



**Anaheim Transportation Network  
Board of Directors Meeting Minutes  
Wednesday, September 25, 2013  
3:00 P.M. – 5:00 P.M.**

**Anaheim Convention Center  
Mezzanine Conference Room  
800 West Katella Avenue, Anaheim, CA 92802**

**Board members in attendance:**

Jerry Alder, Anaheim GardenWalk  
Todd Ament, Anaheim Chamber of Commerce  
Kevin Anderson, The Catch  
Sergio Bocci, Hilton Anaheim  
Marcus Borman, Anaheim Marriott  
Tony Bruno, Sheraton Park Hotel  
Jay Burress, Anaheim Visitors and Convention Bureau  
Grant Dawdy, Walt Disney Company  
Tom Morton, City of Anaheim

**ATN Staff Present:**

Diana Kotler, ATN  
Barbara Adams, ATN

**ATN Legal Counsel:**

Fred Whitaker, Cummins & White, LLP

**Ex-Officio Members:**

None

**ATN Members Present:**

None

**Members of the Public Present:**

Joe Escobedo, MV  
Linda Johnson, City of Anaheim  
George Lee, MV  
Todd Priest, CP&A  
Benny Reyna, MV  
Alex Rezendes, MV  
Sue Zulke, OCTA  
Representative, Pacific Coast Sightseeing

## AGENDA

Call To Order Anaheim Transportation Network Board of Directors Meeting at 3:02 pm.

## WELCOME & INTRODUCTIONS

### SPECIAL CALENDAR

1. Presentation of a Resolution to Benny Reyna for the Anaheim Resort Transportation Operator for the Month of August.

## ADDITIONS/DELETIONS TO THE AGENDA

### PUBLIC COMMENTS

None

### CONSENT CALENDAR

2. Receive and approve minutes of the ATN Board of Directors meeting held on Wednesday, August 28, 2013
3. Receive and file status report pertaining to the Anaheim Transportation Network operations  
*ATN Focus Area Reports – August 31, 2013*
4. Receive and file ART Operating Reports through August 31, 2013
5. Receive and file ATN membership report for August 31, 2013
6. Receive and close financial reports for the periods of July 31, 2013. File draft financial reports for the period of August 31, 2013
7. Receive and file customer service summary for August 31, 2013
8. Receive and file sales report summary for August 31, 2013

### END OF CONSENT CALENDAR

By motion (Ament/Bruno) Items 2 – 8 on the Consent Calendar were acted on and approved by one roll call vote.

AYES: 9

NOES: 0

ABSTAIN: 0

### **OPERATIONAL REPORT:**

9. ART operational update – monthly report provided by MV Transportation, Inc.  
George Lee, Operations Supervisor, reported that Robert Johnson, General Manager is currently in Sacramento, CA getting DMV Certification in order for MV to be able to administer testing

themselves. Additionally, MV is in the process of hiring a new Safety Manager. Currently MV has 28 trainees and 10 cadets. Disney events over the September Friday the 13<sup>th</sup> weekend required extra buses for all 3 days. MV will also need to prepare for a large groups coming to Anaheim in October, including Halloween.

**ACTION CALENDAR:**

10. Authorize staff to execute an amendment to the funding agreement between ATN and Orange County Transportation Authority to incorporate MAP-21 Bus and Bus Facilities Formula Funds (Section 5339)

Staff reported that the Anaheim Transportation Network (ATN) became eligible for the receipt of federal funds for the operation of the Anaheim Resort Transportation (ART) system in 2007. Since 2007, the ATN received \$916,985; with \$1,097,740 pending for FY 2012 and 2013.

Federal funds are distributed to the local agencies through a formula apportionment process. Formula apportionments are based on a number of factors as such, population, population density, transit ridership, vehicle revenue miles and hours, and maintenance costs. The final apportionment amounts are determined based on the submission of annual National Transit Database (NTD) report. The NTD report is submitted by the ATN on October 31<sup>st</sup> of each year.

In FY 2012, significant changes to the federal transportation funding parameters have been made under the federal transportation funding bill, known as MAP-21. Under the new provisions of MAP-21, discretionary funding allocations have been significantly reduced and/or eliminated, transitioning most of federal transportation funds toward a formula-based approach.

