cost. He explained staff consulted partner agencies regarding reduced coverage, down to \$16 million, and all were okay with doing so. Mountain Line’s insurance broker, Eddie Thomas, from Insurica, shared that costs have increased due to legal, economic, and “hard market” factors; there is less capacity in the reinsurance layer. He stated our prior provider, Great American, is out of the market since they could not price coverage to make a profit. He noted less than one percent of claims are catastrophic, and Arizona is a tier 3 state with no discounted premiums. He explained best practice is to carry \$5-\$10 million and more is not necessary. He recommended considering another drop to \$11 million in total coverage next year. Ms. Dalmolin stated the most recent revision of the Master Intergovernmental Agreement (IGA) allows the Board of Directors to set the amount of insurance coverage. There was a lengthy discussion regarding amount of coverage and cost. Ms. Dalmolin noted that action is needed today for FY2026 coverage and then discussions regarding next year’s coverage can commence in November. Chair Vasquez suggested modifying the recommendation to reduce the excess liability coverage to \$13 million instead of the \$16 million as recommended by staff as it is the most cost effective amount of coverage. Director Sweet made the motion as suggested by Chair Vasquez. Director Matthews seconded. There was no discussion. All approved, none opposed. Motion carried.

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

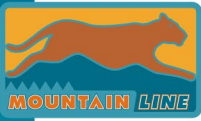
8. PARATRANSIT GUIDE AND RULES OF SERVICE DELIVERY

-Randy Sherping, Operations Director

Staff recommends the Board of Directors conduct a public hearing and close the public comment period that was opened on June 18, 2025, for proposed changes to Mountain Line Paratransit Guide and Rules for service delivery.

Mr. Sherping explained the proposed changes in detail and reviewed the survey results from the client outreach effort. He recommended the Board close the public comment period and approve the proposed changes. Director Matthews made a motion to close the public comment period and approve the service changes as presented. Director Maher seconded. There was no discussion. All approved, none opposed. Motion carried.





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

9. IMPACT OF CHANGE TO DRIVER WAGE

-Sam Short, Workforce Director

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

Mr. Short noted that the Board approved the \$5 per hour pay increase for Operators and Operations Supervisors on June 26, 2024 and it was effective July 1, 2024. He reviewed the data regarding past applicants and new hires versus those in FY2025, as well as the number of training classes and trainee counts over the same time periods. He noted since the August 11th class, 25 Operators have been hired. He communicated the next steps are to utilize assessment tools and focus on retention; removing the “under the hood” requirement, should help, as it has been a stumbling block for some. Ms. Dalmolin stated the “under the hood” waiver specifically was approved by the Federal Motor Carrier Safety Administration, and they have deferred to state departments of transportation for implementation. Mr. Short stated that the Arizona Department of Transportation (ADOT) has been quick to adopt other changes, so staff are hopeful. There were a couple of questions regarding how many driver openings there are now and how it is determined to start the next class. Mr. Short replied that this time last year we were struggling to offer full service, and that is better now, and the next training class is scheduled as needed. He also noted that the Commercial Driver’s License (CDL) Course has been a tremendous help. There was a request to explain Part Time Minus, Part Time Plus, and Full Time. Mr. Short briefly explained what each one stood for related to time commitment. Ms. Dalmolin shared what each one stood for related to the Arizona State Retirement System (ASRS) and benefits. There were no further questions.

10. ANNUAL SAFETY REPORT

-Sam Short, Workforce Director

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

Mr. Short defined vehicle collision as “any contact” between a Mountain Line vehicle and another object or person. He reviewed the FY2025 safety statistics, most notably that of the 80 collisions, 79 were not considered reportable to the Federal Transit Administration (FTA). He also noted there were nine “near misses” reported and nine workplace injuries, all considered minor with no significant time off needed. He communicated the next steps are to start using an assessment tool Ms. Weaver found which is used by the Montana Mountain Line; use of the bus simulator which arrived yesterday, and everyone is excited to use; and hire a Safety Coordinator. There were some questions about how much time off for workplace injuries is not “significant”, how much did the bus simulator cost and can other agencies use it. Mr. Short said no one needed more than a couple of days off regarding the workplace injuries. He replied that the bus simulator cost was approximately \$650,000. Ms. Dalmolin explained that the bus simulator was purchased with funds leftover from the CDL Course project; Mountain Line





received congressionally directed spending from Senator Kelly's office. Both Mr. Short and Ms. Dalmolin were supportive of partner agencies using the bus simulator when available. Mr. Short reported that a film crew would be visiting soon to record real life scenarios that can be used in the simulator in the future. Ms. Dalmolin commented that it will be nice to have operators practice in the simulator before they are out on the road in a bus. There was another question about the one reportable accident and the criteria it met. Mr. Short responded that the criteria are if there is a fatality, which was not the case; if anyone was treated immediately away from the scene, which would also trigger drug testing for the Operator; or if either vehicle was towed from the scene because it was inoperable. There was no further discussion.

11. ANNUAL FLEET REPORT

-Jeremiah McVicker, Maintenance Superintendent

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

Mr. McVicker noted that the fleet department finally became fully staffed. He noted it is fleet staff responsibility to maintain all Mountain Line vehicles, including oversight of the contracted janitorial services for bus cleaning. He communicated the fleet composition is both Hybrid buses (Miles Per Gallon, higher is better) and Battery Electric Buses (BEB), (Kilowatts per Hour, lower is better). He noted the operators are doing a great job driving to maximize the BEB efficiency. He shared that our fleet is aging, but buses will be kept if they are performing well. He explained the cost of a maintenance mile is equal to the mechanics time plus parts. There were a couple of questions about the change in bus type recently ordered and how many years before replacement. Mr. McVicker stated four hybrid buses are on order and the other two are on hold, hoping that BEB can be ordered, and buses deemed beyond their useful life are re-evaluated every year for possible replacement. There was another question about when to discuss the order of the other two buses. Ms. Dalmolin shared that staff are going to Washington, D.C. in October and the plan is to purchase the buses in June. She noted there is a long delay of building hybrids now due to the change related to the executive order.

