



**Anaheim Transportation Network
Board of Directors Meeting**

Board of Directors

Diana Kotler
Executive Director

Paul Sanford
Chairman

Fred Brown
Vice Chair

Sven Grunder
Treasurer

Marcus Borman
Secretary

Charles Ahlers
Director

Todd Ament
Director

Peter Houck
Director

Luanna Huber
Director

Jeff Morse
Director

Tom Morton
Director

Bill O'Connell
Director

Shaun Robinson
Director

Wednesday, June 27, 2012
3:00 P.M. – 5:00 P.M.

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

AGENDA(REVISED)

CALL TO ORDER ATN BOARD OF DIRECTORS MEETING

ORDER OF BUSINESS: All regular meetings of the ATN begin at 3:00 P.M. Public hearings begin at the beginning of the ATN's Board of Directors meetings at 3:00 P.M. unless otherwise noted. Closed sessions if listed shall begin immediately following "Other Business" or the last item on the open session agenda, or such other time as noted.

REPORTS: Copies of all agenda items and reports are available for review in the ATN office and at www.rideart.org. Any writings or documents provided to a majority of the ATN Board of Directors regarding any item on this agenda (other than writings legally exempt from public disclosure) after distribution of the agenda packet will be made available for public inspection in the Anaheim Transportation Network, located at 1280 S. Anaheim Blvd., Anaheim, CA 92805, during regular business hours.

ADDITIONS/DELETIONS TO THE AGENDA: Finding that there is a need to take immediate action and that the need for action came to the attention of the ATN Board subsequent to the agenda being posted, a 2/3 vote being required.

PUBLIC COMMENTS: Public comments regarding any agenda items or matters within the jurisdiction of the ATN, other than a public hearing item may be made at the time noted "Public Comments". This is the only opportunity for public input except for scheduled public hearing items. The Chairperson will separately call for testimony at the time of each public hearing. If you wish to speak, please do so at the appropriate time and state your name and address for the record. The time limit established for public comments is three minutes per speaker unless a different time limit is announced. Testimony during public hearings is not subject to the three minute time limit but speakers are encouraged to be brief. The Chairperson may limit the length of comments during public hearings due to the number of persons wishing to speak or if comments become repetitious or irrelevant. Pursuant to Government Code Section 54954.2(a)(2), no action or discussion by the Anaheim Transportation Network shall be undertaken on any item not appearing on the posted agenda, except to briefly provide information, ask for clarification, provide direction to staff, or schedule a matter for a future meeting.

SPECIAL CALENDAR

Presentation of a Resolution to Bill Costley for the Anaheim Resort Transit Operator of the Month

PUBLIC HEARING

Conduct a public hearing for the purpose of considering a fare increase for the Anaheim Resort Transportation (ART) adult and child passes effective October 1, 2012.

Final approval of the proposed fare increase for the Anaheim Resort Transportation (ART) adult and child passes shall be considered by the ATN Board of Directors at the July 25, 2012 meeting upon review and approval of the Title VI Equity Analysis Report.

ADDITIONS/DELETIONS TO THE AGENDA

PUBLIC COMMENTS

CONSENT CALENDAR

Items 1 –7 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, May 23, 2012**
- 2. Receive and file status report pertaining to the Anaheim Transportation Network operations
ATN Focus Area Reports –May 31, 2012**
- 3. Receive and approve ART Operating Reports through May 31, 2012**
- 4. Receive and file ATN membership report**
- 5. Receive and close financial reports for the periods of April 30, 2012. File draft financial reports for the period of May 31, 2012**
- 6. Receive and file customer service summary for May 2012.**
- 7. Receive and file sales report summary for May 2012.**

END OF CONSENT CALENDAR

OPERATIONAL REPORT:

- 8. ART operational update – monthly report provided by MV Transportation, Inc.**

BOARD WORKSHOPS:

9. **Upcoming Anaheim transportation initiatives. Community support and participation**
Presentation by Curt Pringle & Associates. Presentation materials will be provided at the meeting

ACTION CALENDAR:

10. **Receive and file report from the ATN legal counsel concerning opinion letter from the Fair Political Practices Commission dated June 13, 2012.**
11. **Adopt ATN Resolution #12-002 pertaining to the ATN Board of Directors Conflict of Interest Policy applicable to private nonprofit organizations and superseding ATN Resolution #11-03 adopted by the ATN Board of Directors on July 27, 2011.**
12. **Approve as to form template hotel service agreement, subject to any further modifications or revisions that do not materially alter the business terms presented but that are deemed necessary and/or reasonable by the Executive Director and legal counsel.**
13. **Approve 2012-13 Continuation Operating Budget at last fiscal year's level. Authorize Executive Director to make changes as needed between the 2012-13 Continuation Operating Budget and the budget to be submitted to the ATN Board of Directors at July 25, 2012 meeting.**

CLOSED SESSION:

Conference with real property negotiator Executive Director Diana Kotler, pursuant to Government Code Section 54956.8, concerning potential terms and conditions of acquisition and/or disposition of the property identified below:

Property Location: 11790 Cardinal Circle, Garden Grove, California 92843
Owner/Negotiating Party: Orange County Transportation Authority

Conference with real property negotiator Executive Director Diana Kotler, pursuant to Government Code Section 54956.8, concerning potential terms and conditions of acquisition and/or disposition of the property identified below:

Property Location: 1016 East Katella Avenue, Anaheim, California 92806
Owner/Negotiating Party: Jaycox Properties (Property Owner)
TestAmerica (Sublessor)

Conference with real property negotiator Executive Director Diana Kotler, pursuant to Government Code Section 54956.8, concerning potential terms and conditions of acquisition and/or disposition of the property identified below:

Property Location: 1354 South Anaheim Boulevard, Anaheim, California 92805
Owner/Negotiating Party: Walter J. Furie and Gladys Furie c/o Farmers & Merchants Bank Trust

Conference with Legal Counsel -- Initiation of litigation pursuant to Govt. Code § 54956.9(c): (1 case)

Conference with Legal Counsel – Anticipated Litigation

Significant exposure to litigation pursuant to Government Code Section 54956.9(b): (1 matter)

Closed Session Action: Report action, if any

ADJOURN ATN BOARD OF DIRECTORS MEETING

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, July 25, 2012.

If requested, the agenda and backup materials will be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof.

Any person who requires a disability-related modification or accommodation, including auxiliary aids or services, in order to participate in the public meeting may request such modification, accommodation, aid or service by contacting the Anaheim Transportation Network either in person at 1280 South Anaheim Boulevard, Anaheim, California, or by telephone at (714) 563.5287, no later than 10:00 AM on the day preceding the scheduled meeting.

POSTING STATEMENT: On June 22, 2012 a true and correct copy of this agenda was posted at the ATN Office at 1280 South Anaheim Blvd., Anaheim, 92805 and on ATN web site at www.rideart.org.



DATE: JUNE 27, 2012
TO: ATN BOARD OF DIRECTORS
FROM: DIANA KOTLER, EXECUTIVE DIRECTOR
RE: AGENDA ITEM #1

RECOMMENDATION:

Receive and approve minutes of the ATN Board of Directors and General Membership meeting held on Wednesday, May 23, 2012

DISCUSSION:

Attached please find the minutes from the May 23rd meeting.



**Anaheim Transportation Network
Board of Directors Meeting Minutes
Wednesday, May 23, 2012
3:00 P.M. – 5:00 P.M.**

**Anaheim Convention Center
Room 206
800 West Katella Avenue, Anaheim, CA 92802**

Board members in attendance:

Marcus Borman, Anaheim Marriott
Fred Brown, Desert Palms Hotel
Grant Dawdy, Disney
Ann Gallagher, AOCVCB
Sven Grunder, Holiday Inn & Staybridge
Peter Houck, Garden Walk
Jeff Morse, DoubleTree Guest Suites
Tom Morton, City of Anaheim
Bill O'Connell, BW Stovall Hotels
Shaun Robinson, Hilton Anaheim
Paul Sanford, Annabella Hotel

ATN Staff Present:

Diana Kotler, Anaheim Transportation Network
Lita Aguilar, Anaheim Transportation Network
Shelly Bullard, Anaheim Transportation Network

Legal Counsel:

Michael Houston, Cummins & White, LLP

Ex-Officio Members:

Robert Johnson, MV Transportation, Inc.

ATN Members Present:

Jamie Lai, City of Anaheim
Sue Zuhlke, OCTA
Charles Lantz, Yellow Cab
Rick Ross, Sheraton Garden Grove
Nia Cross, Anaheim Resort RV Park
Sam Lad, Ramada

Members of the Public Present:

Bruce Behncke, TMD
China Dungfelder, TMD
Elisa Borjas, MV
Alex Recendez, MV

AGENDA

SPECIAL CALENDAR

1. Introduction of the ATN new legal counsel – Michael Houston with Cummins & White, LLP

Staff introduced ATN's new legal counsel.

2. Presentation of a Resolution of Appreciation to Elisa Borjas Anaheim Resort Transit Operator of the Month and Alex Recendez Anaheim Resort Transit Employee of the Quarter

Staff presented two Resolutions of Appreciation to Elisa Borjas and Alex Recendez, ART Operators, for their quality service.

Call To Order: ATN Board of Directors meeting called to order at 3:05 pm

PUBLIC HEARING:

Staff presented the proposed fare increase for adult and child passes and described the revenue sharing program that would allow member properties the opportunity to offset annual contributions by sharing in the revenue generated from the fare increase in the adult passes. Revenue from child passes and from the TVM sales at Disneyland and the Amtrak Metrolink Station would be retained by ATN. Offset revenue would be rebated to GardenWalk annually since tickets are not sold directly at that location.

