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**Anaheim Transportation Network
Board of Directors Meeting Minutes
Wednesday, August 24, 2011
3:00 P.M. – 5:00 P.M.**

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

Call To Order: ATN Board of Directors and General Membership meeting called to order at 3:02 pm

Board members in attendance:

Tom Morton, City of Anaheim
Lisa Asdikian, Hilton Anaheim
Sven Grunder, Holiday Inn Anaheim Resort/Staybridge Suites
Larry Slagle, Yellow Cab of No. Orange County
Fred Brown, Desert Palms Hotel
Bill O'Connell, Stovall Hotels
Jeff Morse, DoubleTree Guest Suites
Larry Meifu, Cortona Inn & Suites
Peter Houck, Anaheim GardenWalk

ATN Staff Present:

Diana Kotler, Anaheim Transportation Network
Lynn Keller, Anaheim Transportation Network
Lita Aguilar, Anaheim Transportation Network

Legal Counsel:

Pam Lee, Aleshire & Wynder, LLP

Ex-Officio Members:

Robert Johnson, MV Transportation, Inc.
Judie Smith, MV Transportation, Inc.

ATN Members:

Jaime Lai, City of Anaheim
Bonnie Hawley, Kaiser Permanente

Reports:

All agenda items and reports were available for review at the Anaheim Transportation Network office. Any writings or documents provided to a majority of Anaheim Transportation Network Board Members regarding any items of this agenda (other than writings legally exempt from public disclosure) will be made available at the Anaheim Transportation Network, located at 1280 South Anaheim Blvd., Anaheim, CA 92805 during regular business hours.

Additions/Deletions to the Agenda – Staff informed the Board that there were no additions or deletion from the agenda

Public Comments – None. This is the opportunity for members of the public to speak on any item under the jurisdiction of the ATN Board of Directors or public comments on any agenda item.

Consent Calendar:

Items 1 – 3 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:

1. Receive and approve minutes of the ATN Board of Directors and General Membership meeting held on Wednesday, July 27, 2011
2. Receive and file Status Report pertaining to the Anaheim Transportation Network operations
ATN Focus Area Reports – July 31, 2011
3. Receive and approve ART Operating Reports through July 31, 2011

By Motion (Morton/Slagle), the Board approved Consent Calendar items #1 and #2.

AYES: 9
NOES: 0
ABSTAIN: None

Consent Item #3 pulled by staff for further discussion. In addition to the regular operational reports, a draft summary of the liquidated damages for the month of July 2011 was presented. Proposed liquidated damages for the month of July 2011 totaled \$32,700. \$19,300 of liquidated damages was a result of the contractual requirements associated with the unsafe operation of vehicles, discourteous staff complaints, failure to comply with ADA provisions and missed service/late start. In addition, \$13,400 in liquidated damages occurred upon review of the MV Transportation (MV) month-end reports/statements for the services rendered during the month of July 2011, as a result of failure to provide adequate personnel to complete service requirements, i.e. driver shortage. ATN staff will continue to provide monthly report of the assess liquidated damages.

By Motion (Slagle/Brown), the Board approved Consent Calendar item #3.

AYES: 9
NOES: 0
ABSTAIN: None

END OF CONSENT CALENDAR

Operations Report – Informational Item – No Action Required:

Agenda Item 4 -- ART operational update – monthly report provided by MV Transportation, Inc.

Robert Johnson, General Manager with MV Transportation, Inc. made a presentation to the ATN Board of Directors highlighting recruitment efforts and intention of continuing to meet operational needs of the Anaheim Resort Transit Service.

The Board of Directors re-iterated full intention to continue application of liquidated damages as called for by the agreement between the ATN and MV Transportation, Inc. (MV). Mr. Johnson stated that MV

is dedicated to the provision of transportation services and will work with the ATN staff to ensure delivery of transportation services to meet the needs of the ATN, its constituency and the traveling public.

Action Calendar:

Agenda Item #5 - Receive and close financial reports for the period of June 2011. Receive and close fiscal year-end 2010/11 financial reports. Review and file draft financial reports for the period of July 2011.

The ATN Board of Directors took action to receive and close financial reports for the period of June 2011 and final financial reports for fiscal year 2011. The ATN Board of Directors took action to receive and file draft financial reports for the period of July 2011.

By motion (Brown/Morton), the ATN Board of Directors received and closed financial reports for the period of June 2011, fiscal year 2011 and reviewed and filed draft financial reports for the period of July 2011.