12. ANNUAL UPDATE ON THE BUS STOP REHABILITATION PROGRAM

-Jeremiah McVicker, Maintenance Superintendent

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

Mr. McVicker stated bus stops are reviewed annually. He shared the rehabilitated stops information for FY2025. There was a question about where the dollars go that were not used in FY2025. Ms. Dalmolin states that they go back into the transit tax fund for future use. A photo was shared of the rehabilitated Target shelter being installed. Mr. McVicker reported on the five proposed shelter rehabilitations for FY2026 at approximately \$165,000. He noted they will be re-evaluated in the spring. There were no other questions.

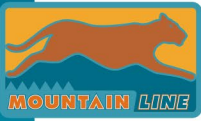
13. FLAGSTAFF UNIFIED SCHOOL DISTRICT (FUSD) UPDATE

-Bizzy Collins, Strategic Performance Planner

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

Ms. Collins reported that FUSD passes and trips have increased. She noted that FUSD paid \$41,000 for their passes this school year, which is \$20.50 each. She shared a map showing





the top 15 bus stops as marked. She concluded from the data that all routes have been used and FUSD ridership accounts for five percent of all ridership. This data will help inform our upcoming operational assessment. FUSD passes will continue to be distributed and the passes are valid through June 30, 2026. There were a couple of questions about the ecoPASS cost per year and how the ecoPASS price is calculated. Ms. Collins confirmed FUSD is paying \$20.50 per pass for the year, and she stated FUSD is in the top tier with approximately 2000 employees. Ms. Dalmolin stated that the way the ecoPASS works is that passes have to be purchased for all employees. She noted the program will be evaluated in the operational assessment as it has probably been 10 years since it was last reviewed. There was no further discussion.

PROGRESS REPORTS:

There were no questions regarding the progress reports.

14. FY2024 TRIENNIAL REVIEW STATUS UPDATE
-Bizzy Collins, Strategic Performance Planner

15. DELEGATIONS OF AUTHORITY
-Heather Dalmolin, CEO and General Manager

16. SUMMARY OF CURRENT EVENTS
-Heather Dalmolin, CEO and General Manager

This item was skipped to allow more time for the executive session.

The Board considered a motion to convene an executive session. At approximately 11:22am, Director Williams made a motion to go into executive session. Director Matthews seconded. There was no discussion. All approved, none opposed. Motion carried.

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

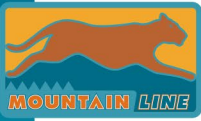
Executive sessions are closed to the public.

EXECUTIVE SESSION:

The executive session was convened at approximately 11:27am pursuant to A.R.S. § 38-431.03 for the following purpose:

1. Discussion with the Mountain Line General Counsel for legal advice and among the Board with





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- Mountain Line CEO and General Manager regarding the results of the Compensation Study as relates to the Mountain Line CEO and General Manager compensation and negotiation of the employment contract. A.R.S. § 38-431.03(A)(1), (3) & (4).
2. Consultation and discussion with Mountain Line's legal counsel for legal advice and with Mountain Line's legal counsel and staff regarding Mountain Line's Fiscal Year 2024 Financial Annual Audit and employment issues related thereto: A.R.S. § 38-431.03(A)(1), (2), (3) & (4).

Following the conclusion of the Executive Session, the Board reconvened the public meeting at approximately 12:24pm.

DISCUSSION / ACTION ITEM:

17. CHIEF EXECUTIVE OFFICER (CEO) AND GENERAL MANAGER CONTRACT AMENDMENT
(No Staff Report)
-Sam Short, Workforce Director
Staff recommends the Board of Directors adopt the fifth amendment to the CEO and General Manager Contract to amend annual earnings as identified in the Compensation Study or as negotiated between the Board and the CEO.

This item was tabled to the September Board meeting.

ITEMS FROM COMMITTEE AND STAFF:

Chair Vasquez stated that Our Lady of Guadalupe Church will hold a celebration May 16, 2026 and the organization has submitted a road closure request to the City.

SCHEDULE NEXT MEETING DATE AND IDENTIFY AGENDA ITEMS

September/October Working Agenda

The next Board meeting will be held on September 24, and it will be a hybrid in-person and Zoom meeting based in Flagstaff in the Mountain Line Ponderosa Room, 216 W. Phoenix Ave., Flagstaff, AZ 86001 at 10am. The public is invited to attend. September agenda items may include but not be limited to the Organizational Structure Plan, Electric Bus Performance Report, Biannual Performance Report, Mountain Line Annual Report, In-Person Meeting Attendance Discussion, Bus Simulator with Images, Sprinter Van Lease, Triennial Review Closeout Report, and Delegation of Authority Updates. The September 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 -Chair Vasquez adjourned the meeting at approximately 12:24pm.

Jeronimo Vasquez, Chair of the Mountain Line Board of Directors





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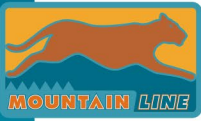
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ATTEST:

Rhonda Cashman, Executive Assistant and Clerk of the Board

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Board of Directors Minutes for Wednesday, September 24, 2025

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, September 24, 2025, at 9:00am in the Mountain Line Ponderosa Room, 216 W. Phoenix Ave., Flagstaff, AZ 86001. 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:

Jeronimo Vasquez, (Chair), Board of Supervisors, Coconino County;
Josh Maher, (Vice Chair), Associate VP for Community Relations, NAU, designee;
Tony Williams, Vice President of Student Services, CCC, designee;
Miranda Sweet, Vice Mayor, City of Flagstaff;
Lori Matthews, City Councilor, City of Flagstaff, left at approximately 11:58am
**Three of our five Board member seats must be present to constitute a quorum.*
***The City of Flagstaff holds two seats.*

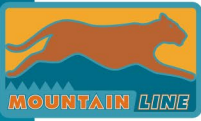
BOARD MEMBERS EXCUSED:

None.