Staff noted that 87% of survey respondents felt that the current fare price was a good value, and that even with the fare increase, the price of taking ART for a family of four is still a better value than parking at Disneyland. A question was raised from the public regarding whether a family of four is the average family size. Staff responded that the family sized used is within the norm and added that children under two years of age also travel free on ART.

Staff noted that 2500 – 2700 public notices were mailed, and a notice was posted in the local newspaper.

By Motion (Sanford/Borman), the Board moved to the close of the public hearing.

AYES: 11
NOES: 0
ABSTAIN: None

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

Consent Calendar:

Items 1 – 5 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, April 25, 2012
2. Receive and file status report pertaining to the Anaheim Transportation Network operations
ATN Focus Area Reports – April 31, 2012
3. Receive and approve ART Operating Reports through April 31, 2012
4. Receive and file ATN membership report
5. Receive and close financial reports for the periods of March 31, 2012. File draft financial reports for the period of April 30, 2012

By Motion (Sanford/Borman), the Board approved Consent Calendar

AYES: 10
NOES: 0
ABSTAIN: None

END OF CONSENT CALENDAR

Operational Report:

6. ART operational update – monthly report provided by MV Transportation, Inc.

Robert Johnson, General Manager, MV Transportation, Inc. highlighted MV's activities including the Summer Safety Training taking place on June 7th. Board member Morton asked whether additional vehicles would be needed because of the Cars Land opening. He responded that no conversations with Disney had taken place. Mr. Johnson described the Cars Land schedule.

BOARD WORKSHOPS:

7. Anaheim Transportation Network Restructuring Study Update – *Presentation by Transportation Management and Design (TMD)*

Bruce Behncke and China Dungfelder of TMD presented the Restructuring Study, a document designed to evaluate the existing and future operating environment for ART for the purposes of developing guiding principles for decision-making purposes. It was noted that it is important to be able to plan for the future especially when making budgetary decisions that impact revenue flow, fleet size and maintenance/storage facilities.

Mr. Behncke provided an overview of the existing service, including ridership and the farebox recovery rates for each ART route. He noted that the majority of routes have a positive farebox recovery rate except for routes 14, 15, 16 and that such a high recovery rate is unusual for transit agencies.

The remainder of the discussion surrounded the future operating scenario once ARTIC and ARC were built. The Restructuring Study includes recommended service changes to eliminate ART routes that duplicate the ARC service. The Board discussed the assumption that transit users would walk ¼ mile to an ARC station and some indicated concerns that ¼ mile may exceed walking expectations because of ART passenger demographics, travel with children, elderly and luggage.

Another issue discussed was how elimination of the existing routes would impact ART's operating budget, both through the decrease of service hours as well as corresponding reduction in fare revenue. Also discussed, was the scenario of future financial contributions by ART participants who would no longer fully utilize ART service.

The Board members requested that the City of Anaheim present ARC at a future meeting and outline the overarching goals of the project. Jamie Lai, City of Anaheim agreed. Staff also agreed to designate a small group meetings to continue these discussions.

8. Proposed Anaheim Transportation Network Fiscal Year 2012/13 Operating Budget – *Continued from April 25, 2012 meeting*

As requested by the ATN Board of Directors, staff presented a 5-Year Operating Budget projection. The projection assumed approval of the fare increase, 2% increase in revenue, and between 2% - 5% increase in expenses depending upon the expense line item. The projections include three scenarios; 1) operations as they are currently structured, 2) maintenance provided in-house, 3) discontinuation of Route 17 (Toy Story) and in-house maintenance.

The Board discussed the possibility of bring maintenance in-house and directed staff to prepare a more detailed cost analysis.

ACTION CALENDAR:

- 9. Authorize staff to submit a grant application to the Mobile Source Air Pollution Reduction Review Committee for the Major Event Centers Grant Program in the amount of \$36,000 to provide 540 hours of additional service for 90 special events**

Staff requested approval to submit a grant application to the MSRC to provide funding for transit service to special events. The Board had questions about whether \$36,000 was enough money considering special events tend to go long and the service hours might need to be extended.

By Motion (Sanford/Houck), the Board authorized submittal of grant application.

AYES: 10
NOES: 0
ABSTAIN: None

10. Adjourn ATN Board of Directors Meeting

ATN Regular Board of Directors meeting adjourned at 5:25 p.m.

Closed Session:

Conference with Legal Counsel – Anticipated Litigation

Significant exposure to litigation pursuant to Government Code Section 54956.9(b): (1 matter)

The ATN Board of Directors convened Closed Session portion of the meeting. One item was discussed during Closed Session.

Adjourn Closed Session

ATN legal counsel, Mr. Houston, made a report. No action to report.

Adjourn ATN May 23, 2012 ATN Board of Directors Meeting.

Next regular ATN Board of Directors meeting will take place at the Anaheim Convention Center Room 206, 800 West Katella Avenue, Anaheim, on Wednesday, June 27, 2012.

All agenda items and back-up materials are available for review at the ATN Office and on the ATN website at www.rideart.org.



DATE: JUNE 27, 2012
TO: ATN BOARD OF DIRECTORS
FROM: DIANA KOTLER, EXECUTIVE DIRECTOR
RE: AGENDA ITEM #2

RECOMMENDATION:

Receive and file status report pertaining to the Anaheim Transportation Network operations
ATN Focus Area Reports – May 31, 2012

DISCUSSION:

Attached please find the ATN Focus Area Report Highlights



**ATN Focus Area Report Highlights
May 2012**

- Ridership for May was 205,910 pass holding passengers on routes 1 through 16
- Ridership for May 2012 was 1700 passengers for route 18, and 2726 passengers for route 19
- Ridership for May 2012 was approximately 356,625 passengers for route 17
- The level of service was kept at peak operating levels on weekdays during the first two weeks because of Spring Break, and off-peak during weekdays after Spring Break ended. Weekends operated at peak operating levels.
- Operating issues with MV addressed with ATN Board of Directors. Further legal guidance continued.
- Procurement of new ART Fleet and related electronic equipment completed. Procurement agreements are in the final stages of negotiation
- Search for new ATN location on-going. Several potential options identified
- Grant application for Event Centers RFP in progress. Slated for completion June 2012
- Participating in weekly meetings on Grand Plaza Construction Project
- Initiated comprehensive Marketing & Sales Plan for the ATN and ART



DATE: JUNE 27, 2012
TO: ATN BOARD OF DIRECTORS
FROM: LITA AGUILAR, DIRECTOR OF OPERATIONS
RE: AGENDA ITEM #3

RECOMMENDATION:

Receive and approve ART Operating Reports through April 31, 2012

DISCUSSION:

- **Operations Reports**
 - **Daily Safety & Security Incident Report**
 - **Mileage & Road Call Report**
- **Contract Adjustments Report**

Daily Safety Security incident

Date	Route	Description/ Location/ Comment	Incident Reason	NTD Classification
5/14/2012 18:35	17	1835 there was a incident at the park on bus 2132 driver Mcdonald Jaleesa a child had fallen supervisor Steve at the scene he was told child hit his knee on the yellow strip when boarding the bus and parents refused medical attention and refused to give info 17 ambassador Judy was notified I spoke to the driver at pongo driver was told to fill out incident report I also notified Lita	Passenger Incident	Non-Reportable
5/11/2012 22:40	17	2240 got a call from driver Julia Strong in bus 2136 asking for a supervisor to come to her bus when got there she said she close the front door on a guest that was boarding the bus I spoke to the guest got statement and asked him if he need any medical attention he refused we had other guest on board so I rode the bus to toy story	Passenger Incident	Non-Reportable
5/10/2012 21:05	8	2105 got a call from route 8p driver Shalawn Brown she closing the back door by mistake she closed the front door on a guest he refused medical attention and did not want to standby for supervisor notified MV MU I arrived at world-mark stop and MU was already there taking photos spoke to the driver and she will be filling out a incident report.	Passenger Incident	Non-Reportable
5/10/2012 19:36	11	1936 call from route 11 driver Bergen saying a child fell on his asked if child needed medical attention they refused told driver to standby notified MV MU he checked it out and took photos and told driver to fill out incident report.	Passenger Incident	Non-Reportable
5/7/2012 17:40	6	Disney Esplanade/Child fell while exiting bus	Passenger Incident	Non-Reportable
5/4/2012 19:00	14	1900 paddle lunch driver Luis M was covering route 14p a woman with a baby in a stroller full of stuff was trying to board the bus I told her she needs to take the baby out and fold the stroller she said in the morning she did not have to fold the stroller I told her about our policy's and offed to help her with her stuff	Passenger Incident	Non-Reportable
5/3/2012 14:13	17	At 1413 driver Jones called reporting a guest or child of a guest uniated on a bus seat. He was sent to Anaheim for clean upat 1417. Returned at 1453.	Passenger Incident	Non-Reportable

