

Mountain Line

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Board of Directors Minutes for Thursday, May 21, 2026

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 Thursday, May 21, 2026, at 8:00am 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:

Josh Maher, (Chair), Associate VP for Community Relations, NAU, designee;

Miranda Sweet, (Vice Chair), Vice Mayor, City of Flagstaff;

Tony Williams, Vice President of Student Services, CCC, designee;

Jeronimo Vasquez, Board of Supervisors, Coconino County, (Zoom);

Lori Matthews, Councilmember, 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 9:59am and returned at approximately 10:54am;

Sam Short, Workforce Director, left at approximately 9:59am;

Megan Coons, Finance Director, left at approximately 9:59am and returned at approximately 10:54am;

Anne Dunno, Capital Project Manager, left at approximately 9:59am and returned at approximately 10:54am ;

Heather Higgins, Purchasing and Contracts Officer, left at approximately 9:59am;

Bizzy Collins, Strategic Performance Planner, (Zoom), left at approximately 9:59am;

LaReina Reyes, Associate Transit Planner, (Zoom), left at approximately 9:59am;

Jon Matthies, IT Manager, left at approximately 10:01am and returned at approximately 10:52am;

Rhonda Cashman, Executive Assistant and Clerk of the Board, left at approximately 10:01am and returned at approximately 10:52am;

Scott Holcomb, Mountain Line Attorney, (Zoom)

GUESTS PRESENT:

Mike Lauzon, HeinfeldMeech, left at approximately 8:35am.

Michele James, Friends of Flagstaff's Future, left at approximately 9:00am;

Jill Barnett, TransPro, left at approximately 9:59am

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1. CALL TO ORDER -Chair Maher called the meeting to order at approximately 8:01am.

2. ROLL CALL

3. SAFETY MINUTE

-Sam Short, Workforce Director

Mr. Short reported on prescription drug or over the counter medication use by Commercial Driver's License operators.

4. CALL TO THE PUBLIC

There were no members of the public in attendance wishing to speak at this time.

5. APPROVAL OF MINUTES:

- a. Special Meeting 4/3/2026
- b. Regular Meeting 4/15/2026
- c. Special Meeting 4/29/2026

Vice Chair Sweet made a motion to approve the minutes for all meeting dates: April 3, 2026, April 15, 2026, and April 29, 2026. Director Matthews seconded. There was no discussion. All approved, none opposed. Motion carried.

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

DISCUSSION / ACTION ITEMS:

6. FORENSIC AUDIT

-Heather Dalmolin, CEO and General Manager

No action is recommended by staff; the Board may direct staff to take additional actions to bring updated information for future action.

Ms. Dalmolin stated she maintains that staff do not have a recommendation and staff are open to direction from the Board. She noted a staff member of HeinfeldMeech was in attendance to answer any questions or make recommendations as appropriate. She shared that City of Flagstaff staff have been contacted several times, but they have not provided a response regarding this item; she plans to share the response when received. She addressed reasoning behind the questions of whether a forensic audit is necessary and if it is advisable in her presentation. There was a lengthy discussion; questions were answered by Mountain Line and

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HeinfeldMeech staff. Ms. Dalmolin noted that Mountain Line has not received any communication from the Federal Transit Administration (FTA) that our grant eligibility has changed; two grants have been processed recently without any problem. Ms. Coons shared that FTA did request Mountain Line's corrective action plan. The Board supported a request to show due diligence and would like to hear from City of Flagstaff staff as a major funding partner. Ms. Dalmolin recommended bringing this item back on the June agenda and asking City staff to attend. The Board was supportive of this approach.

7. FY2027 BUDGET AND FINANCIAL PLAN

-Megan Coons, Finance Director

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

Ms. Coons explained this report would focus primarily on revenues and the financial plan since Workforce, Operations, and Capital expenses have been discussed over the last few months. She reviewed the revenue sources by type of funding or program. She noted an annual funding request has been presented to our partners at the City, NAU, and the County with approvals expected in June. She presented the FY2027 Budget breakdown by source. She also presented the fund balance graph, noting there is a 25 percent of annual operating costs minimum requirement. There is a dip in 2030 due to the Downtown Connection Center (DCC) Phase 2 construction, but then it evens out. She reviewed a slide related to the FY2027 Travel Budget due to a request to track CEO travel separately. There were no comments from the Board.