MOUNTAIN LINE STAFF IN ATTENDANCE:

Heather Dalmolin, CEO and General Manager;
Jacki Lenners, Deputy General Manager, left at approximately 9:11am and returned at approximately 11:30am;
Sam Short, Workforce Director, left at approximately 11:30am and returned at approximately 11:58am;
Randy Sherping, Operations Director, left at approximately 9:11am;
Jeremiah McVicker, Maintenance Superintendent, left at approximately 9:11am;
Anne Dunno, Capital Development Manager, left at approximately 9:11am;
Megan Coons, Finance Director, left at approximately 9:11am;
Codi Weaver, Human Resources Manager, (Zoom), left at approximately 9:11am;
Heather Higgins, Purchasing and Contracts Officer, (Zoom), joined at approximately 9:07am and left at approximately 9:11am;
Bizzy Collins, Strategic Performance Planner, (Zoom), left at approximately 9:11am and returned at approximately 11:58am;
Jon Matthies, IT Manager, left at approximately 9:14am and returned at approximately 11:58am;
Rhonda Cashman, Executive Assistant and Clerk of the Board, left at approximately 9:14am and returned at approximately 11:28am;
Rich Philippi, Transit Operator, arrived at approximately 9:07am and left at approximately 9:10am;
Scott Holcomb, Mountain Line Attorney, (Zoom)





GUESTS PRESENT:

Jeff McKay, Vice President for Capital Planning and Campus Operations, NAU, alternate, (Zoom), left at approximately 11:30am;

Judy Begay, County Supervisor, Coconino County, Alternate

Meghan Murray, Rieth Jones Advisors; joined at approximately 11:30am and left at approximately 11:58am;

Massie Flippin, Rieth Jones Advisors; joined at approximately 11:30am and left at approximately 11:58am;

1. CALL TO ORDER -Chair Vasquez called the meeting to order at approximately 9:01am.

2. ROLL CALL

3. SAFETY MINUTE

-Sam Short, Workforce Director

Mr. Short noted October is National Hearing Loss Prevention Month. He reported on occupational hearing loss impacts and prevention strategies.

4. MILESTONE ANNIVERSARIES

-Heather Dalmolin, CEO and General Manager

Ms. Dalmolin recognized the September milestone anniversaries.

5. CALL TO THE PUBLIC

There were no members of the public in attendance at the meeting and there were no public comments received via email.

Rich Philippi, Transit Operator, joined the meeting very briefly for recognition of his 20 year anniversary.

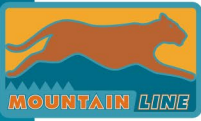
The Board considered a motion to convene an executive session. At approximately 9:11am, Director Matthews made a motion to go into executive session. Director Sweet seconded. There was no discussion. All approved, none opposed. Motion carried.

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

EXECUTIVE SESSION:

Executive sessions are closed to the public.





The executive session was convened at approximately 9:15am pursuant to A.R.S. § 38-431.03 for the following purpose:

1. Discussion with the Mountain Line General Counsel for legal advice and among the Board with Mountain Line CEO and General Manager regarding the Mountain Line CEO and General Manager regarding the Mountain Line CEO and General Manager wage range. A.R.S. § 38-431.03(A)(1), (3) & (4).
2. Discussion with the Mountain Line General Counsel for legal advice and among the Board with Mountain Line CEO and General Manager regarding the Mountain Line CEO and General Manager wage adjustment based on the new wage range. A.R.S. § 38-431.03(A)(1), (3) & (4).
3. Discussions or consultations with Mountain Line’s legal counsel for legal advice and with legal counsel and designated representatives regarding the purchase, sale, or lease of real property. ARS 38-431.03(A)(3), (4) & (7).

Following the conclusion of the Executive Session, the Board reconvened the public meeting at approximately 11:58am.

Director Sweet made the motion to table all action items, except Item # 11, Mountain Express 2025-2026 Season. Vice Chair Maher seconded. There was no discussion. All approved, none opposed. Motion carried.

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

6. APPROVAL OF MINUTES: 8/27/2025

This item was tabled.

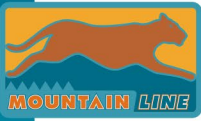
DISCUSSION / ACTION ITEMS:

7. CONSIDERATION AND POTENTIAL APPROVAL OF THE MOUNTAIN LINE CHIEF EXECUTIVE OFFICER (CEO) AND GENERAL MANAGER WAGE RANGE
-Sam Short, Workforce Director
(No Staff Report)

This item was tabled.

8. CONSIDERATION AND POTENTIAL APPROVAL OF THE MOUNTAIN LINE CHIEF EXECUTIVE OFFICER (CEO) AND GENERAL MANAGER WAGE AMENDMENT TO THE MOUNTAIN LINE CHIEF EXECUTIVE OFFICER (CEO) AND GENERAL MANAGER CONTRACT





-Sam Short, Workforce Director
(No Staff Report)

This item was tabled.

9. REVISED ORGANIZATIONAL STRUCTURE

-Heather Dalmolin, CEO and General Manager

Staff recommends the Board of Directors approve the Revised Organizational Structure plan proposed to support the implementation of the 5-year plan while providing appropriate resources and oversight to meet the growing demands of the agency.

This item was tabled.