As a result, the ATN became eligible for the receipt of additional federal Section 5339 Bus and Bus Facilities funds. To ensure that the ATN is able to receive these new funds, the ATN needs to amend its funding agreement with OCTA. To provide ATN with flexibility for the use of Section 5339 funds, the amendment to the funding agreement proposes to exchange federal funds for local funds, thus allowing the ATN Board of Directors greater discretion for budgeting and appropriation purposes.

The term of the agreement is through reporting FY 2014/15 or funding FY 2016/17. The ATN will need to enter into new funding agreement with the OCTA in FY 2015.

By motion (Ament/Bruno) board authorized the staff to execute an amendment to the funding agreement between ATN and Orange County Transportation Authority to incorporate MAP-21 Bus and Bus Facilities Formula Funds (Section 5339).

AYES: 9  
NOES: 0  
ABSTAIN: 0

11. Award agreement to the most advantageous contractor for Demolition and Tenant Improvement Services, in response to Invitations for Bids #13-004, for the new ATN facility located at 1354 South Anaheim Blvd., Anaheim

In April 2013, the ATN completed a purchase of property at 1354 South Anaheim Boulevard,

Anaheim, to move its administrative and operational facility to a permanent location. The new property requires certain demolition and tenant improvement services prior to the ATN's occupancy of the facility.

In June 2013, the ATN issued an Invitation for Bids (IFB) to select a general contractor. Despite comprehensive solicitation efforts, the ATN received only one (1) proposal which was significantly over the available budget.

At the direction of the ATN legal counsel and Board of Directors, a modified IFB #13-004 was released to over 225 potential general contractors based on the revised architectural specifications.

Eight (8) general contractors participated in the pre-construction meeting. Proposals for the revised IFB document were due to the ATN on Friday, September 20, 2013. The ATN received three (3) bids for further consideration and award from the following general contractors:

Fast-Track Construction Corp.	\$981,220
Miller Contracting Company	\$936,737
Thomco Construction, Inc.	\$798,024

ATN recommended that Thomco Construction be awarded the Demolition and Tenant Improvements contract for a total amount of \$798,024.

At the time of purchase of the new property, the ATN obtained a tenant improvements cost estimate. Based on the estimate of \$375,000, the ATN secured financing for tenant improvements as part of the overall property purchase agreement with Citizens Business Bank for \$500,000. Staff proposed to fund the \$298,000 in the following manner:

Tenant Improvement Loan Citizens Business Bank	\$500,000
Funding Exchange with OCTA for Section 5339 Funds Bus & Bus Facilities	\$ 71,362
ATN Capital Investment Program	<u>\$226,662</u>
<b>TOTAL DEMOLITION AND TENANT IMPROVEMENT COSTS</b>	<b>\$798,024</b>

Staff reported that references for Thomco Construction services have been checked and no negative remarks and/or concerns were expressed by the parties who used Thomco's services for their respective construction projects.

Upon approval by the ATN Board of Directors, ATN Fiscal Year (FY) 2013/14 budget will be amended to incorporate the proposed expenditures for the Demolition and Tenant Improvement services in FY 2013/14 budget. With the appropriation of these funds to facility improvements, the remaining balance of \$799,716 will be available for appropriation to other projects at the Board's discretion.

Director Morton, inquired if the total cost of the tenant improvements, as outlined in the proposal submitted by Thomco, is all-inclusive or if costs associated with the bonding requirements would be in addition to the provide quote. Staff and legal counsel confirmed that the cost of \$798,024 is a guaranteed maximum cost, including all associated bonding costs. Legal counsel also clarified that with a guaranteed maximum cost contract, the ATN would be able to recover 30% of the total savings, should a Contract be able to save on certain value-engineering items or other cost-saving

measures as approved by the ATN staff.

By motion (Ament/Borman) board approved Thomco Construction, Inc as the contractor for Demolition and Tenant Improvement Services, in response to Invitation for Bids #13-004, for the new ATN facility located at 1354 South Anaheim Blvd., Anaheim, CA 92805.

