



**Anaheim Transportation Network
Board of Directors Meeting Minutes
Wednesday, March 23, 2016**

3:00 P.M. – 5:00 P.M.

**Anaheim Regional Transportation Intermodal Center
2nd Floor Conference Room
2626 East Katella Avenue, Anaheim, CA 92806**

ATN Board Members in Attendance:

Jeffrey Runsten, Hilton Anaheim
Bharat Patel, Castle Inn & Suites
Jay Burress, Visit Anaheim
Dan Lee, City of Anaheim
Fred Brown, Desert Palm Springs
Merit Tully, Honda Center
Mark Ochoa, Anaheim Marriott
Jerry Alder, Anaheim GardenWalk
Carrie Nocella, Disneyland Resort

ATN Staff Present:

Diana Kotler, ATN
DeAndre McCall, ATN
Cristina Montoya, ATN
Belinda Trani, ATN

ATN Legal Counsel:

Fred Whitaker, Cummins & White, LLP
Todd Priest, Curt, Pringle & Associates

Members of the Public Present:

Rick Baligalcupo, OCTA
Sue Zuhke, OCTA
Felicia Adams, First Transit
Jan Strickland, First Transit
Dana Walker, First Transit



The ATN Board of Directors meeting was called to order at 3:06 pm

WELCOME & INTRODUCTIONS

ADDITIONS/DELETIONS TO THE AGENDA

Executive Director, Diana Kotler, requested deletion of Agenda Item # 12. Todd Priest provided additional information for the deletion and informed the ATN Board of Directors that this item should be considered by the ATN Board at a later date. Todd Priest explained that there has been more discussions with ATID regarding the Real Time Signage System and the Community Based Transit Circulators. ATN is almost done with their strategic plan and its best if we hold back for the time being in requesting funding from ATID. Fred Whitaker, ATN's Legal Counsel informed the Board that a 2/3 vote is required for the deletion from the Agenda. By Motion, Nocella/Burress, Item #12 was deleted from the ATN Board of Directors March 23, 2016, agenda.

Yeas: Brown, Alder, Lee, Ochoa, Patel, Runsten, Tully
Noes: None
Abstain: None

PUBLIC COMMENTS

None

SPECIAL CALENDAR:

1. Presentation of Resolutions to:

Dana Walker February 2016 Operator of the Month

Dana is one of our trainers for our drivers. She has played a key role in our ADA Rally, and has been with ART since 2011. We have seen tremendous professional and personal growth in her. In her spare time, she decided to take her training ability to another level- she has been asked to be a soccer mom, she will be serving as an assistant soccer coach and excited about her work with children.

CONSENT CALENDAR:

Items 2-8 on the consent calendar will be acted on by one roll call vote unless members of the ATN Board of Directors, staff or the public request the item to be discussed and/or removed from the consent calendar for separate action:

2. Receive and approve minutes of the ATN Board of Directors held on Wednesday, February 24, 2016



3. Receive and file status report pertaining to the Anaheim Transportation Network operations -- ATN Focus Area Reports – February 2016
4. Receive and file ART Operating Reports:
 - a. Maintenance: Mileage & Road Call Reports for February 2016
 - b. Safety & Training: Safety & Security Report for February 2016
 - c. Contract Payment Adjustments: Liquidated Damages Report for December 2015
5. Receive and file ATN membership report for February 2016
6. Receive and file financial reports for the period of January 2016 and approve electronic payments for the period of February 2016
7. Receive and file customer service summary for February 2016
8. Receive and file sales report summary for February 2016

END OF CONSENT CALENDAR

By motion, Brown/Tully, Consent Calendar items 2-8 were passed by a single motion.