10. FY2024 FINANCIAL AUDIT REPORT AND CORECTIVE ACTION PLAN

-Heather Dalmolin, CEO and General Manager

Staff recommends the Board of Directors: 1) Approve the FY2024 Financial Audit Report as completed by HeinfeldMeech and file as required by the Federal Transit Administration's approved extension date of June 30, 2025; and 2) Approve the related Corrective Action Plan for implementing changes necessary to ensure financial management is done within policy and as required by regulations.

This item was tabled.

11. MOUNTAIN EXPRESS 2025-2026 SEASON

-Heather Dalmolin, CEO and General Manager

This item is for discussion only; however, the Board may provide direction to staff on next steps.

Ms. Dalmolin explained Mountain Express has been operating at 30-minute frequency, but staff believe it is critical that this route offer 20-minute frequency to encourage changes in travel behavior. She stated Arizona Snowbowl plans to pay for 30-minute frequency. She reviewed the alternatives. She reported that the proposed advertising revenue is the only unencumbered funds Mountain Line has to offer to cover the funding gap to get through this year for gathering data and confirmed that this route is included in the Operational Assessment project that is currently being procured. She reviewed the graph of historical ridership and snowfall by season; the best ridership and snowfall was the 2018-2019 season when Arizona Snowbowl offered 20-minute frequency. It was determined that offering both 23-minute frequency and service on weekends through March would cost approximately \$78,000. There was a discussion about the parking at Arizona Snowbowl that was added in 2023, contract negotiations time period, advertising partnerships, and the prospect of this being a pilot program, not an expectation of future service. Ms. Dalmolin stated rider surveys would be done during this season and as part of the Operational Assessment, which should offer reliable data and a funding model which will hopefully lead to a five-year contract with Arizona Snowbowl next year for appropriate transit service in the future. She also noted that Mountain Express was created to assist the community with congestion issues on Highway 180 during the winter





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season. There was consensus of all Board members present to offer a one-time expenditure, alternative #2 presented at the meeting, directing staff to use \$78,685 in advertising revenue to implement both additional frequency at 23-minute service and March weekend service. There was no further discussion.

12. ELECTRIC BUS PERFORMANCE REPORT

-Bizzy Collins, Strategic Performance Planner

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

This item was tabled.

13. BIANNUAL PERFORMANCE REPORT

-Bizzy Collins, Strategic Performance Planner

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

This item was tabled.

14. MEETING ATTENDANCE

-Heather Dalmolin, CEO and General Manager

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

This item was tabled.

15. BUS SIMULATOR UPDATE

-Sam Short, Workforce Director

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

This item was tabled.

16. SPRINTER VAN LEASE

-Jeremiah McVicker, Maintenance Superintendent

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

This item was tabled.

PROGRESS REPORTS:

There were no questions regarding the progress reports.

17. DELEGATIONS OF AUTHORITY

-Heather Dalmolin, CEO and General Manager

18. SUMMARY OF CURRENT EVENTS

-Heather Dalmolin, CEO and General Manager

Current events were not reviewed due to being short on time.

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ITEMS FROM COMMITTEE AND STAFF:

SCHEDULE NEXT MEETING DATE AND IDENTIFY AGENDA ITEMS

October/November Working Agenda

The Board and TAC Strategic Policy Advance will be held on Wednesday, October 15, 2025 and it will be held in person at the Mountain Line Ponderosa Room, 216 W Phoenix Avenue, Flagstaff, AZ 86001 at 9am. Lunch will be offered. The public is invited to attend. October agenda items may include but not be limited to the New Strategic Plan and the Mountain Line Annual Report. The October 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 held on November 19, 2025 and it will be a hybrid in-person and Zoom meeting based in Flagstaff in the Mountain Line Ponderosa Room, 216 W. Phoenix Ave., Flagstaff, AZ 86001 at 10am. The public is invited to attend. November agenda items may include but not be limited to the Workplace Housing Partner Award, Power Purchasing Consortium, Legislative Priorities, New Strategic Plan, Business or Economic Development Citizen Representative Appointment to the TAC, Ability to Access Impact Fees for Necessary Transit Infrastructure Costs, Budget Process Kickoff, Employee Satisfaction Survey, Triennial Review Closeout Report, Grant Award Notification, Workforce Utilization Report, Maintenance Facility Update, Downtown Connection Center (DCC) Phase 1 Closeout, and Delegation of Authority Updates. The November agenda will be available for review on Mountain Line’s website and at Mountain Line’s public posting places (listed on the Mountain Line website) at least 24 hours prior to the meeting and should be consulted for a list of items that will come before the Board.

- 19. ADJOURNMENT** -Chair Vasquez adjourned the meeting at approximately 12:23pm.

Jeronimo Vasquez, Chair of the Mountain Line Board of Directors

ATTEST:

Rhonda Cashman, Executive Assistant and Clerk of the Board





DATE PREPARED: September 15, 2025

MEETING DATE: October 15, 2025

TO: Honorable Chair and Members of the Board

FROM: Heather Dalmolin, CEO and General Manager

SUBJECT: Revised Organizational Structure

RECOMMENDATION:

Staff recommends the Board of Directors approve the Revised Organizational Structure plan proposed to support the implementation of the 5-year plan while providing appropriate resources and oversight to meet the growing demands of the agency.

RELATED STRATEGIC PLAN OBJECTIVE:

- ❖ Goal: Service Excellence
 - ❖ Objective: Deliver service enhancements that are in line with our 5-year transit plan and make transit an attractive mode choice.
 - ❖ 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: Stewardship of Resources
 - ❖ Objective: Maintain our facilities and equipment to demonstrate the pride we take in service excellence and to maximize their useful life.
- ❖ Goal: Investing in the Mountain Line Workforce
 - ❖ Objective: Evaluate operational structure to find efficiencies in service delivery and reduce costs.
 - ❖ Objective: Enhance workplace culture to support employee development and work-life balance.
- ❖ Goal: Community Engagement
 - ❖ Objective: Increase the community's awareness of Mountain Line's value to the community.
- ❖ Goal: Fiscal Responsibility
 - ❖ Objective: Ensure a sustainable financial future through long-term financial planning.