Daily Safety Security incident

Date	Route	Description/ Location/ Comment	Incident Reason	NTD Classification
5/23/2012 20:25	17	Driver Andre Sabal was sitting at the light coming out of Disney when 2118 struck him from behind. Driver had a full load of passenger and no one was injured.	Collision Accident	Non-Reportable
5/23/2012 9:50	17	At 950 there was a T/C involving bus 2207. He was out of service for the rest of the day per 17 MV. Lead Tom took over the assignment at 1030. Driver and persons in other vehicle were ok.	Collision Accident	Non-Reportable
5/22/2012 22:00	17	Driver Kristen Jones in bus #2101 called and had a unsecured bag on he bus. I had her pull into the Pongo parking lot (Far East) and get out of her bus until Disney Security cleared the bag.0	Security Issue	Non-Reportable
5/21/2012 21:08	17	Driver Jose Enamorado asking for a supervisor to come to his bus a child fell on bus child's grandmother put him on the bus he lost his balance and fell hit his face on the floor and bite inside of his upper lip and was bleeding Disney Lead Rod and manager Salvador were notified and Disney nurse Hennesia was on the scene	Passenger Incident	Non-Reportable
5/18/2012 21:22	10	21:22- Child fell on Rt. 10 as he was exiting bus @ Manage. No injuries. Parents refused medical attention, did not want to wait for supervisor. Ambassador Judy C. and Jas K. went to location, took pictures. Family was already gone. Notified Lita A. □	Passenger Incident	Non-Reportable
5/17/2012 22:12	17	@ 22:12 bus # 2101 driver Soto Laura called and told me that a little girl fell in her bus exiting the back door but the parents refused medical help saying that they just want to go home and did not want to wait for the supervisor so Laura asked for n	Passenger Incident	Non-Reportable
5/16/2012 20:30	8	Driver was making left from Harbor to Katella, heard a noise, saw in mirror that a small girl had fallen in the aisle. She immediately pulled over and stopped at Islander and called 8 supervisor. Mike Jaime must have heard message on Ch. 2 and went to location to respond as supervisor did not have car at time. According to Father of child, she dropped an apple and tried to pick it up and then fell.	Passenger Incident	Non-Reportable
5/16/2012 17:38			Collision Accident	S&S 50 Monthly Incident (OSONOC & Fires)
5/16/2012 17:35	ART Relief	Lead driver David Sanchez called and said AM driver Joan Christopher in bus #2205 pulling into her spot clipped bus# 2207 in the left rear. lead driver called ambassador to go to OCTA yard to investigate. Had lead driver call OCTA and I did also and talked to Able. He will send OCTA team out to check it out. 1	Collision Accident	Non-Reportable

Daily Safety Security Incident

Date	Route	Description/ Location/ Comment	Incident Reason	NTD Classification
5/30/2012 23:08	17	Small boy fell while rushing onto bus at zone #1. Driver called supervisor and ambassador immediately. Mike J. collected info and asked if ok. Father and child said they were ok and refused med. attention. Notified Pam P. <input type="checkbox"/> Father: Ramon Garvay Sor. Benjamin Garvay. <input type="checkbox"/> 2625 Knotts Odessa, TX 79763 PH: 432-438-1298 <input type="checkbox"/> Driver filled out report, gave to Mike J.	Passenger Incident	Non-Reportable
5/28/2012 19:20	5	1917 Victor said there was a child full on route five's bus driver Ana Barberena supervisor Julio at the scene and he notified MV Judy passengers refused medical attention parents said that the girl was OK the driver and Judy and Julio got info from passengers driver was told to fill out a incident report and Victor notified Pam	Passenger Incident	Non-Reportable
5/26/2012 18:04	17	1804 bus 2122 driver Wanda Dennis called and said a child fall on her bus on her way to Disney I notified supervisor Julio and Michael J I was still in GG Michael J got on the scene before Julio and guest did want to wait for supervisor guest refused medical attention there were no injuries to the child. Driver was told to fill out a incident report	Passenger Incident	Non-Reportable
5/25/2012 23:02	12	@ 23:02 Wanda was going back to Disney when a car was trying not to hit a bike so the driver moved over the lane and hit the front of bus # 2207 I was very busy at the park so I called Lita then I went out there but it was closing time so I went back to	Collision Accident	Non-Reportable
5/25/2012 16:43	8	Covering route 8 for lunch he said that he had a family on board and he went over a bump and one child fell off the seat. Driver did not see what happened but advised the guest they needed to make a report they said no thank you and got off the bus at Motel 6 to go to Residence Inn on route 7	Passenger Incident	Non-Reportable
5/24/2012 17:25	17	1725 :Driver B Costley(#2111)was strapping down ada at Disney, grandmother carrying child dropped child while walking down aisle and child hit her head on a seat back. Passengers refused medical attention. Mike J. on scene with Disney lead, lead called disney nurse to be safe. Nurse examined child and found no injury. Called ART supervisor. When he arrived, scene had already been cleared.	Passenger Incident	Non-Reportable
5/23/2012 21:27		Ambassador Judy reported to me that Paddle 2P Diane Baldonando said a child bumped his head and parents refused to give any nformation they just exited the bus. they did not tell Diane how or where he bumped his head.	Passenger Incident	S&S 50 Monthly Incident (OSONOC & Fires)
5/23/2012 21:27		Ambassador Judy reported to me that Paddle 2P Diane Baldonando said a child bumped his head and parents refused to give any nformation they just exited the bus. they did not tell Diane how or where he bumped his head.	Passenger Incident	S&S 50 Monthly Incident (OSONOC & Fires)
5/23/2012 20:25	17	Driver called and said he hit the bus in front of him leaving Disney at Harbor and Disney Way.. Carlton was behind bus 2131 and lifted his foot off the brake and ran into the back of the bus.	Collision Accident	Non-Reportable

05/31/12

UNIT No.	BEGINNING ODOMETER	CURRENT ODOMETER	MILEAGE	DATE OF LAST PMI	PMI TYPE	MILEAGE OF LAST PMI	DATE OF PREVIOUS PMI	PMI TYPE	MILEAGE OF PREVIOUS PMI	PMI INTERVAL	MILEAGE SINCE LAST PMI	next pm due by
62801	206,431	210,232	3,801	22-May-12	B	209,369	2-May-12	A	206,613	2,756	863	6-Jul-12
62802	177,697	178,666	969	20-Apr-12	A	176,875	27-Mar-12	D	174,046	2,829	1,791	4-Jun-12
62803	199,443	202,607	3,164	26-May-12	B	201,917	28-Apr-12	A	199,440	2,477	690	10-Jul-12
62804	192,523	196,301	3,778	18-May-12	B	194,563	18-Apr-12	A	191,796	2,767	1,738	2-Jul-12
62805	190,678	193,829	3,151	25-May-12	B	193,115	27-Apr-12	A	190,475	2,640	714	9-Jul-12
62806	199,835	202,489	2,654	29-May-12	A	202,368	27-Apr-12	B	199,550	2,818	121	13-Jul-12
62807	200,313	203,565	3,252	15-May-12	B	202,120	20-Apr-12	A	199,433	2,687	1,445	29-Jun-12
62808	183,716	183,717	1	11-Apr-12	D	181,657	21-Mar-12	A	179,294	2,363	2,060	26-May-12
63529	53,485	53,865	380	5-May-12	A	53,552	22-Mar-12	B	52,296	1,256	313	19-Jun-12
63533	54,517	55,219	702	30-May-12	A	55,209	15-Apr-12	B	54,405	804	10	14-Jul-12
63534	36,498	37,274	776	22-Mar-12	A	35,328	9-Feb-12	B	34,444	884	1,946	6-May-12
63536	37,406	37,406	0	13-Apr-12	A	37,406	3-Mar-12	B	36,128	1,278	0	28-May-12
63538	59,270	60,116	846	21-Apr-12	A	59,181	10-Mar-12	B	58,000	1,181	935	5-Jun-12
201101	31,552	35,580	4,028	23-May-12	B	34,531	3-May-12	A	31,797	2,734	1,049	7-Jul-12
201102	28,842	32,729	3,887	28-May-12	A	32,382	6-May-12	B	29,555	2,827	347	12-Jul-12
201103	33,702	37,219	3,517	20-May-12	D	35,964	26-Apr-12	A	33,279	2,685	1,255	4-Jul-12
201104	33,129	36,903	3,774	20-May-12	B	35,326	22-Apr-12	A	32,637	2,689	1,577	4-Jul-12
201105	34,148	37,937	3,789	14-May-12	B	35,640	21-Apr-12	A	33,119	2,521	2,297	28-Jun-12
201106	33,688	37,286	3,598	31-May-12	A	37,285	7-May-12	B	34,593	2,692	1	15-Jul-12
201107	30,871	33,305	2,434	12-May-12	A	32,205	13-Apr-12	B	29,569	2,636	1,100	26-Jun-12
201108	31,785	34,857	3,072	11-May-12	A	32,680	13-Apr-12	B	29,905	2,775	2,177	25-Jun-12
201109	27,829	30,150	2,321	26-Apr-12	A	27,829	24-Mar-12	B	25,140	2,689	2,321	10-Jun-12