8. FREE FARE CONSIDERATION

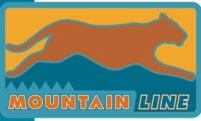
-Heather Dalmolin, CEO and General Manager

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

Ms. Dalmolin stated staff have brought back an annual update as to whether we should be considering free fare since 2024. She noted the transit tax that passed was for service expansion, not to cover operating costs in place of fares. She reported that Ms. Coons just presented the FY2027 Budget and fund balance that did not include free fare. She noted the focus of today's discussion would not be about if Mountain Line can absorb the cost of free fare but more about if we should. She explained that FY2025 net fares were approximately \$1.4 million; the question is then how we replace those fares. She shared potential risks involved and unintended consequences; one example being free fare Paratransit service (required if fixed route is free fare) which is our most expensive program, likely resulting in an increase in demand for this service and in turn an uncontrolled cost. She noted that fare free does not automatically change fares for taxis; however, free fare on paratransit could change use of taxi programs. Potentially reduced use of the lower cost program if a fare for taxi is maintained while paratransit is free. She shared that fares protect the intent of the program being a transportation alternative for the public versus a social gathering place with no restrictions. She also noted that the federal administration is debating requiring in the reauthorization bill that fares be required as part of the local match necessary for using federal funds; if fares are required and we are fare free the approximate \$5 million in operating funds used by Mountain Line would need to be replaced, creating a threat to our service plan. Ms. Dalmolin

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recommended the Board direct staff to bring this item back for action in June with a recommendation to cease activities to explore how to make Mountain Line fare free until such time as 1) there is reauthorization of federal transit funding with no change to fare requirements and 2) a source of sustainable, long-term funding to replace fares is identified through community or partner efforts. Ms. James had no comments, but noted she appreciated the information, acknowledging the valid concerns against free fare and the public request for it. There was a brief discussion about Paratransit cost and access, with a suggestion we could offer reduced fares on Paratransit versus free fare, as well as potential timing of the vote on reauthorization. There was support for Ms. Dalmolin's recommendation, noting that discussion with other communities to learn about options used to fund fares are an option, and consider ways to mitigate the unintended consequences. Ms. Dalmolin stated the group requesting free fare could be part of researching funding options. There were no further questions or comments.

9. EXPECTATIONS AND ROLES OF THE CHIEF EXECUTIVE OFFICER (CEO) AND BOARD OF DIRECTORS

-Heather Dalmolin, CEO and General Manager

Staff recommend the Board of Directors adopt the Expectations and Roles of the CEO and the Board of Directors plan to set parameters for engagement of both parties in executing Mountain Line business transactions.

Ms. Dalmolin stated she does not have a presentation; this document is a culmination of discussions over the last several months in public meetings and executive sessions. There have not been any changes made since the April 29th executive session. She shared that this document was developed to answer the twelve points related to the CEO and Board roles regarding communication, governance, and participation in meetings. There was no further discussion. Vice Chair Sweet made a motion to approve the Expectations and Roles document as recommended. Director Williams seconded. There was no discussion. All approved, none opposed. Motion carried.

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

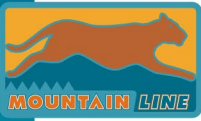
10. REQUEST FOR PROPOSALS (RFP) 2022-270 BIOLOGICAL AND ARCHAEOLOGICAL PROFESSIONAL MONITORING SERVICES

-Anne Dunno, Capital Development Manager

Staff recommend the Board of Directors approve Contract Amendment No. 2 and issue Task Order No. 3 for Inadvertent Archaeological Discovery Services to support Phase 2 of the Downtown Connection Center Project in amount not to exceed \$26,046.60 to Commonwealth

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Heritage Group LLC under Contract No. RFP 2022-270. Additionally, authorize the CEO and General Manager to execute the referenced contract documents as already approved by legal.