BACKGROUND:

At the onset of the Succession Planning project, staff prioritized a review of the Organizational Structure to ensure that the agency is planning for and recruiting the right positions necessary to support our future success. Mountain Line recently experienced loss of staff in several key positions. These losses created an opportunity for our team to consider how our organizational structure works and if it is designed to support the planned growth over the next 5 years. We brought in our contractor, TransPro, who works nearly exclusively in the transit sector to look at what our business needs are predicted to be and advise on the industry's best practices. Looking back at the last ten years, we have made small modifications to staffing and structure





based on the expertise and knowledge of our team, including historical perspective. We have not examined our structure, positions, and duties since 2012 when we ended the operation of transit programs in the Verde Valley.

The effort to evaluate our staffing structure has included:

- interview of the Mountain Line executive team and planning staff,
- assessment of job descriptions,
- review of the five-year plan,
- analysis of best practices in the industry, and
- identification of the skills, knowledge, and abilities needed across the agency to ensure success for supporting both the Strategic Plan and the implementation of transit improvements funded by the passage of Proposition 488.

While the development and adoption of the Organizational Structure is the responsibility of the CEO, the Organizational Structure, embedded in the Change Management Framework Plan, includes positional modifications over the next 2 - 3 years to support program and agency growth. Accordingly, it is proposed that the Board of Directors adopt the Change Management Framework Plan, including the new Organizational Structure, providing direction for staff on the expected changes in the years to come. Adoption of the Organizational Structure is key to future financial planning, recruitment planning, staff development, and transparency for staff on anticipated structure movement over the next 2 - 3 years.

FISCAL IMPACT:

The financial impact of the Organizational Structure review and update is still being calculated; however, we have estimated the impact of reorganization and the total cost of position changes for our FY2026 Workforce is in the adopted budget. Full implementation of the Organization Structure changes is dependent on financial capacity in future years as demonstrated in annual budget setting processes.

ALTERNATIVES:

- 1) Adopt the Change Management Framework and Organizational Structure Plan (recommended): This recommendation is the culmination of careful consideration of service plans and review of staffing to ensure that we have the right skills, abilities, and capacity for implementing the changes as funded in Proposition 488. The new study also confirmed adequate staffing for necessary controls and oversight to ensure agency success and compliance with regulations.
- 2) Do not adopt the Plan (not recommended): If the plan is not adopted, we will be able to continue with business as it is implemented and planned; however, we have identified gaps that we believe can be addressed with the proposed 2 – 3 year implementation of staffing changes.





TAC DISCUSSION:

The Change Management Framework Plan and Organization Structure was not available for the Transit Advisory Committee and the report was sent to members as a follow-up item after the meeting. Staff will be able to report on comments from the TAC during the presentation to the Board of Directors.

APPROVED BY:

Heather Dalmolin
CEO and General Manager

ATTACHMENTS:

1. Change Management Framework and Proposed Organizational Structure -separate attachment





DATE PREPARED: September 15, 2025

MEETING DATE: October 15, 2025

TO: Honorable Chair and Members of the Board

FROM: Heather Dalmolin, CEO and General Manager

SUBJECT: FY2024 Financial Audit Report and Corrective Action Plan

RECOMMENDATION:

Staff recommends the Board of Directors: 1) Approve the FY2024 Financial Audit Report as completed by HeinfeldMeech and file as required by the Federal Transit Administration's approved extension date of June 30, 2025; and 2) Approve the related Corrective Action Plan for implementing changes necessary to ensure financial management is done within policy and as required by regulations.

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

BACKGROUND:

In accordance with A.R.S. 28-9101 et seq. to establish an intergovernmental public transportation authority and Mountain Line's 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.

The FY2024 audit began in October of 2024 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.

The onsite portion of the process was delayed several times in the spring of 2025 as it was identified that a data corruption occurred during the transition to a new Financial Management software creating





several incorrect data points. These failures were mostly in the Trial Balance accounts, preventing the necessary export of the data for testing and verification. The review and correction of the data import took staff several months as correcting required a line by line audit of thousands of entries. This delay resulted in Mountain Line missing the federal deadlines for submitting our audit report.

Mountain Line was able to obtain an extension of the federal deadline through June 30, 2025 however additional communication and staff failures resulted in that deadline also being missed. The final report will be available to attach to this Staff Report for the Board of Directors and staff will present more information to the TAC during the presentation from staff at the meeting on September 4th. It is expected the audit will be filed by the end of September.

Based on the draft report and feedback from the auditors, the following are predicted results:

1. A failure to comply with regulations was identified as the Single Audit was not completed and filed within 9 months of the end of the fiscal year. A corrective action plan has been developed to ensure this failure is not repeated in future years.
2. Testing of compliance with other laws, regulations, contracts, and grant agreements disclosed no other instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.
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.

Staff have developed the required corrective action plan, and it will be part of the Audit report submission. Staff is seeking approval from the Board on the Corrective Action plan as developed and is seeking additional feedback if there is any and available to additional corrective action as needed to address concerns about financial oversight in general. A key element of corrective action is the now fully implemented and corrected financial management system, which will support more efficient reporting, improved internal controls, and timely year-end close processes.