ENGINE JOB

ATN Fleet Mileage Report /OCTA

Revised: 6-4-2012

Equip No	Begin	December-11		January-12		February-12		March-12		April-12		May-12	
		End Distance	End Distance	End Distance	End Distance	End Distance	End Distance	End Distance	End Distance	End Distance	End Distance	End Distance	End Distance
2101	461,322	463,092	1,770	464,815	1,723	466,355	1,540	467,959	1,604	469,537	1,578	471,397	1,860
2104	527,532	529,671	2,139	531,472	1,801	533,347	1,875	535,122	1,775	536,923	1,801	538,732	1,809
2111	490,301	492,376	2,075	494,281	1,905	495,486	1,205	497,490	2,004	499,443	1,953	500,834	1,391
2118	485,734	487,771	2,037	489,267	1,496	491,104	1,837	493,231	2,127	494,619	1,388	496,537	1,918
2122	486,006	488,113	2,107	490,023	1,910	491,725	1,702	493,892	2,167	495,561	1,669	497,173	1,612
2125	424,802	426,903	2,101	428,613	1,710	430,488	1,875	432,565	2,077	433,916	1,351	435,498	1,582
2127	471,123	473,056	1,933	474,882	1,826	476,734	1,852	478,910	2,176	480,958	2,048	482,236	1,278
2128	454,501	455,664	1,163	456,612	948	457,788	1,176	459,877	2,089	461,773	1,896	463,786	2,013
2130	451,305	453,494	2,189	455,279	1,785	456,967	1,688	458,809	1,842	460,377	1,568	462,417	2,040
2131	491,368	493,433	2,065	495,250	1,817	497,104	1,854	498,986	1,882	499,969	983	501,928	1,959
2132	454,240	456,399	2,159	458,208	1,809	460,040	1,832	462,193	2,153	464,077	1,884	465,431	1,354
2134	499,284	500,749	1,465	502,599	1,850	504,323	1,724	505,710	1,387	507,742	2,032	509,686	1,944
2135	467,410	469,436	2,026	471,297	1,861	472,946	1,649	475,114	2,168	476,901	1,787	478,846	1,945
2136	492,143	494,194	2,051	495,546	1,352	497,466	1,920	499,648	2,182	501,358	1,710	503,223	1,865
2137	492,206	494,307	2,101	496,256	1,949	497,276	1,020	499,214	1,938	501,005	1,791	502,924	1,919
2138	475,953	477,607	1,654	479,408	1,801	481,271	1,863	483,013	1,742	485,199	2,186	486,933	1,734
2139	478,912	480,425	1,513	482,048	1,623	483,847	1,799	485,936	2,089	487,865	1,929	489,832	1,967
2140	510,912	512,459	1,547	514,188	1,729	515,861	1,673	517,639	1,778	519,687	2,048	521,638	1,951
2141	496,137	498,014	1,877	498,999	985	500,464	1,465	502,183	1,719	504,122	1,939	506,136	2,014
2143	511,988	514,865	2,877	518,191	3,326	520,481	2,290	523,534	3,053	526,702	3,168	529,749	3,047
2147	499,892	502,332	2,440	505,130	2,798	506,885	1,755	509,950	3,065	512,150	2,200	514,994	2,844
2150	478,176	480,364	2,188	483,205	2,841	483,768	563	486,748	2,980	489,522	2,774	492,467	2,945
2152	497,044	499,755	2,711	502,636	2,881	504,660	2,024	507,524	2,864	510,087	2,563	512,874	2,787
2153	489,245	492,043	2,798	493,744	1,701	495,745	2,001	498,423	2,678	501,030	2,607	503,965	2,935
2156	470,945	472,687	1,742	473,780	1,093	475,321	1,541	477,327	2,006	479,215	1,888	480,949	1,734
2157	504,063	506,432	2,369	508,618	2,186	510,926	2,308	512,307	1,381	514,685	1,882	517,476	2,791
2158	497,956	500,465	2,509	502,560	2,095	504,864	2,304	506,827	1,963	508,709	1,882	510,433	1,724
2159	481,721	483,979	2,258	486,067	2,088	487,741	1,674	489,158	1,417	491,325	2,167	493,790	2,465
2160	458,895	461,204	2,309	463,673	2,469	465,650	1,977	468,354	2,704	470,236	1,882	472,542	2,306
2161	520,521	523,328	2,807	526,062	2,734	527,834	1,772	530,069	2,235	534,570	4,501	537,708	3,138
2201	490,862	492,729	1,867	494,272	1,543	495,558	1,286	497,574	2,016	499,395	1,821	501,008	1,613
2202	504,219	505,979	1,760	507,164	1,185	508,420	1,256	510,178	1,758	512,073	1,895	513,810	1,737
2203	524,685	526,387	1,702	527,845	1,458	528,693	848	530,535	1,842	531,965	1,430	533,590	1,625
2205	479,272	480,851	1,579	482,163	1,312	483,384	1,221	485,228	1,844	487,038	1,810	489,003	1,965
2207	474,220	476,044	1,824	477,258	1,214	478,529	1,271	480,192	1,663	482,197	2,005	484,223	2,026
Total		71,712		64,804		57,640		72,368		70,512		71,837	

Date	Vehicle	Operations Report of Vehicle Problem	Maintenance Assessment of Vehicle Problem	Agency Roadcall Status	Mechanical?	Non-Mechanical?	Action Taken	Location/Comment
5/29/2012 7:25	62803	Lights	Electrical	Mechanical Roadcall Yes		No	REPAIRED MARKER LIGHT RELAY	Esplanade/Driver Robles reported her buses turn signals and Flashers would not flash, just stay solid. She drove to the yard and shop fixed the problem. Floater 1A covered the route.
5/4/2012 17:00	62806	Fumes	Fumes	Mechanical Roadcall Yes		No	FUEL LEAK FOUND AT GFI VENTING. RESET IGNITION A FEW TIMES AND LEAK STOPPED AT VENT. RETURN TO YARD FOR REPAIR.	Driver Jason Patrick driving 2806 called and said he as smelling CNG gas. He was pulling into the Holiday Inn Express, had him discharge his passengers and wait for mechanic to come out in Anaheim Plaza/Cervantes reported a fluid leak, very large, coming from the rear of the passenger compartment. Paddle lunch, bus 1103, assumed the route at the Anaheim Plaza. Cervantes went to the yard and switched into 2807. Virtually no route time was lost. 2807 was back in service at the Anaheim Plaza at 10:25.
5/11/2012 10:00	62806	Lights	Electrical	Bus Exchange – Not A Roadcall	No	No	REPAIR BRAKE SWITCH AND RELAY	Paddle lunch Calvin came into shop break lights not working, he will be switched out into 2804
5/14/2012 8:14	62806	Fluid Leak (oil, water, fuel)	Fluid Leak (oil, water, fuel)	Mechanical Roadcall	Yes	No	HEATER HOSE REPAIRED, CAUSE OF LEAK CLAMP WORN OUT	Driver Mary H. called on bus # 2807 and said her radiator gage was on. Had her drop and 10-19 to the yard and have mechanic check it out. Went back to check on Mary's bus mechanic Jose is replacing thermostat and sensor. <input type="checkbox"/>
5/19/2012 15:38	62807	Hot Engine						<input type="checkbox"/>
5/17/2012 8:48	62807		AC-Heat-Ventilation	Mechanical Roadcall	Yes	No	REAR AC COMPRESSOR DEFECTIVE REPAIRED BUS AT YARD	RV Park/Borjas called me on the phone. Smoke was coming from under the hood. Shop responded and downed the bus. Floater 1A, Lee, covered the route. Shop took 2804 out to Borjas.
5/18/2012 13:33	201107	Doors	Doors	Mechanical Roadcall	Yes	No	PASSENGER DOOR OUT OF ADJUSTMENT. REPAIRED DOOR LEVER	1107 passenger doors will not open.
5/23/2012 19:20	201109	Electrical	Electrical	Mechanical Roadcall	Yes	No	REPLACED BAD ALTERNATOR	advised to switch out as soon as possible, she 10/19 to yard and switched out into 1102

DATE	BUS #	L/C/R/C/BX	DESCRIPTION	WORK ORDER	VALID?	MECHANICAL / NON MECHANICAL
5/1/2012 - 5/5/12						
5/1/12	2136	R/C	STOP ENGINE LIGHT	487723	Y	MECHANICAL
5/2/2012	2101	L/C	GAS LIGHT	487949	Y	MECHANICAL
5/3/2012	2104	L/C	MOULDING COMING OFF	488289	Y	NON MECHANICAL
5/3/2012	2136	R/C	STOP ENGINE LIGHT	488490	Y	MECHANICAL
5/4/2012	2159	R/C	LOW AIR	488670	Y	MECHANICAL
5/6/12 - 5/12/12						
5/6/2012	2205	L/C	WONT BUILD AIR	488873	Y	MECHANICAL
5/8/2012	2161	L/C	NO START	489361	Y	MECHANICAL
5/8/2012	2125	L/C	FRONT TURN SIGNALS	489430	Y	MECHANICAL
5/9/2012	2125	R/C	GAS LIGHT	489856	Y	MECHANICAL
5/12/2012	2205	L/C	FRONT TURN SIGNALS	490467	Y	MECHANICAL
5/13/12 - 5/19/12						
5/16/2012	2132	L/C	WCR RUBBER STICKING OUT	491316	Y	MECHANICAL
5/16/2012	2207	L/C	ACCIDENT # 12135461	491445	Y	NON MECHANICAL
05/20/12 - 05/26/12						
5/20/2012	2161	L/C	GAS LIGHT	492251	Y	MECHANICAL
5/21/2012	2158	L/C	DRIVER SEAT AIR LEAK	492356	Y	MECHANICAL
5/21/2012	2118	L/C	NO START	492357	Y	MECHANICAL
5/23/2012	2136	R/C	WHEEL CHAIR RAMP	493151	Y	MECHANICAL
5/23/2012	2207	BX	ACCIDENT # 1212604	493152	Y	NON MECHANICAL
5/23/2012	2118	OCC	ACCIDENT 1213608	493195	Y	NON MECHANICAL
5/23/2012	2131	OCC	ACCIDENT 1213608	493196	Y	NON MECHANICAL
5/24/2012	2135	L/C	R/F TURN SIGNAL	493357	Y	MECHANICAL
5/25/2012	2267	R/C	SHUT DOWN	493597	Y	MECHANICAL
5/25/2012	2161	L/C	NO START	493660	Y	MECHANICAL
5/26/2012	2205	L/C	BO DIPSTICK LEAKS OIL	493827	Y	MECHANICAL
5/26/2012	2125	R/C	NO START	493829	Y	MECHANICAL
5/26/2012	2128	R/C	REAR DOORS	493837	Y	MECHANICAL
5/27/12 - 06/02/12						
5/28/2012	2160	L/C	NAL R/F TIRE	493945	Y	MECHANICAL
5/28/2012	2118	L/C	GAS LIGHT	492939	Y	MECHANICAL
5/28/2012	2158	L/C	GAS LIGHT	494436	Y	MECHANICAL
5/28/2012	2140	L/C	LEFT TURN SIGNAL INOP	494585	Y	MECHANICAL
5/28/2012	2138	L/C	LEFT TURN SIGNAL INOP	494586	Y	MECHANICAL
5/28/2012	2161	L/C	INTERIOR LIGHTS OFF AND ON	494629	Y	MECHANICAL
5/31/2012	2111	L/C	REAR DOORS	494715	Y	MECHANICAL
5/31/2012	2143	BX	A/C INOP	494893	Y	MECHANICAL
6/1/2012	2143	L/C	EMERGENGY HATCH BROKEN	495087	Y	MECHANICAL
6/1/2012	2135	L/C	R/F TURN SIGNAL	495168	Y	MECHANICAL