Yeas: Nocella, Alder, Lee, Ochoa, Patel, Runsten, Burress

Noes: None

Abstain: None

OPERATIONAL REPORT:

9. **ART Operational Update – Monthly report provided by First Transit, Inc.**
Jan Strickland, General Manager

Monthly operational report to the ATN Board of Directors was provided by ATN contractor, First Transit. Jan Strickland, General Manager at the Anaheim location made a presentation informing ATN Board of Directors that recruiting efforts are still on going. The First Transit team has placed two recruiting programs in place; sign on bonus and referral bonus. Labor union negotiation are still ongoing. Future discussions will focus on economic decisions. Next meeting is April 11th and they are hoping to complete meetings with union representatives by June. Natural products event was a success with the assistance of First Transit sister companies of Greyhound and First Student.



ACTION CALENDAR:

- 10. Increase Anaheim Resort Transportation (ART) vendor and distributor program through approval of a template ART Service Agreement for participants located along Harbor Boulevard in The Anaheim Resort Specific Plan. Approve sale of ART passes at a discounted rate and authorize Executive Director to execute agreement(s)**

Director Kotler: At its February 24, 2016, Board of Directors meeting, the Anaheim Transportation Network (ATN) the Board deliberated approval of the Anaheim Resort Transportation (ART) pass sales agreement terms for the lodging establishments located along Harbor Boulevard.

Eleven properties located in The Anaheim Resort® Specific Plan, along Harbor Boulevard, currently do not participate in the ART service and are not able to sell ART passes and/or provide marketing information to their patrons.

The original general terms for the proposed ART pass sales agreement, presented at the February 24, 2016, ATN Board of Directors meeting, are provided below:

1. Flat rate monthly payment of \$.48/room/night does not apply
2. Discounted wholesale rate of 11% is not available. All passes must be purchased at a Face/Retail rate
3. Hotel Credits program is not available
4. Hotel Benchmark program is not available
5. Additional ART bus stops will not be added
6. Annual membership fees apply
7. ART passes and marketing materials available for convenience of passengers and customer service functions

The ATN Board of Directors requested staff and legal counsel to amend the draft agreement and to include language that would allow sale of ART passes at the established wholesale rates:

ART Pass Denominations	Proposed Wholesale Rate	Retail Rate
1-Day Adult Pass	\$ 4.50	\$ 5.00
3-Day Adult Pass	10.70	\$12.00
5-Day Adult Pass	17.80	\$20.00



Wholesale discounts are not available for the sale of child and disabled/senior ART passes.

The proposed agreement would be available only to the eleven (11) business establishments listed below:

1. Anaheim Desert Inn & Suites
2. Anaheim Plaza
3. Best Western Plus Anaheim Inn
4. Best Western Plus Park Place Inn – Mini Suites
5. Camelot Inn & Suites Anaheim Resort
6. Carousel Inn & Suites
7. Castle Inn & Suites
8. Del Sol Inn
9. Fairfield Inn Anaheim Resort
10. Ramada Anaheim Maingate at Anaheim Resort
11. Tropicana Inn & Suites Anaheim

Should future development(s) cause the property into compliance with the Mitigation Monitoring Program of the Anaheim Resort Specific Plan, this agreement could not be grandfathered-in and requirements of Anaheim and/or Hotel Circle Specific Plans would supersede the agreement.

By motion, Merit/Nocella, the ATN Board of Directors authorized Executive Director to research the Anaheim Resort Transportation (ART) vendor and distributor program through approval of a template ART Service Agreement for participants located in the Disneyland® Resort Specific Plan. Authorize Executive Director to execute agreement, as appropriate.

Yeas: Alder, Lee, Ochoa, Runsten

Noes: None

Abstain: Brown, Patel

11. Authorize Executive Director to release Request for Proposals #2016-003 for Financial Auditing Services

Executive Director informed the ATN Board of Directors that by-laws require preparation of an annual report and financial information. This information shall be distributed within 120 days after the close of the fiscal year and shall include ATN's:

1. A balance sheet at of the end of the fiscal year;
2. An operating (income) statement for the fiscal year; and
3. A statement of changes in financial position for the fiscal year.



In June 2013, the ATN awarded an agreement for auditing and financial services to Macias Gini & O'Connell (MGO) Accounting. The agreement was for three years with two one-year options. MGO performed financial auditing services for ATN from July 2013 through March 2016. At this time, staff does not recommend exercise of two one-year options, but rather a release of a solicitation to retain a new firm for performance of these financial auditing functions.