The timeline for financial reporting and audit milestones is attached as the Corrective Action plan. We are also examining the finance team structure to ensure staffing resiliency and continuity of critical functions to support internal controls and oversight. Lastly, we have already modified the Mountain Line Master IGA to reinforce accountability, *"The annual audit will be completed by December 31 after the close of the fiscal year. If the annual audit will not be completed by such date, the Mountain Line CEO shall notify the Board and the City of Flagstaff Management Services Director of the delay and update on the estimated completion."*





ALTERNATIVES:

- 1) Approve the FY2024 Financial Audit report and corrective action plan (**recommended**): Approval of the report is consistent with the Master IGA. Approval of corrective actions will allow staff to implement changes needed for good internal controls.
- 2) Do not approve the FY2024 Financial Audit report (**not recommended**): As the report is already past its original deadline, further review and delay in filing is not recommended.

TAC DISCUSSION:

The Financial Audit report was not available for the Transit Advisory Committee, and the report was sent to members as a follow-up item after the meeting. Staff will be able to report on comments from the TAC during the presentation to the Board of Directors.

APPROVED BY:

Heather Dalmolin
CEO and General Manager

ATTACHMENTS:

1. FY2024 Financial Audit Report and Corrective Action Plan -final report will be provided when received





DATE PREPARED: September 15, 2025

MEETING DATE: October 15, 2025

TO: Honorable Chair and Members of the Board

FROM: Bizzy Collins, Strategic Performance Planner

SUBJECT: Electric Bus Performance Report

RECOMMENDATION:

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

RELATED STRATEGIC PLAN GOAL & OBJECTIVE

- ❖ Goal: Stewardship of Resources
 - ❖ Objective: Be exemplary at supporting community goals towards environmental sustainability.

BACKGROUND:

September marks a two-year anniversary for our electric buses! Staff will present key performance indicators (KPI) used to evaluate electric and hybrid bus performance and discuss trends in the data.

FISCAL IMPACT:

There is no fiscal impact associated with approval of this document. Changes in bus procurement due to concerns about performance could have financial consequences in future years.

ALTERNATIVES:

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

TAC DISCUSSION:

Members asked for clarification on a statistic that was presented.

SUBMITTED BY:

Bizzy Collins
Strategic Performance Planner

APPROVED:

Heather Dalmolin
CEO and General Manager

ATTACHMENTS:

None.





DATE PREPARED: September 15, 2025

MEETING DATE: October 15, 2025

TO: Honorable Chair and Members of the Board

FROM: Bizzy Collins, Strategic Performance Planner

SUBJECT: Biannual Performance Report

RECOMMENDATION:

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

RELATED STRATEGIC PLAN OBJECTIVE

❖ All Goals and Objectives are related to this topic.

BACKGROUND:

As part of Mountain Line’s regular review of financial and service data, staff has prepared the FY2025 Year-End Biannual Performance Report for the period of January through June 2025. The report compares current performance to prior years and projections for future years. The performance measures include benchmarks first approved in 2015 by Mountain Line’s Transit Advisory Committee and Board of Directors. To broaden our definition of success and tell Mountain Line’s story and community value, Mountain Line Board of Directors approved and adopted additional Key Performance Indicators (KPI) and directed staff to add these measures to the 2020-2025 Strategic Plan in June 2023. Staff will discuss trends in the data and provide an update on Strategic Performance efforts.

FISCAL IMPACT:

There is no fiscal impact related to the performance. Changes in service because of concerns about performance could have financial consequences in future years.

TAC DISCUSSION:

Members asked which organizations added vanpool vehicles in FY25; it was Coconino National Forest, Kaibab National Forest, and Army ROTC.





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SUBMITTED BY:

Bizzy Collins
Strategic Performance Planner

APPROVED BY:

Heather Dalmolin
CEO and General Manager

ATTACHMENTS:

None.

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DATE PREPARED: August 27, 2025

MEETING DATE: October 15, 2025

TO: Honorable Chairman and Members of the Board

FROM: Heather Dalmolin, CEO and General Manager

SUBJECT: FY2025 Annual Report

RECOMMENDATION:

Staff recommends the Board of Directors approve the FY2025 Annual Report and authorize staff to submit the report to the State of Arizona and partner agencies as required in the Master IGA.

RELATED STRATEGIC PLAN OBJECTIVE:

- ❖ The FY2025 Annual Report supports transparency for all aspects of the Strategic Plan and Key Objectives.

BACKGROUND:

In accordance with A.R.S. 28-9101 et seq. to establish an Intergovernmental Public Transportation Authority and the Master IGA signed on June 7, 2013, the Board will issue an annual report on or before December 1 containing a full account of the activities and finances for the preceding fiscal year and other facts and recommendations. The Board shall transmit copies of the report to each member municipality, university, and county, to the Secretary of State, to the Arizona State Library, Archives, and Public Records, and, on request, to any member of the public.

The FY2025 Annual Report is a formal document designed to meet state regulations. The report contains a summary of the activities, including performance data for all provided public transportation systems. The report provides an overview of FY2025 revenues and expenditures. The FY2025 performance information and financial data from the report are presented to the Transit Advisory Committee and Board of Directors throughout the year. The financial data is reflective of the year-end information as reviewed with and presented to each partner agency.

Mountain Line's FY2025 annual financial audit is still pending, and if anything changes because of the audit, an amended report will be filed no later than December 31, 2025, and presented to the TAC and Board no later than January 2026.

The FY2025 Annual Report will be presented to the TAC during the meeting on September 4, 2025 and is not attached to this staff report. The Annual Report will be finalized after the TAC discussion and the full report will be sent to the Board of Directors with the September Board Packet.

FISCAL IMPACT:

There is no budgetary or financial impact with the adoption of the FY2025 Annual Report.





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ALTERNATIVES:

- 1) Approve the FY2025 Annual Report and authorize submission of Annual Report as per the requirements of the Master IGA (**recommended**): If the Board approves the Annual Report, staff can proceed with submission of the Annual Report on time, and Mountain Line will remain compliant with the Master IGA as well as the State of Arizona regulations.
- 2) Do not approve the FY2025 Annual Report (**not recommended**): If the Board does not approve the report, staff will be delayed in submitting the Annual Report. This delay could mean Mountain Line would not meet the deadline for submission as required by the Arizona Revised Statutes.