Monthly Contract Payment Adjustments Report

Date	Time of Day	Route	Vehicle	Source	Description of Occurrence	Contract Category	Contract Amount	Adjustment Amount	Approved Amount	Net	Status
02-May-12	12:00:00 AM	9		Daily Customer Feedback	Rude / Discourteous Driver	D. Discourteous Driver	\$200		\$200	\$0	LD Full Assessment
02-May-12	12:00:00 AM	14		Daily Customer Feedback	Late Trip / Schedule Issues	I. Missed Service - Late Start/Fail to Complete	\$100	(\$100)	\$0	\$0	LD Waived
02-May-12	7:30:00 AM	17	2140	Daily Activity Sheet	Driver No Show	I. Missed Service - Late Start/Fail to Complete	\$100	(\$100)	\$0	\$0	LD Waived
02-May-12	8:30:00 AM	17	2130	Daily Activity Sheet	Driver No Show	I. Missed Service - Late Start/Fail to Complete	\$100	(\$100)	\$0	\$0	LD Waived
02-May-12	11:20:00 AM	17	2203	Daily Activity Sheet	Late Pull-Out - Driver Not Available	C. Unsafe Operation of Vehicle	\$1,000	(\$1,000)	\$0	\$0	LD Waived
03-May-12	12:00:00 AM	3		Daily Customer Feedback	Unsafe Driving	C. Unsafe Operation of Vehicle	\$1,000	(\$1,000)	\$0	\$0	LD Waived
05-May-12	5:50:00 AM	5	2153	Daily Activity Sheet	Driver No Show	I. Missed Service - Late Start/Fail to Complete	\$100	(\$100)	\$0	\$0	LD Waived
05-May-12	9:00:00 PM	PM Float		Daily Activity Sheet	Late Pull-Out - Driver Not Available	I. Missed Service - Late Start/Fail to Complete	\$100	(\$1,300)	\$1,400	\$0	LD Adjusted
06-May-12	8:29:00 AM	17	2136	Daily Activity Sheet	Driver No Show	I. Missed Service - Late Start/Fail to Complete	\$100	(\$100)	\$0	\$0	LD Waived
06-May-12	8:37:00 AM	17		Daily Activity Sheet	Driver No Show	I. Missed Service - Late Start/Fail to Complete	\$100	(\$100)	\$0	\$0	LD Waived
06-May-12	9:44:00 AM	17	2205	Daily Activity Sheet	Bus Exchange	I. Missed Service - Late Start/Fail to Complete	\$100	(\$100)	\$0	\$0	LD Waived
06-May-12	9:53:00 AM	17	2203	Daily Activity Sheet	Driver No Show	I. Missed Service - Late Start/Fail to Complete	\$100	(\$100)	\$0	\$0	LD Waived
06-May-12	1:44:00 PM	17	2118	Daily Activity Sheet	Late Trip	I. Missed Service - Late Start/Fail to Complete	\$100	(\$100)	\$0	\$0	LD Waived
06-May-12	9:00:00 PM	PM Float		Daily Activity Sheet	Late Pull-Out - Driver Not Available	I. Missed Service - Late Start/Fail to Complete	\$100	\$600	\$700	\$0	LD Adjusted
07-May-12	12:00:00 AM	3	2150	Daily Customer Feedback	Other Complaint (Specify)	I. Missed Service - Late Start/Fail to Complete	\$100		\$100	\$0	LD Full Assessment
08-May-12	6:35:00 PM	17		Daily Activity Sheet	Driver No Show	I. Missed Service - Late Start/Fail to Complete	\$100	(\$100)	\$0	\$0	LD Waived
10-May-12	7:30:00 AM	17	2128	Daily Activity Sheet	Driver No Show	I. Missed Service - Late Start/Fail to Complete	\$100	(\$100)	\$0	\$0	LD Waived
10-May-12	9:05:00 PM	8	2147	Daily Safety Sheet	Driver No Show	C. Unsafe Operation of Vehicle	\$1,000	(\$1,000)	\$0	\$0	LD Waived
11-May-12	6:30:00 AM	17	2202	Daily Activity Sheet	Driver No Show	I. Missed Service - Late Start/Fail to Complete	\$100	(\$100)	\$0	\$0	LD Waived
11-May-12	10:40:00 PM	17	2136	Daily Safety Sheet	Driver No Show	C. Unsafe Operation of Vehicle	\$1,000	(\$1,000)	\$0	\$0	LD Waived
12-May-12	5:50:00 AM	1	2160	Daily Activity Sheet	Late Pull-Out - Driver Not Available	I. Missed Service - Late Start/Fail to Complete	\$100	(\$100)	\$0	\$0	LD Waived
12-May-12	6:30:00 AM	17		Daily Activity Sheet	Late Pull-Out - Driver Not Available	I. Missed Service - Late Start/Fail to Complete	\$100	(\$100)	\$0	\$0	LD Waived
12-May-12	6:30:00 AM	17	2101	Daily Activity Sheet	Late Pull-Out - Driver Not Available	C. Unsafe Operation of Vehicle	\$1,000	(\$100)	\$1,000	\$0	LD Full Assessment
16-May-12	5:35:00 PM	ART Relief	2205	Daily Safety Sheet	Late Trip	I. Missed Service - Late Start/Fail to Complete	\$100	\$600	\$700	\$0	LD Adjusted
17-May-12	9:00:00 PM	PM Float		Daily Activity Sheet	Late Pull-Out - Driver Not Available	I. Missed Service - Late Start/Fail to Complete	\$100		\$100	\$0	LD Waived
19-May-12	11:50:00 AM	1	2159	Daily Activity Sheet	Late Trip	D. Discourteous Driver	\$200	(\$100)	\$0	\$0	LD Waived
20-May-12	12:00:00 AM	4	2150	Daily Customer Feedback	Rude / Discourteous Driver	D. Discourteous Driver	\$200		\$200	\$0	LD Full Assessment
20-May-12	12:35:00 PM		2130	Daily Activity Sheet	Roadcall	C. Unsafe Operation of Vehicle	\$1,000		\$1,000	\$0	LD Full Assessment
23-May-12	9:50:00 AM	17	2207	Daily Safety Sheet	Late Trip	C. Unsafe Operation of Vehicle	\$1,000		\$1,000	\$0	LD Full Assessment
23-May-12	7:53:00 PM	17	2201	Daily Activity Sheet	Late Trip	I. Missed Service - Late Start/Fail to Complete	\$100		\$100	\$0	LD Full Assessment
23-May-12	8:25:00 PM	17	2118	Daily Safety Sheet	Late Trip	C. Unsafe Operation of Vehicle	\$1,000		\$1,000	\$0	LD Full Assessment
24-May-12	8:07:00 PM	18	2160	Daily Activity Sheet	Late Trip	I. Missed Service - Late Start/Fail to Complete	\$100		\$100	\$0	LD Full Assessment
25-May-12	11:02:00 AM	17	2207	Daily Safety Sheet	Late Trip	C. Unsafe Operation of Vehicle	\$1,000	(\$1,000)	\$0	\$0	LD Waived
29-May-12	9:30:00 AM	17		Daily Activity Sheet	Late Pull-Out - Driver Not Available	I. Missed Service - Late Start/Fail to Complete	\$100	\$500	\$600	\$0	LD Adjusted
29-May-12	10:00:00 AM	17	2143	Daily Activity Sheet	Driver No Show	I. Missed Service - Late Start/Fail to Complete	\$100	(\$100)	\$0	\$0	LD Waived
29-May-12	11:45:00 AM	19	201105	Daily Activity Sheet	Late Trip	I. Missed Service - Late Start/Fail to Complete	\$100		\$100	\$0	LD Full Assessment
30-May-12	12:00:00 AM	9	201106	Daily Customer Feedback	Late Trip / Schedule Issues	I. Missed Service - Late Start/Fail to Complete	\$100		\$100	\$0	LD Full Assessment

Detail		Contract Amount		Adjustment Amount		Approved Amount		Net	
Subtotal By Contract Category		Contract Amount		Adjustment Amount		Approved Amount		# of Incidents	
C. Unsafe Operation of Vehicle		\$9,000		(\$5,000)		\$4,000		9	
D. Discourteous Driver		\$400				\$400		2	
I. Missed Service - Late Start/Fail to Complete		\$2,600		\$1,300		\$3,900		26	
Subtotal By Status									
LD Adjusted				\$3,000				4	
LD Full Assessment				(\$6,700)				11	
LD Waived								22	
Total		\$12,000		(\$3,700)		\$8,300		64	



DATE: JUNE 27, 2012
TO: ATN BOARD OF DIRECTORS
FROM: LINDA DUONG, OFFICE MANAGER
RE: AGENDA ITEM #4

RECOMMENDATION:

Receive and file status of ATN membership dues.