AYES: 9
NOES: 0
ABSTAIN: None

Agenda Item #6 -- Approve Resolution #11-02 to amend IRS Section 125 Premium Only Plan

As a formality, on an annual basis, ATN Board of Directors needs to approve a resolution to amend IRS Section 125 Premium Only Plan. Section 125 Premium Only Plan allows ATN employees to deduct their contributions toward medical insurance payment on a pre-tax basis. The proposed a resolution to amend IRS Section 125 Premium Only Plan will take effect January 1, 2012. With the exception to extent Section 125 POP plan into 2012, no other changes were proposed.

By Motion (Brown/Grunder), the ATN Board of Directors approved Resolution #11-02 to amend IRS Section 125 Premium Only Plan effective January 2012.

AYES: 9
NOES: 0
ABSTAIN: None

Agenda Item #7 -- Discuss process for the ATN's input and participation in the legislative process concerning transit programs, funding and other related topics. Continued from July 27, 2011 ATN Board of Directors meeting.

Purpose – work to advocate for advancement of legislative proposals that would address acceleration of transit and transportation funding programs. Monitor, analyze and support Federal and State legislation to affect funding and projects to deliver transportation services. Manage and maintain competitive grants program to strategically seek and obtain federal, state and local grant funds.

Federal Legislative Program Objectives:

- Support legislative priorities as Congress acts to authorize a new Surface Transportation Bill following expiration of SAFETEA-LU.
- Forward correspondence to legislative delegation to encourage adoption of legislation that includes transit initiatives, robust funding levels and other transportation initiatives to increase and expedite funding of transportation projects.
- Support passage of comprehensive climate change legislation with a set-aside for transit and other green transportation initiatives
- Advocate renewal of alternative fuel excise tax credit

State Legislative Program Objectives:

- Support efforts to minimize impacts of the state budget issues on transportation funding
- Coordinate efforts to clarify emerging climate change and sustainability programs – SB375
- Work with state, regional and transportation interests to secure, protect and enhance transportation funding and programs state-wide
- Support efforts to implement High Speed Rail program
- Support efforts to preserve state funding for local agencies, i.e. cities and counties.

Coordination with other Agencies:

- ATN to discuss and ascertain federal and state legislative priorities with the City of Anaheim, OCTA, League of California Cities, California Transit Association and American Public Transit Association.
- ATN shall support federal and state legislative initiatives that uphold City of Anaheim legislative platform
- Should a legislative initiative not be included in the City’s legislative platform, the ATN determine and issue its own position on the federal and/or state legislative initiative if it is in the inherent interest to the ATN
- Should a legislative initiative be conflicting with the City’s legislative platform, ATN shall have an option to discuss and determine its own position. Such a decision shall be determined at the regularly scheduled Board of Directors meeting
- ATN shall track and report to the Board of Directors, on as needed basis, legislative issues/initiatives’ progress through the perspective legislative bodies

By Motion, (Brown/Grunder), the ATN Board of Directors approved staff recommendation for the participation in the legislative process concerning transit programs, funding and other topics related to the transportation and transit legislative initiative with an addition of the following items:

1. To include consideration of the OCTA and City of Anaheim priorities as related to the Orange County’s transportation project initiatives; and
2. Inclusion of the legislative platform of the Orange County Cities League.

Copies of all correspondences should be provided to the Board of Directors as part of the regular Consent Calendar.

AYES: 9
 NOES: 0
 ABSTAIN: 0

Agenda Item #8 – Authorize ATN representative to the Anaheim Tourism Improvement District to present the following projects for consideration:

Next Bus Passenger Information Technology – Contractor Digital Recorders, Inc.
 Interim service to Anaheim train station – Service Consolidation
 Incremental cost for bus purchase – ARTIC Service Implementation

Staff requested to present information in its entirety for the Board to take a single motion authorizing ATN representative to the Anaheim Tourism Improvement District (ATID), Bill O’Connell, to present approved project to the ATID – Transportation Committee Board of Directors.

1. NEXT BUS PASSENGER INFORMATION TECHNOLOGY – CONTRACTOR DIGITAL RECORDERS, INC.

Recommendation:

Authorize ATN representative to the Anaheim Tourism Improvement District to present Passenger Information Technology project, for the amount not to exceed \$475,500.

Project implementation to commence January 2012, upon execution of the final agreement between Digital Recorders Inc. (DRI) and the ATN outlining final project specifications and costs.