TAC DISCUSSION:

TAC members requested the report when it is available.

APPROVED BY:

Heather Dalmolin
CEO and General Manager

ATTACHMENTS:

None.

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DATE PREPARED: October 6, 2025

MEETING DATE: October 15, 2025

TO: Honorable Chair and Members of the Board

FROM: Bizzy Collins, Strategic Performance Planner

SUBJECT: Virtual Power Purchasing Agreement

RECOMMENDATION:

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

RELATED STRATEGIC PLAN GOAL & OBJECTIVE

- ❖ Goal: Stewardship of Resources
 - ❖ Objective: Be exemplary at supporting community goals towards environmental sustainability.

BACKGROUND:

Northern Arizona University (NAU) has been leading an effort for the last two years to issue a non-binding virtual power purchase agreement (VPPA) solicitation that explores more cost-effective options to achieve their clean energy goals while stabilizing pricing. They created the Arizona Consortium of partner collaborators who have similar interests, including Arizona State University, the City of Flagstaff, the City of Sedona, and the City of Tempe. NAU has hired consultants (Usource) to advise the consortium and oversee this VPPA initiative and are in the process of signing an Intergovernmental Agreement (IGA).

Mountain Line has been invited to join the consortium and sign an Intergovernmental Agreement for a Cooperative Purchasing Agreement. This Agreement is intended to support the collaborators in achieving their carbon neutrality goals by procuring clean electricity. By leveraging economies of scale, the consortium will explore cost-effective clean energy procurement strategies, including:

1. A future Virtual Power Purchase Agreement (“VPPA”), and/or
2. Clean energy opportunities available through Arizona’s regulated utilities.

This Agreement authorizes NAU to issue a non-binding solicitation on behalf of—and at no cost to—the collaborators. Responses to the solicitation will be evaluated by representatives of the consortium using the following criteria: cost-effectiveness, regional impact, ability to deliver before 2030, and support for the development of new clean electricity resources. Upon selection of a preferred project, the parties will enter into non-binding negotiations to determine pricing and delivery terms. If the negotiated outcomes align with Mountain Line’s needs, staff will provide an informational update to the Board of Directors and request authorization to proceed.

If approved, this Agreement will remain in effect for a period of one year.





FISCAL IMPACT:

There is no fiscal impact associated with entering into the IGA. If the solicitation results in a project that the consortium wants to pursue, staff will provide an informational update to the Board of Directors and request authorization to proceed on the following steps. Choose whether to move forward with collaborators on the selected VPPA project, and to equally split \$60,000 with collaborators to share in the payment of legal fees and expenses associated with services that are conducted after selection of a project. Additionally, a new IGA for the project and cost sharing agreement would be drafted for Board review.

ALTERNATIVES:

No action is recommended; however, the Board may provide direction on additional information needed or on joining a cooperative purchasing agreement via the IGA as presented.

TAC DISCUSSION:

There was no TAC meeting held in October.

SUBMITTED BY:

Bizzy Collins
Strategic Performance Planner

APPROVED:

Heather Dalmolin
CEO and General Manager

ATTACHMENTS:

1. Intergovernmental Agreement for a Cooperative Purchasing Agreement -separate attachment





MOUNTAIN LINE MEMORANDUM

DATE: October 15, 2025

TO: Honorable Chair and Members of the Board

FROM: Heather Dalmolin, CEO and General Manager

SUBJECT: Meeting Attendance

Since early 2020, when we were adjusting business practices due to the pandemic the Transit Advisory Committee and Board of Director meetings have been offered virtually. While we did move toward hybrid meetings, to encourage participation through the format that best met individual scheduling needs, meetings continue to be primarily attended virtually. Speaking with the Board a year ago, there was a discussion about the value of in-person meetings and potentially interest in modifying approach to require members to attend at least one meeting per quarter in person or make one meeting per quarter as in-person only.

There is undeniable value added when attendees are in person. We see a higher rate of participation and engagement when members are gathered in person. However, we also see a higher success rate in gaining full attendance and meeting quorum needs when we offer virtual attendance options. The Transit Advisory Committee continues to be primarily virtual attendance while the Board of Directors regularly has 50% or more in person attendance.

This item is being presented in case the Board would like to again put this item on the agenda for discussion on future attendance preferences. Mountain Line's intention is to continue offering hybrid meetings as we feel that is crucial to members of these groups as well as the public; we believe the hybrid option provides the public greater access to our public meetings.

There is no fiscal impact to any of the potential outcomes of a discussion. Our cost to host hybrid meetings and make recordings available is budgeted for and is part of our effort to be transparent no matter the decision of the TAC or Board on attendance format.





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MOUNTAIN LINE MEMORANDUM

DATE: October 15, 2025

TO: Honorable Chair and Members of the Board

FROM: Samuel Short, Workforce Director

SUBJECT: Bus Simulator Update

In September 2024, an extensive Request for Proposal process was completed, and an award was given to FAAC, from Ann Arbor Michigan, to begin the long process of fabricating a bus simulator, built specifically for Mountain Line.

Staff are pleased to announce that Mountain Line's bus simulator was delivered on August 26th. During the month of September, Training staff will be provided additional training on how to use the simulator and additional staff from FAAC will be onsite to film personalized training scenarios, while using our vehicles as real life backgrounds in these training scenarios. The Training division has been eagerly awaiting the arrival of the bus simulator as it will provide the following opportunities for Transit Operators:

- Improving safety by allowing practice of hazardous scenarios, but in a safe and controlled environment
- Provide another tool for recurring training and operator assessment
- Reduce Mountain Line's emission footprint even more, by reducing the number of vehicles on local roads.
- Reducing wear on transit vehicles

By the end of calendar year 2025, staff should be using the bus simulator at 100% efficiency and can give the Board a demonstration of the simulator, at the Board's discretion.