DISCUSSION:

ATN Membership Investment Invoices were mailed out November, March and May 2012. To date, 81 out of 102 members have submitted full or partial payment (see attachment).

All ART participating hotels are paid with the exception of Comfort Inn & Suites. Extended Stay America had a change of address. (Letter was mailed out 6/18/2012) Newly added Downtown Disney locations are still outstanding. Follow up letter will be mailed July 1, 2012.

Status of ATN Membership Dues				
	ATN MEMBER	DATE PAID	2nd Letter	1st Letter
1	AMC 12 Theatres	3/19/2012		
2	Alamo Rent A Car			3/7/2012
3	America's Best Inn Anaheim	12/20/2011		
4	Americas Best Value Astoria Inn and Suites	6/22/2012	3/7/2012	
5	America's Best Value/Fantasy Inn	6/20/2012	3/7/2012	
6	Anabella Hotel	4/16/2012	3/7/2012	
7	Anaheim Chamber of Commerce	Paid in Trade		
8	Anaheim/OC Hotel & Lodging Association	Paid in Trade		
9	Anaheim Marriott	1/5/2012		
10	Anaheim/OC Visitor Convention Bureau	12/19/2011		
11	Anaheim Resort RV Park	1/24/2012		
12	Apricot Lane Boutique			3/7/2012
13	Avalon Bay Communities	partial	3/7/2012	
14	Ayres Hotel	12/23/2011		
15	Ayres Inn Orange	2/13/2012		
16	Blink by Wet Seal			3/7/2012
17	Best Western Pavilions	1/31/2012		
18	Best Western Raffles Inn	12/23/2011		
19	Best Western Stovall's Inn	1/6/2012		
20	Badalian Enterprises, Inc.	2/29/2012		
21	Build-A-Bear Workshop	4/30/2012	3/7/2012	
22	Greenwood Suites	12/19/2011		
23	Casa Alegre - Mercy Housing California XXV		3/7/2012	
24	Catal R. & Uva Bar/The Patina Group, LLC	4/3/2012	3/7/2012	
25	City of Anaheim	1/6/2012		
26	Clarion Hotel	2/10/2012		
27	Comfort Inn & Suites		3/7/2012	
28	Comfort Inn Maingate	12/30/2011		
29	Cortona Inn & Suites	12/19/2011		
30	Courtyard by Marriott	12/27/2011		
31	Days Inn Maingate	4/18/2012	3/7/2012	
32	Days Inn Anaheim West	3/22/2012		
33	Denny's/Nustar Inc. #7718	2/1/2012		
34	Desert Palm Inn & Suites	1/24/2012		
35	Disney Worldwide Services, Inc.	3/13/2012		
36	Dolphin Cove Resort	3/26/2012	3/7/2012	
37	DoubleTree Guest Suites	1/17/2012		
38	Downtown Anaheim Association	Paid in Trade		
39	Econo Lodge	1/3/2012		
40	Extended Stay		3/7/2012	
41	Fairfield Inn	1/24/2012		

Status of ATN Membership Dues				
	ATN MEMBER	DATE PAID	2nd Letter	1st Letter
42	Fossil		3/7/2012	
43	Garden Walk	2/21/2012		
44	Haagen Dazs		3/7/2012	
45	Harbor RV Park	1/12/2012		
46	Meridian Inn & Suites	3/14/2012		
47	Hilton Anaheim	1/31/2012		
48	Hilton Suites Anaheim/Orange	3/5/2012		
49	Holiday Inn & Suites	1/31/2012		
50	Holiday Inn Express Hotel & Suites	3/8/2012		3/1/2012
51	Holiday Inn Anaheim Resort	12/13/2011		
52	Hotel Menage	2/1/2012		
53	House of Blues	1/6/2012		
54	Howard Johnson's	1/25/2012		
55	Interstate Electronic Corp.	1/24/2012		
56	Islander Inn & Suites	12/14/2011		
57	Jamba Juice		3/7/2012	
58	Jolly Roger's Hotel	12/27/2011		
59	Kaiser Permanente	4/16/2012	3/7/2012	
60	La Brea Bakery Cafe		3/6/2102	
61	La Quinta Inn and Suites	3/26/2012	3/6/2102	
62	LEGO Imagination Center		3/7/2012	
63	Little MissMatched			3/7/2012
64	Mimis Cafe@1400 S. Harbor		3/7/2012	
65	Morton's the Steakhouse	3/29/2012	3/7/2012	
66	Naples Ristorante/Patina Group		3/7/2012	
67	NBTY Manufacturing, llc	5/14/2012	3/7/2012	
68	Peacock Suites Resort	3/26/2012	3/7/2012	
69	Pearl Factory			3/7/2012
70	Portofino Hotel	12/27/2011		
71	Days Inn Maingate	4/18/2012	3/7/2012	
72	Quicksilver		3/7/2012	
73	Red Lion Hotel	2/10/2012		
74	Rainforest Cafe	1/31/2012		
75	Ralph Brennan's Jazz Kitchen		3/7/2012	
76	Ramada Limited Maingate North	partial		
77	Ramada Limited Suites	1/27/2012		
78	Ramada Plaza	2/3/2012		
79	Motel 6	4/3/2012	3/7/2012	
80	Republic Services, Inc	12/28/2011		
81	Residence Inn Anaheim Maingate	12/27/2011		
82	Ruth's Chris	3/19/2012		
83	Residence Inn Anaheim/Garden Grove	3/26/2012	3/7/2012	

Status of ATN Membership Dues				
	ATN MEMBER	DATE PAID	2nd Letter	1st Letter
84	Sanuk	5/4/2012		3/7/2012
85	Sephora		3/7/2012	
86	Sheraton Park Hotel	1/17/2012		
87	Something Silver	4/2/2012	3/7/2012	
88	Stadium Crossings/SY Venture I, LLC		3/7/2012	
89	Stadium Lofts Community Association		3/7/2012	
90	Staybridge Suites	2/17/2012		
91	Sunglass Icon		3/7/2012	
92	The Boeing Company	1/31/2012		
93	Tortilla Joe's/Patina Group	1/17/2012		
94	Towneplace Suites	3/19/2012		
95	Travelex			3/7/2012
96	Travelodge International Inn	1/27/2012		
97	Western Transit.	1/12/2012		
98	Wetzel's Pretzels	3/19/2012		
99	WorldMark Anaheim	12/28/2011		
100	Stadium Crossings- Denny's	1/10/2012		
101	Stadium Crossings- Panda	1/31/2012		
102	Stadium Crossings- Carls	1/12/2012		

102 Total Members 102 + 3 trades

Received 81

Pending 21



DATE: JUNE 27, 2012
TO: ATN BOARD OF DIRECTORS
FROM: ROSARIO UMPAR, FINANCE MANAGER
RE: AGENDA ITEM #5

RECOMMENDATION:

Receive and close financial reports for the periods of April 30, 2012. File draft financial reports for the period of May 31, 2012

DISCUSSION:

Attached please find the financial reports for April and May 2012.

Agenda Item #5-- Review Through 05/31/2012

P&L Category	Apr'12 Actual	Apr'12 Budget	May'12 Actual	May'12 Budget	YTD Actual	YTD Budget	Annual Budget 2011/2012	% of Budget 91.66%
REVENUE								
Route 17	\$371,969	\$397,350	\$348,702	\$286,975	\$3,981,592	\$3,639,065	\$3,956,945	100.62%
ART -- Ticket Sales	\$379,958	\$480,880	\$350,836	\$324,600	\$3,866,983	\$3,958,455	\$4,344,155	89.02%
Total Income	\$1,046,426	\$1,105,850	\$970,518	\$833,595	\$10,841,145	\$10,341,961	\$11,302,436	95.92%
Total Income ART	\$674,457	\$708,500	\$621,816	\$546,620	\$6,859,553	\$6,702,896	\$7,345,491	93.38%
EXPENSES								
Route 17	\$369,239	\$372,324	\$346,402	\$277,271	\$3,869,633	\$3,256,467	\$3,788,100	102.15%
ART -- All Other Routes	\$644,787	\$593,264	\$645,802	\$540,331	\$6,780,418	\$6,551,881	\$6,912,830	98.08%
Total Expenses	\$1,014,026	\$965,588	\$992,204	\$817,602	\$10,650,051	\$9,808,348	\$10,700,930	99.52%
EXCESS REVENUE								
Route 17	\$2,730	\$25,026	\$2,300	\$9,704	\$111,959	\$256,134	\$294,738	37.99%
ART -- All Other Routes	\$29,670	\$115,236	-\$23,986	\$6,289	\$79,135	\$277,479	\$306,768	25.80%
Total Excess Revenue	\$32,400	\$140,262	-\$21,686	\$15,993	\$191,094	\$533,613	\$601,506	31.77%



DATE: JUNE 27, 2012
TO: ATN BOARD OF DIRECTORS
FROM: NICOLE JOSEPH, CUSTOMER SERVICE ASSOCIATE
RE: AGENDA ITEM #6

RECOMMENDATION:

Receive and file customer service summary for May 2012.