The enclosed Request for Proposals (RFP) # 2016-003 will be released on April 1, 2016, with financial auditing services commencing for the reporting period beginning with the ATN's Fiscal Year 2015/16. The Scope of Work includes the following tasks:

1. Render an opinion on General Purpose Financial Statements and accept responsibility for the statements in relation to the General Purpose Financial Statements
2. Render an opinion on the funds and account groups included in the examination governed by the ATN's Board of Directors
3. Examination of the ATN's General Purpose Financial Statements in accordance with Generally Accepted Auditing Standards (GAAP)
4. Traditional end-of-year verifications for the fiscal year ending June 30th
5. Preparation of the ATN's Tax Returns – Form 990
6. Identification of errors and irregularities. If conditions are discovered which lead to the belief that material errors, defalcations, or other irregularities, the auditors will promptly advise the ATN
7. Report on Examination of Financial Statement

The proposed solicitation schedule will commence on April 1, 2016, with the release of RFP #2016-003. Proposals will be due to the ATN on May 13, 2016. All proposals will be reviewed by an evaluation committee to determine a short-list of firms to be invited to an interview based on the evaluation criteria presented below:

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| 1. Relevant experience, staff availability and qualifications | 30% |
| 2. Cost, although a significant factor, will not be the determining factor | 40% |
| 3. Qualifications of firm | 30% |

Interviews are scheduled for June 9, 2016. Staff recommendation to the ATN Board of Directors will be presented at the June 22, 2016, ATN Board of Directors meeting, with contractual negotiations slated for completion in July 2016. The initiation of the ATN FY 2015/16 financial audit will commence in August/September of 2016. Final financial report and audited financial statement will be issued by January 15th of each contract year with tax related materials and filing of the ATN's tax returns to be completed within set deadlines of the Internal Revenue Services (IRS) and State Board of Equalization.



Total cost for the preparation of the ATN's financial statements for Fiscal Year ending June 30th, 2015 and tax filings was \$40,000. The cost associated with the preparation of the ATN's financial statements is included in ATN Operating Budget. By motion, Brown/Patel, the ATN Board of Directors authorized Executive Director to release Request for Proposals #2016-003 for Financial Auditing Services

Yeas: Nocella, Alder, Lee, Ochoa, Tully, Runsten, Burress
Noes: None
Abstain: None

12. Receive and file an update on Real-Time Passenger Information System – RFI #2015-009. Approve recommended short-list for Best And Final Offer negotiations and a revised funding request to the Anaheim Tourism Improvement District- Deleted from the Agenda

STATUS REPORT: 2 ITEMS

1. BYD Electric Bus Deployment Update

Director Kotler updated the Board of Directors that the operators are going through the training process. ATN has used three of the electric buses during the Natural Products event. At the moment, the new wraps are being finalized and the buses will be ready for service mid-May. All four vehicles have been delivered.

2. FTA Triennial Review Update

OCTA had their triennial review and the ATN was chosen for a site visit; the auditors were on site on March 16th. The auditing team reviewed numerous contractual agreement and arrangements, looked at the ATN buses and maintenance operations. There were no finding against the ATN. The ATN's triennial review will commence the first week of June, 2016.

ATN Board of Directors Meeting adjourned at 3:39 PM.

CLOSED SESSION: 2 ITEMS

1. Property Location: 1354 South Anaheim Boulevard, Anaheim, California 92805.
Owner/Negotiating Party: ATN Asset Holding Company, LLC
2. Personnel Matter – Public Employee Performance Evaluation pursuant to Govt. Code § 5457(b)(1) Title: Executive Director

Closed Session Item #2 was moved to the April 2016 ATN Board of Directors meeting. ATN Board of Directors meeting reconvened at 4:32 pm. Legal Counsel made a report. ATN Board of Directors Meeting adjourned at 4:33 pm.