Please see pictures below:

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MOUNTAIN LINE MEMORANDUM

DATE: October 15, 2025

TO: Honorable Chair and Members of the Board

FROM: Jeremiah McVicker, Maintenance Superintendent

SUBJECT: Sprinter Van Lease

BACKGROUND:

Earlier this year, Bizzy Collins attended the Southwest Transit Association (SWTA) conference and entered a drawing sponsored by Model One. The prize was a free three-year lease for a Ford E-Transit vehicle. Bizzy won, and Mountain Line received confirmation in March. Staff promptly accepted the lease and began the process of securing the vehicle.

Mountain Line received the vehicle at the beginning of this month. It is a Ford E-Transit passenger van equipped with a rear BraunAbility power lift and capacity for two wheelchairs and four seated passengers. As an all-electric vehicle, it offers Mountain Line a valuable pilot opportunity to evaluate right-sizing options for the fleet while testing electric technology in paratransit service.

The intent is to operate the van as a standard paratransit vehicle while managing charging cycles to ensure maximum service availability. Initial deployment will be limited as staff develops strategies to maintain the vehicle on route for the full service day. Additional operator training will not be required, as the BraunAbility lift system is already in use across Mountain Line's paratransit fleet.

The van will be charged onsite using the Heliox mobile charger. A full charge from empty is expected to take between one and a half to two hours with the 50 kW unit. While the manufacturer estimates a range of 159 miles under continuous driving, actual performance under paratransit operating conditions—frequent stops, idling, and variable loads—remains unknown. Collecting this data is a key purpose of the pilot.

Staff will track reliability, cost per mile, and range performance, using the same evaluation framework applied to Mountain Line's electric bus pilots. The primary measure of success will be the van's ability to meet current paratransit service levels without interruption. Staff anticipates lower operating costs overall. Experience with the electric bus fleet suggests both maintenance cost per mile and fueling costs will be reduced, with charging proving more cost-effective than fueling.





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This pilot directly supports Mountain Line's Zero-Emission Bus (ZEB) transition plan and broader community sustainability goals. At the conclusion of the three-year lease, Mountain Line will evaluate whether to return or purchase. If successful, the pilot could inform decisions about expanding the use of electric vans in the future.

The Fleet team will prepare the vehicle for service by installing a fare console and farebox using available spare parts. Additional expenses include vendor installation of a branded vehicle wrap, estimated at \$4,000, and installation of a Cradle point router to enable communication with the fare system, estimated at \$2,000.



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MOUNTAIN LINE MEMORANDUM

DATE: October 15, 2025

TO: Honorable Chair and Members of the Board

FROM: Heather Dalmolin, CEO and General Manager

SUBJECT: Delegations of Authority Update

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 2024-100

Procurement Authority – Resolution 2024-110

Agreements and Contracts Authority – Resolution 2020-100

RFP 2022-140, Downtown Connection Center Construction Manager at Risk Services CMAR, Amendment #5, GMP #4

In March of 2022, Mountain Line awarded RFP 2022-140 for Construction Manager at Risk (CMAR) services to Loven Contracting for construction of the Downtown Connection Center, a phased project, that includes construction of a building, operations hub and civic space. GMP #4 includes costs for general conditions, labor, materials, and equipment for relocation of third-party utilities for Arizona Public Service (APS), Optimum, and Lumen to be underground instead of running on overhead poles. The GMP budget includes Owner and Contractor contingencies, bond, insurance, taxes, and contractor fee. The scope of work under GMP #4 needs to be completed as not only a major step to be ready for the RDF Project, but the undergrounding of utilities is also necessary for the ultimate Phase 2b operations hub. The value of GMP #4 is \$1,635,504.59, bringing the total cumulative value of the contract to \$27,126,241.29.

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November: TAC Meeting is Thurs, 11/6/2025 Board Meeting is Wed, 11/19/2025

ITEMS:	WHO & WHAT:
Board Business Meeting:	
Safety Minute	Sam S
Milestone Anniversaries	Heather D
Workplace Housing Partner Award	Heather D/RJA - D/A
Business or Economic Development Citizen Appointment to the TAC	Heather D/Rhonda - D/A
Budget Process Kickoff	Megan - PR
Triennial Review Closeout Report	Bizzy - PR
Grant Award Notification	TBD - PR
Workforce Utilization Report	Codi - PR
Maintenance Facility Update	Anne - PR
Downtown Connection Center (DCC) Phase 1 Closeout	Anne - PR
Delegation of Authority Update – Agreements, Grants, and Procurements:	Heather D - PR
Strategic Policy Advance:	
2025-2030 Strategic Plan – Lunch will be offered.	Facilitator/Heather D
January/February Working Agenda	

January: TAC Meeting is Thurs, 1/8/2026 Board Meeting is Wed, 1/21/2026

ITEMS:	WHO & WHAT:
Safety Minute	Sam S
Milestone Anniversaries	Heather D
Leadership APTA - AI Presentation (TBD)	Jacki's APTA Group
Legislative Priorities	Heather D - D/A
2025-2030 Strategic Plan	Heather D - D/A
Ability to Access Impact Fees for Necessary Transit Infrastructure Costs	Bizzy/Scott – D/A
Reduce Liability Limit to \$11 Million and Join Insurance Pool	Sam S - D/A
Employee Satisfaction Survey	Codi - D
Budget Message	Heather D - D
First Mile Last Mile Update	Anne - PR
Huntington Update	Anne - PR
Meeting Calendar Review	Rhonda - PR
Delegation of Authority Update – Agreements, Grants, and Procurements:	Heather D - PR
February/March Working Agenda	

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