Upon confirmation of funding, authorize staff to negotiate, prepare and present, for Board’s approval, final agreement between the ATN and DRI.

Project Information:

At July 2011 ATN Board of Directors meeting, ATN Board unanimously approved to move forward with a sole source justification to award an agreement to DRI for implementation of a Passenger Information Technology project.

This project would include installation of 45 on-street dynamic signs to inform the travelling public about projected bus arrival times at ART stop locations throughout the Anaheim Resort. At present, the project includes all costs associated with the one-time fixed software development and installation costs, on-bus equipment installation, and deployment of 45 on-street passenger information signs.

Prior to the execution of the final agreement, DRI and the ATN shall survey all bus stop locations to determine power supply, connectivity, and any other requirements.

Cost: Even though the final costs have not been determined, an estimated cost of the proposed project shall not exceed \$475,500. It is anticipated that the costs shall be as follows:

Item Description	Qty	Cost/Item	Total Cost	Est.
GPRS Cellular Modem	37	\$396	\$ 14,652	
TriBand Bus Antenna	10	\$196	\$ 1,940	
PASS – AVL Software (one-time cost)	1	\$68,275	\$ 68,275	
On-Street Signs (Avg. Cost/Sign)	45	\$5,959	\$268,170	
Project Management Fee (one-time cost)	1	\$34,370	\$ 34,370	
On-Board installation (one time cost)	37	\$361	\$ 13,357	
On-Street sign installation (one time cost)	45	\$1,216	\$ 54,720	
Software Maintenance Agreement	1	\$6,145	\$ 6,145	
Network Set-Up/Operations Center	1	\$2,727	\$ 2,727	
Annual Software Charge (1 st year only)	1	\$11,110	\$ 11,110	
TOTAL ESTIMATED PROJECT COST			\$475,466	

Dan Trujillo, representing Digital Recorders Inc., (DRI) provided product overview and displayed proposed devices for the implementation of the Next Bus system. Mr. Trujillo answered technical questions concerning proposed implementation.

2. INTERIM SERVICE TO ANAHEIM TRAIN STATION – SERVICE CONSOLIDATION

Recommendation:

Authorize ATN representative to the Anaheim Tourism Improvement District to present Interim Service Proposal to Anaheim Train Station in the amount not to exceed \$262,254 per year.

Project implementation to commence February 2012, pending agreement execution with Orange County Transportation Authority and completion of the respective public hearing and Title VI approval processes.

Project Information:

At the request of the City of Anaheim and Disneyland Resort, to validate ridership for the planned ANAHEIM CONNEXT (ARC) service, the ATN has been requested to ascertain comprehensive rail feeder service from the Anaheim Stadium Train Station to Anaheim Resort.

This interim service would be implemented with the existing ART fleet in preparation for the opening of ARTIC. Once ARTIC is open for service in 2014, a new fleet of ART buses would be dedicated to accommodate connectivity between the Anaheim Stadium Train Station and Anaheim Resort.

The proposed interim service would consolidate existing ART Route 15 and OCTA-operated StationLink service (Route 430). The service would accommodate current Metrolink passengers, Disneyland Resort Cast Members, Amtrak passengers and OCTA passengers using Metrolink Service Expansion.

It is anticipated that two (2) dedicated ART buses would provide continuous operations on an approximate 20-minute headway schedule meeting all Metrolink and Amtrak trains. The proposed new ART service routes would operate on a deviated schedule to meet rush-hour demand with stops at Team Disney Administration Building, Harbor Pointe, and East Esplanade.

Daily service between the Anaheim Stadium Train Station and Anaheim Resort would begin at 7 am and continue until 11 pm.

The ATN Board of Directors advised staff to include all associated project related costs and revenues for the presentation to the ATID Transportation Board, in order to allow ATID Transportation Board to take into consideration all aspects of the proposed project and the associated cost-benefits implications.

Cost:

Even though the final costs have not been determined (pending final discussions with OCTA), an estimated annual, not-to-exceed, cost of the proposed service between the Anaheim Stadium Train Station and Anaheim Resort shall not exceed \$262,254.