DISCUSSION:

The attached data has been collected from Survey's, Comment Cards, and Phone Calls.

Category & Type	Prior FY May	FY 2012 May	Prior FY Year-To-Date	FY 2012 Year-To-Date
<u>Commendation</u>				
Commendation	7	12	31	50
Late Trip / Schedule Issues			1	
Mystery Shopper	4		4	
Total Commendation	11	12	36	50
<u>Complaint</u>				
Unspecified Type			3	1
2. Survey - Moderately Satisfied				1
4. Survey - Moderately Dissatisfied				1
5. Survey - Extremely Dissatisfied		1		2
ADA / Wheelchair Issues			8	1
Bus Stop Issues	1		6	7
Commendation				
Late Trip / Schedule Issues	16	3	70	34
Mystery Shopper			6	5
Other Complaint (Specify)	7	1	24	17
Overcrowding		1	4	5
Rude / Discourteous Driver	11	2	45	39
Service Suggestion			3	
Unsafe Driving	4	1	16	17
Vehicle Cleanliness Issues				1
Total Complaint	39	9	185	131
<u>Lost & Found</u>				
Lost & Found	1		1	
Total Lost & Found	1		1	
<u>Suggestion</u>				
Commendation			1	
Mystery Shopper			1	
Total Suggestion			2	
<u>Unspecified Category</u>				
Unspecified Type	1		10	8
1. Survey - Extremely Satisfied	38	38	38	38
2. Survey - Moderately Satisfied	21	21	21	21
3. Survey - Neither Satisfied or Dissatisfied	3	3	3	3
4. Survey - Moderately Dissatisfied	9	9	9	9
5. Survey - Extremely Dissatisfied	5	5	5	5
Bus Stop Issues				1
Late Trip / Schedule Issues			1	
Other Complaint (Specify)	1		1	6
Service Suggestion			1	
Unsafe Driving	1		1	

** Totals do not include incidents entered in Monthly Feedback

Category & Type	Prior FY May	FY 2012 May	Prior FY Year-To-Date	FY 2012 Year-To-Date
Total Unspecified Category	79	76	90	91

** Totals do not include incidents entered in Monthly Feedback



DATE: JUNE 27, 2012
TO: ATN BOARD OF DIRECTORS
FROM: PAUL COLICE, SALES & MARKETING MANAGER
RE: AGENDA ITEM #7

RECOMMENDATION:

Receive and file sales report summary for May 2012.

DISCUSSION:



ART

Monthly Sales Report

May 2012k

- May 6 – 12** Attended the Western Canada Sales Mission/Road Show with the Anaheim/OC Visitor and Convention Bureau.
- Over 600 top Canadian Travel agents attended
 - Five major cities visited including: Vancouver, Calgary, Edmonton, Victoria and Coquitlam
 - 32 VIP guests attended a VIP evening event. Guest included press from some of the top Canadian travel publication as well as some of the top Canadian wholesalers.
- May 16** Attended Orange County Tourism Council Conference on Tourism
- May 16** Represented Anaheim Resort Transportation in the City of Anaheim's "Ride your Bike to Work" Day
- May 22** Provided transportation for WesJet Vacations Fam. I spent the afternoon showing 15 of WestJet's top selling travel agents the ART system
- May 27** Provided transportation for the Harvey World Owners/Management Conference that was held at the Sheraton Park Hotel. I was able to showcase ART and our services the Owners and Management of one of Australian wholesale travel Companies.

Monthly Sales Calls/Hotel Outreach

- Throughout the month all ART member hotels were visited
- In addition to ART member the hotels on Harbor from Katella to Manchester were visited to promote Route 18 and 19 as well as the top Buena Park properties, attractions and California Welcome Center.



DATE: JUNE 27, 2012
TO: ATN BOARD OF DIRECTORS
FROM: DIANA KOTLER, EXECUTIVE DIRECTOR
RE: AGENDA ITEM #10

RECOMMENDATION:

Receive and file June 13, 2012, advice letter from the Fair Political Practices Commission pertaining to the ATN conflict of interest provisions under the Political Reform Act.

DISCUSSION:

Receive report from ATN legal counsel to summarize current status of certain laws and corporate governance matters.

Enclosure
FPCC Advice Letter



FAIR POLITICAL PRACTICES COMMISSION

428 J Street • Suite 620 • Sacramento, CA 95814-2329

(916) 322-5660 • Fax (916) 322-0886

June 13, 2012

Michael R. W. Houston, Esq.
Cummins & White, LLP
2424 S.E. Bristol Street, Suite 300
Newport Beach, CA 92660-0764

Re: Your Request for Advice
Our File No. A-12-075

Dear Mr. Houston:

This letter responds to your request for advice on behalf of the Anaheim Transportation Network regarding the conflict-of-interest code provisions of the Political Reform Act (the "Act").¹ This letter is based on the facts presented. The Fair Political Practices Commission (the "Commission") does not act as a finder of fact when it renders assistance. (*In re Oglesby* (1975) 1 FPPC Ops. 71.) Please note that the Commission does not provide advice on bodies of law outside the confines of the Act.

QUESTION

Is the Anaheim Transportation Network a local government agency subject to the provisions of the Act and, therefore, required to adopt a conflict-of-interest code under which board members and employees must file statements of economic interests?

CONCLUSION

Based upon the information you have provided, it does not appear that the Anaheim Transportation Network is a government agency under the Act. Thus, the Anaheim Transportation is not required to adopt a conflict-of-interest code and board members and employees are not required to file statements of economic interests.

¹ The Political Reform Act is contained in Government Code Sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in Sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

FACTS

You represent the Anaheim Transportation Network (the "ATN") and are requesting the reconsideration of the *Haubert* Advice Letter, No. A-04-253, in which it was determined that the ATN was a local governmental agency required to adopt a conflict-of-interest code and that members of the ATN's Board of Directors are required to file statements of economic interest (Commission Form 700) under the ATN's adopted code. At this time, you state that the ATN's present organization, funding, and operation differ from the facts previously considered.

Prior to ATN's formation, hotels in the area surrounding the Disney Resort (Disneyland, Disney's California Adventure, Downtown Disney, and related Disney hotels and retail areas) often provided private shuttle services to transport visitors and patrons to the resort and event centers. Other than the ATN, the City of Anaheim (the "City") did not and does not operate a public transportation system. Public transportation within the City was and currently is provided by the Orange County Transportation Authority (the "OCTA"). The OCTA was founded in 1991 and operates a public transportation system throughout Orange County consisting primarily of bus and special purpose shuttles (e.g. senior shuttles). Currently, a member of the Anaheim City Council serves on the OCTA Board of Directors, but the City is not entitled to a dedicated OCTA board position.

In 1994 the City adopted a series of resolutions amending the City's General Plan, Zoning Code, and maps to alter the land uses and development standards for an area of the City known as the Anaheim Resort Area, which generally encompasses the area surrounding the Disney Resort. These resolutions are generally known as the Anaheim Resort Specific Plan. To mitigate traffic and air quality impacts that could result from private development under the plan, as required under the California Environmental Quality Act, the City also adopted a mitigation monitoring and reporting program under City Ordinance No. 5454.

Pursuant to Ordinance No. 5454 property owners/developers within the Anaheim Resort Area are "responsible for compliance with all applicable conditions of approval and mitigation measures included in Mitigation Monitoring Program No. 0085." Under Mitigation Monitoring Program No. 0085, Mitigation Measures 3.3 and 3.4 require owners and developers to "join and financially participate in a clean fuel shuttle program, if established; and shall participate in the Anaheim Transportation Network/Transportation Management Association." Joining and participating in the ATM is triggered by the development of the property, and the condition must be satisfied prior to "final building and zoning inspection."

The ATN did not exist at the time Ordinance No. 5454 was adopted. As anticipated by the City, the ATN would subsequently be formed and managed by the private owners and developers. The City did however participate substantially in forming the ATN. In fact, the City Attorney's office prepared and filed the organizational documents establishing the ATN. Additionally, the City devoted staff resources and oversaw day-to-day operations, entered into and approved contracts with third-party vendors to assist in the ATN's formation, contributed capital resources to the ATN including ten buses and the leasing of an additional eight buses for

\$1/year, and assisted the ATN in obtaining federal funding. Ultimately, the ATN was established as a nonprofit public benefit corporation on September 28, 1995.

As established in the Articles of Incorporation, the membership of the ATN "shall consist of the municipal government of the City of Anaheim and other public agencies, and employers and event centers within the [Anaheim Resort Area] and the [Stadium Business Center] area of the City of Anaheim." Notwithstanding the City's membership in the ATN, the City was not an original voting member of the ATN under the Articles of Incorporation filed by the City. Moreover, the power to amend the articles was granted exclusively to the ATN's voting members and board of directors. Pursuant to the ATN's Bylaws, membership dues and assessments are determined by a two-thirds vote of the ATN's Board of Directors.

In 2006, the ATN's voting members and board of directors voted to amend the Articles of Incorporation to provide a single vote to the City. This amendment permits the City's member to run for a seat on the ATN's board of directors, which is elected by the voting members, under the ATN's Bylaws. Currently, the City is just one of 104 voting members. Of the 104 voting members only 46 are mandatory members as required by Ordinance No. 5454. The remaining voting members are voluntary members of the ATN.