Ms. Dunno explained that this contract was initiated with the start of work at the Downtown Connection Center (DCC); it is a National Environmental Policy Act (NEPA) requirement to have available professional should the contractor discover something during construction. She noted that the contract amendment and task order will support Phase 2 of the project for future years. Director Matthews made a motion to approve Contract Amendment No. 2, Task Order No. 3, and authorize the CEO and General Manager to execute the contract documents as presented. Vice Chair Sweet seconded. There was no discussion. All approved, none opposed. Motion carried.

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

11. REQUEST FOR PROPOSALS (RFP) 2022-140 DOWNTOWN CONNECTION CENTER (DCC) CONTRACT AMENDMENT AND CHANGE ORDER

-Anne Dunno, Capital Development Manager

Staff recommend the Board of Directors approve Contract Amendment No. 6 in amount of \$82,883.19 for additional pre-construction services and Change Order No.13 to GMP No. 4 in amount of \$25,052.42 for additional scope under Contract No. RFP 2022-140 for Loven Contracting. Additionally, authorize the CEO and General Manager to execute Amendment No. 6 and Change Order No 13 upon confirmation from Mountain Line legal that the documents are approved as prepared.

Ms. Dunno stated this item is related to the DCC Phase 2 for our transit operations center at the DCC and the planned civic space. She noted that our Construction Manager at Risk (CMAR) contractor is Loven and they would advise staff on constructability reviews, cost modeling, and attend to things on this property. The change order is for the work going on right now for additional items related to third party utilities, installation of a flagpole out in front of our building, and restriping of Phoenix Avenue. She said it will not change the Guaranteed Maximum Price (GMP) schedule. Director Matthews made a motion to approve Contract Amendment No. 6, Change Order No. 13, and authorize the CEO and General Manager to execute the contract documents as presented. Director Williams seconded. There was no discussion. All approved, none opposed. Motion carried.

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

12. PROCUREMENT RESOLUTION

-Heather Dalmolin, CEO and General Manager

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

Ms. Dalmolin reported that the Procurement Resolution has been in place since the fall of 2019; the purpose was to decrease Board administration of procurements. She noted the resolution has been renewed each year since. She explained the resolution assigns authority to the CEO for items in the procurement list attached to the annual resolution, in the current adopted budget, in the financial plan with secured funds for a future year, and for procurements supported by the annual Grant Resolution. She shared that the benefits of having the Procurement Resolution in place have been to exercise rights and authorities granted by state regulation, allows the CEO to complete administrative oversight for the agency, facilitates effective and efficient Board meetings focused on Board engagement on policy and transit program planning, and creates an opportunity to be nimble in decision making and moving projects forward. She reviewed the signs of success and alternatives. Mr. Holcomb stated that this process is used elsewhere in a variety of different ways. There was a lengthy discussion. Board members expressed their desire for transparency and oversight with some degree of delegation. The Board provided direction to the CEO to work with legal counsel to draft a Procurement Resolution with parameters discussed today.

13. MOUNTAIN LINE'S EQUAL EMPLOYMENT OPPORTUNITY (EEO) PROGRAM

-Sam Short, Workforce Director

Staff recommend the Board of Directors adopt the 2026-2029 Equal Employment Opportunity (EEO) Program and approve submission to the Federal Transit Administration (FTA) as required for compliance with regulations.

Mr. Short stated this item was planned to seek Board approval of the program in order to submit to FTA as required. He noted as of yesterday, he received notification that FTA has done away with oversight of this program the requirement of adoption, citing it will alleviate unnecessary regulatory burdens. He explained this program is still required by other federal agencies and that it is still in place; this removes the requirement that the program be provided to FTA. There were no questions. The Board decided to take no action at this time.

14. CHIEF EXECUTIVE OFFICER (CEO) RETIREMENT NOTICE

-Heather Dalmolin, CEO and General Manager

Staff recommend the Board of Directors formally accept the provided written notice of retirement from the CEO and approve the CEO Transition Plan, CEO Transition

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Communication Plan, and Interim Leadership Plan to support staff and the agency during the transition.