ESTIMATED ANNUAL OPERATING COSTS		Operating Hours	Total Est. Cost
ATN Hourly Operating Rate (two buses)	\$33.40/bus/hr	16/day/bus	\$ 1,061
<i>Total Estimated Annual Cost</i>		<i>11,584 hrs</i>	<i>\$386,754</i>
ESTIMATED ANNUAL REVENUE			
Metrolink Corporate Transfer Agreement			\$ 10,140
Section 5307 Funds			\$ 6,240
Current ATN Route 15 Operating Cost			\$105,120
Total Projected Funding Match			\$121,500
<i>Projected Funding Gap</i>			<i>\$262,254</i>
TOTAL ANNUAL FUNDING			\$262,254

3. INCREMENTAL COST FOR BUS PURCHASE – ARTIC SERVICE IMPLEMENTATION

Recommendation:

Authorize ATN representative to the Anaheim Tourism Improvement District to present a request to fund incremental cost of a bus purchase to acquire five (5) Bus Rapid Transit (BRT) buses for connecting service between future ARTIC location and the Anaheim Resort in the amount not to exceed \$705,000.

Procurement of the buses will begin in October 2011. Award is anticipated mid-summer 2012, with bus deliver by the end of the calendar year 2013.

Project Information:

In October of 2010, the ATN was awarded \$3.5 million from the Federal Transit Administration (FTA) toward a purchase of 20 new Compressed Natural Gas (CNG) buses. At the time of submission of the grant application in January 2010, the ATN's request included funding for both service expansion and fleet replacement for conventional 32-ft cut-away buses. The cost of a typical conventional 32-ft cut-away bus is \$178,000.

However, later in 2010, it was determined that the ATN should be providing connecting services from the new ARTIC location to the Anaheim Resort. This interim service would serve to validate ridership for the ANAHEIM CONNEXT project, while the City of Anaheim finalizes funding, technical, and contractual issues related to the ANAHEIM CONNEXT project.

In order to be consistent with ARTIC's esthetic design, as well as to differentiate this service from the rest of the ART system, buses dedicated to the ARTIC service should be of a "futuristic" design, while accommodating potential for need for the luggage service.

However, the cost differential between the conventional 32-ft cut-away bus and BRT bus was not part of the original grant funding application to the FTA. Therefore, the ATN cannot issue a solicitation document in October of 2011 without an affirmation that funding could be available for the purchase of the BRT buses. Funding documents for FTA funds have been executed. ATN also pursued local match funds, yet additional funds in the amount of \$705,000 would be required.

Cost:

One-time capital funding request for five (5) BRT buses shall not exceed \$705,000. Affirmation of funding consideration is requested in October 2011. Actual funding would not be needed until 2013.

ESTIMATED BUS PROCURMENT COSTS	Cost/Bus	# of buses	FTA Award
Typical 32-ft CNG Cut-Away Bus	\$178,000	20	\$3,560,000
BRT 32-ft CNG Bus	\$350,000		
Incremental Cost	\$172,000	5	\$860,000
Received Match Funding			
MSRC – 2010 work program	\$25,000	5	\$125,000
MSRC – 2011 work program	\$10,000	3	\$ 30,000
Projected Funding Gap			\$705,000
FUNDING TO COMPLETE PURCHASE in 2013			\$705,000

By Motion (O’Connell/Brown), the ATN Board of Directors approved staff recommendation and authorize ATN representative to the Anaheim Tourism Improvement District to present the following projects for funding consideration: 1) *Next Bus* Passenger Information Technology – Contractor Digital Recorders, Inc.; 2) Interim service to Anaheim train station – Service Consolidation; 3) Incremental cost for bus purchase – ARTIC Service Implementation

AYES: 9
NOES: 0
ABSTAIN: None

Agenda Item #14 -- Status Reports:

Update on the ATN Franchise Application – Anaheim City Council Meeting on July 19, 2011

Staff advised the Board that the Anaheim City Council Meeting on July 19, 2011, the ATN Franchise Application was approved upon completion of the public hearing. No members of the public were present in the opposition to the proposed franchise application. the ATN Franchise Application was approved by a unanimous vote of the Anaheim City Council Meeting.

Annual Hotel Rebate Program – Rebate checks are slated to go out by June 30, 2011. A list of rebate recipients, with the corresponding rebate amounts, was provided.

Agenda Item #9 -- Appoint ATN Ad Hoc Committees

The following ANT Board members volunteered to serve on the ATN Ad Hoc Sub-Committees:

By-Law Review Committee – Brown, Slagle and Grunder
ATN Re-Structuring Study Committee – Borman, Sanford, Asdikian

Agenda Item #10 -- Other Business -- None

Agenda Item #11 -- ATN Board of Directors Meeting adjourned at 4:47 pm. Next regular ATN Board of Directors meeting will take place at on Wednesday, September 28, 2011.