AYES: 9

NOES: 0

ABSTAIN: 0

12. Authorize staff and legal counsel to complete agreement negotiations and execute agreement between the ATN and Walt Disney Company for the provision of transportation services for Route 20 and other transportation services along ATN's Anaheim Resort Transportation public routes commencing on October 1, 2013

Staff reviewed service provision parameters for the Circulator Services. These service parameters were presented to the ATN Board of Directors at the August 28, 2013 meeting and have remained unchanged for the purposes of development of the final operating agreement and include:

1. Existing Route 20 – Toy Story;
2. The Anaheim Convention Center;
3. GardenWalk; and
4. Pumbaa Parking facilities

Existing ART service routes will continue to operate based on the current service delivery methodology.

Should future service needs dictate a necessity to add ART routes, change proposed assessment structure, modify ART stops, or other service parameters, ATN Board of Directors approval will be necessary and a public hearing may be required.

Staff indicated that ATN's current fleet of Liquefied Natural Gas (LNG) buses will be used for the circulator service. A fleet of 35 LNG buses will be needed to meet adequate demand for services. This fleet of LNG buses will be leased from the Orange County Transportation Authority (OCTA) through the first quarter of 2014. Upon completion of the existing service agreement between the ATN and OCTA, the ATN will acquire LNG buses for the above described uses.

Upon completion of tenant improvements at 1354 South Anaheim Blvd., Anaheim, all current operations out of the Anaheim Base will be moved to the 1354 South Anaheim Boulevard facility. The ATN has confirmed with the City of Anaheim a satellite parking facility to accommodate additional bus parking over flow. The ATN will need to enter into a lease agreement with the Anaheim Sports Center to use this location for overflow and overnight bus parking.

A review of the proposed operating costs and corresponding assessment structure, for the provision of the Circulator Service, were developed based on several scenarios:

1. Continued lease and maintenance of the LNG bus fleet through OCTA;
2. ATN buy-out of the LNG bus fleet with direct maintenance services; and

### 3. Acquisition of electric buses

ATN staff brought to the Board's attention a fact that the current agreement for public services along Route 20 is through September 30, 2013. Staff has been working with all parties on the negotiations of the new agreement, but was not able to bring the final document for the Board's consideration and final approval. Upon further deliberations, the ATN Board of Directors by motion (Morton/Ament):

1. Authorize the Chair, or his designee, staff and legal counsel to negotiate and execute the new contract between the ATN and Walt Disney Company contingent that the said agreement does not materially change terms and conditions of the current agreement between the respective organizations and based on the public assessment rates and operating structure as presented by staff at this meeting, which are attached hereto and approved by the ATN Board of Directors; and
2. Should Walt Disney Company require more time to analyze the contract proposal, Authorize staff and legal counsel to execute an extension of the current contract through October 31, 2013, between the ATN and Walt Disney Company for the provision of transportation services in The Anaheim Resort at the existing public assessment rate structure. Further, any contract extension shall require that if the new contract is executed, it shall supersede the extension and that the new public assessment rate structure shall effective October 1, 2013.

AYES: 9

NOES: 0

ABSTAIN: 0

### 13. Status Updates: - Informational Items only, no action was required.

- a. PEPR/Federal Grant Impasse – AB1222. Staff reported that the impasse between the State of California and US Department of Labor resulted in legal action. Meanwhile, both agencies agreed to expedite processing of the respective federal grants to facilitate release of federal transportation funds to the California transit agencies. Pending uncertainty with the impending government shut-down, the ATN should start to receive its federal funds, through OCTA, in November 2014. Approximately \$1 million in federal funds is due to the ATN.
- b. InfoTainment System Update – Further detail on this item will be presented at the October ATN Board of Directors meeting.
- c. Ducks Express Service – Upon completion of the Angels Express event transportation services, ATN is transitioning its operations to begin Ducks Express Service on October 10, 2013, in conjunctions with the first home game of the season.

ATN Board of Directors Meeting adjourned at 4:21 p.m.

Next regular ATN Board of Directors meeting will take place at the Anaheim Convention Center, Mezzanine Conference Room, 800 West Katella Avenue, Anaheim, on Wednesday, October 23, 2013.