Ms. Dalmolin conveyed that she is eligible for retirement in November and plans to retire on November 6, 2026. She provided a proposed Transition Plan timeline, noting recruitment is likely to take 4-16 weeks. She recommended having a Communications Plan, Board Governance Retreat, Initiation of an Executive Search with identification of key traits needed, and an Interim Leadership Plan. She shared the key components of a Communication Plan and an Interim Leadership Plan. She stated that the transfer of knowledge will be important for key staff. She said she has sent a personal note to all staff, but not to vendors. She recommended the Board take action to accept her retirement notice. Ms. Dalmolin stated that she asked Ms. Barnett of TransPro, Mountain Line's contracted HR Services provider, to join the meeting in case the Board had any questions regarding the recruitment process. Ms. Barnett fielded a couple questions from Board members regarding the process and what to expect. Chair Maher stated that he has some questions regarding this item he would like to address with the Board in an executive session.

At approximately 9:59am, Chair Maher made a motion to move into executive session. Vice Chair Sweet seconded. There was no discussion. All approved, none opposed. Motion carried.

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

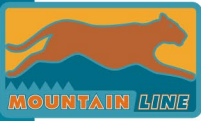
The Board convened an executive session for this item on the agenda at approximately 10:01am and it ended at approximately 10:52am. The Board reconvened the public meeting at approximately 10:54am.

Chair Maher shared comments of thanks to Ms. Dalmolin for the many contributions to Mountain Line over the years.

Director Matthews made a motion to accept Ms. Dalmolin's retirement notice effective November 6, 2026, and leave other items for future consideration. Vice Chair Sweet seconded. There was no discussion. All approved, none opposed. Motion carried.

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

EXECUTIVE SESSION – This executive session topic was skipped and direction was provided to add it to the June Board agenda.

Executive sessions are closed to the public.

The Board will consider a motion to convene an executive session pursuant to A.R.S. § 38-431.03(A) for the following purposes:

1. 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 will reconvene the public meeting.

PROGRESS REPORTS:

15. EQUAL EMPLOYMENT OPPORTUNITY (EEO) WORKFORCE UTILIZATION ANALYSIS, FEDERAL FISCAL YEAR 2026

-Sam Short, Workforce Director

16. MILESTONE ANNIVERSARIES

-Heather Dalmolin, CEO and General Manager

This agenda item was skipped.

17. SUMMARY OF CURRENT EVENTS

-Heather Dalmolin, CEO and General Manager

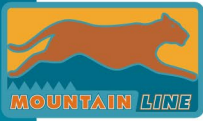
This agenda item was skipped.

ITEMS TO / FROM BOARD OF DIRECTORS AND CEO:

Ms. Dalmolin shared that staff are working on service agreements with the City and the County. She stated those agreements will be agendized for their respective governing bodies in June. She communicated that she plans to sign those intergovernmental agreements (IGAs) under the Delegation of Authority for agreements.

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Ms. Dalmolin noted that the new memo for CEO Travel shared today will be offered going forward as part of the Operating Budget.

Ms. Dalmolin reported that construction at Kaspar has resumed as of May 18th after 19 days, not 90 days, which is good news! The team is back to work following resolution with Lumen.

Director Matthews shared her thanks for all Ms. Dalmolin has done. She stated time will pass quickly between now and November and she suggested planning a retirement party.

Ms. Lenners stated she has a list of people from the recent conference that want to attend Ms. Dalmolin's retirement party.

Ms. Dalmolin conveyed comments of thanks for her long and meaningful career at Mountain Line.

Director Vasquez shared his thanks to Ms. Dalmolin, admitted the Board has been hard on her at times, but she is a true professional, and he said he is happy for her.

Vice Chair Sweet stated Ms. Dalmolin will be missed and shared that she has learned some leadership skills from Ms. Dalmolin.

SCHEDULE NEXT MEETING DATE AND IDENTIFY AGENDA ITEMS

June/August Working Agenda

The next Board meeting will be held on Wednesday, June 17, 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. June agenda items may include but not be limited to the FY2027 Budget Adoption, Kinney Change Order, Huntington Bus Stops, Fare Collection Procurement Award, Grant Resolution, Procurement Resolution, Mountain Express Future Service, Operational Assessment Update, Delegation of Authority Updates, Line of Credit, Meeting Calendar Review, and the Annual Information Technology Report. 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 -Chair Maher adjourned the meeting at approximately 11:01am.



Josh Maher, Chair of the Mountain Line Board of Directors

ATTEST:



Rhonda Cashman, Executive Assistant and Clerk of the Board

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