Services provided by the ATN consists of a shuttle system providing transportation along specified routes predominately for the benefit of the visitors, patrons, and employees of private tourism, resort, and event/convention businesses in the Anaheim Resort Area, other specified areas of the City (including Angels' Stadium, the Platinum Triangle, and the Honda Center), the City of Orange (the Outlets at Orange shopping center), the City of Buena Park (the resort area surrounding Knott's Berry Farm), and the City of Santa Ana (the Westfield Mainplace shopping center and the Santa Ana Discovery Science Center).

The ATN currently has 19 routes providing service to 61 lodging establishments and nine event center locations. 24 of the 56 total bus stops are located on the private property of the businesses the routes serve. Ridership is open to the general public. However, the "ATN estimates that the vast majority of users are tourism- and event- related users." Services are provided based upon the operating hours of the private businesses and event centers served by the shuttles, as opposed to the needs of the general public. The ATN no longer provides age-restricted rider service for seniors.

Based upon figures from the 2011-2012 fiscal year, ATN's funding is primarily derived from the assessments on the businesses it serves (\$5,840,000) and ticket sales (\$4,700,000). Additional funding is derived from membership dues (\$50,000), advertising (\$500,000), and federal grants (including an annually occurring grant of \$500,000 and a one-time grant \$3,800,000). Notwithstanding the assessments and dues collected under the authority of Ordinance No. 5454, including the City's actual membership dues, no additional funds are derived from the City.

The ATN leases property from the City's former Redevelopment Agency for the purposes of housing its administrative offices, vehicle storage, maintenance, and other uses. You

state the terms of the lease are “consistent with a negotiated contract between unrelated parties” and that the ATN pays a “possessory interest tax,” which is comparable to a property tax when public property is used by private parties. Currently, the ATN has 60 buses. 20 of these buses were funded by federal grants, while 35 are leased from the OCTA for \$36,175 per month with additional costs for maintenance. The remaining buses consist of five buses from the original 10 buses giving to the ATN by the City when the ATN was first formed. These five buses are not currently used for public transportation and are in the process of being donated to the Santa Barbara Metropolitan Transit District.

The ATN and the City entered into a franchise agreement granting the ATN a “non-exclusive right to operate ‘resort shuttle transportation’ for ‘guests of the Anaheim Resort’ and ‘other guest-oriented areas of the City’ on City streets.” This franchise agreement was amended in 2011 and does not expire until 2025. While the ATN’s franchise application provides information regarding the ATN’s rate structure, the rates are not reviewed or approved by the City but by the ATN.

As an additional note, the ATN’s bylaws specify that meetings of the ATN’s Board of Directors shall comply with the Brown Act. However, you have stated that the ATN is not subject to the Brown Act but complies on a voluntary basis. The ATN chooses not to comply with the Brown Act for meetings of its membership. Moreover, employees of the ATN do not participate in public pension programs, the ATN is not provided governmental immunity from lawsuits, and persons bringing actions against the ATN are not required to comply with the Governmental Claims Act.

ANALYSIS

A public official is prohibited under the Act from making, participating in making, or using his or her position to influence a governmental decision in which the official knows or has reason to know he or she has a financial interest. (Section 87100.) For purposes of the Act, a “public official” is defined as “every member, officer, employee or consultant of a state or local government agency.” (Section 82048.) Moreover, the Act requires every agency to adopt and promulgate a conflict-of-interest code designating positions within the agency that involve the making or participation in the making of decisions which may foreseeably have a material effect on any financial interest. (Sections 87300 and 87302.) Agency members, officers, employees and consultants who are in these positions are required to file Statements of Economic Interests (FPPC Form 700), disclosing financial interests relevant to their positions, as determined by their agency. An “agency” is broadly defined to include any state or local agency, while a “local government agency” is defined as “a county, city or district of any kind including school district, or any other local or regional political subdivision, or any department, division, bureau, office, board, commission or other agency of the foregoing.” (Sections 82003 and 82041.)

Because the Act’s conflict-of-interest provisions only apply to public officials and governmental agencies, we must distinguish governmental from non-governmental entities. As explained in the *Haubert* Advice Letter, *supra*, in which we previously concluded that the ATN was a governmental entity, the Commission adopted a four-part factual test to determine whether

an entity is a governmental or non-governmental entity in its opinion *In re Siegel* (1977) 3 FPPC Ops. 62. Under the *Siegel* test, the Commission has employed the following four criteria:

(1) Whether the impetus for formation of the entity originated with a government agency;

(2) Whether the entity is substantially funded by, or its primary source of funds is, a government agency;

(3) Whether one of the principal purposes for which the entity was formed is to provide services or undertake obligations which public agencies are legally authorized to perform and which, in fact, they traditionally have performed; and

(4) Whether the entity is treated as a public entity by other statutory provisions.

(1) *Did the impetus for the formation of the entity originate with a government agency?*

Participation in the ATN by businesses and developers in the areas was mandated under City Ordinance No. 5454. While established as a mitigation measure to address traffic and air quality concerns, the authority under which the ATN assesses and collects fees derives entirely from the City's adoption of the ordinance. To implement the ordinance, the City participated substantially in the initial formation of the ATN and ultimately authored the Articles of Incorporation establishing the ATN and the City's membership in the ATN. Additionally, the City devoted staff resources and oversaw day-to-day operations, entered into and approved contracts with third-party vendors to assist in the ATN's formation, and contributed capital resources to the ATN.

As previously stated in the *Haubert* Advice Letter, *supra*, the first criteria of the *Siegel* test is generally met where an entity is created by statute, ordinance, or by some official action of another government agency. (See *Moser* Advice Letter, No. A-97-400.) Considering that the ATN's authority derives entirely from the City's adoption of Ordinance No. 5454 and the City's initial actions to implement the ordinance, it is inescapable that the impetus of the ATN's formation originated with the City.

Nonetheless, despite the City's initial role, the Articles of Incorporation removed the City from the day-to-day operations of the ATN and granted control of the ATN to the very businesses that the ATN serves. Any additional amendments to the Articles of Incorporation are under the sole authority of the ATN's Board of Directors and voting members. Additionally, the ATN's Board of Directors, which determines membership dues and assessments, is determined by the ATN's voting members, of which the City is just one of the 104 current members. At this time, 17 years after the formation of the ATN, the City's initial role in establishing the ATN is less relevant to the determination of whether the ATN is a government agency.

(2) *Is the entity substantially funded by, or is its primary source of funds, a government agency?*

Based upon the figures you have provided for the 2011-2012 fiscal year, the majority of the ATN's funding is derived from the assessments on the businesses it serves. Ticket sales and federal grants come in a close second and third, while membership fees and advertising make up the remainder of the ATN's funding. While you contend that no additional funds are derived from the City apart from the small membership dues paid by the City, the assessments (at least for obligatory members) are collected under the authority of City Ordinance No. 5454. Thus, the assessments are akin to a local tax that passes to the ATN through the City itself. Conversely, the assessments are derived from the very businesses that have been granted the power through the formation of the ATN to control the funds. Accordingly, there is a question whether the City or the obligatory members are the source of assessments paid under the authority of City Ordinance No. 5454.

Additionally, it is unclear whether the federal grants should be considered in determining whether the ATN is a government agency. For instance, we have previously advised that federal grants are public funds, and that an entity that receives most of its monies from a federal grant meets the second *Siegel* criteria. (See *Brammer* Advice Letter, No. A-08-205a.) However, we have not been consistent in providing this advice and have also advised, albeit contradictorily, that obtaining funding from the federal government "argues against [the entity] being considered a California state agency." (*Donavan* Advice Letter, No. A-99-269.)

Even assuming that assessments from obligatory members and federal grants should be considered in determining whether the primary source of the ATN's funds is a government agency, we note that the ATN receives significant funding from its daily operations and voluntary business members.

(3) *Is one of the principal purposes for which the entity was formed to provide services or undertake obligations which public agencies are legally authorized to perform and which, in fact, they traditionally have performed?*

While the oversight and operation of public transportation systems is undoubtedly a function that is typically performed by governmental entities (See *Knox* Advice letter, A-90-038 and *Keene* Advice Letter, No. I-89-613), this does not conclusively establish that transportation provided as a shuttle service for patrons of private businesses is a service typically performed by governmental entities. To this extent, we disagree with the statement in the *Haubert* Advice Letter, *supra*, that "the fact that ATN engages in activities traditionally (though not exclusively) performed by the government, demonstrates that the governmental function factor of the *Siegel* analysis is *conclusively* met." (Emphasis added.)

For comparison, in the Commission's opinion *In re Leach* (1978) 4 FPPC Ops. 48, the Commission considered whether the Bakersfield Downtown Business Association was a government agency in light of the association's contract with the city to provide administrative services for a business promotion district, which was funded by a local tax on the business located in the district including approximately one-quarter of the association's members.

Despite the fact that the tax was enacted for the public purpose of promoting public events in the district and the general business climate, the Commission found that the services rendered were less public in nature in that they specifically benefited the downtown businesses including retail stores, restaurants, and hotels.

Based upon the facts you have provided, the ATN is primarily operated for the benefit of the private businesses it serves. For example, routes and schedules are determined based upon the needs of the businesses and not the general public, and you have stated that the ATN estimates that the "vast-majority" of riders are patrons of the businesses served. At the same time, the ATN is open to the general public and by its very design acts to supplement public transportation within the City. For this reason, we can determine only that the ATN serves both public and private functions, but that shuttle services catering to the patrons of the private businesses served by the ATN are less public in nature.

(4) *Is the entity treated as a public entity by other statutory provisions?*


As determined in the *Haubert* Advice Letter, *supra*, it does not appear that the ATN is currently treated as a public agency by other statutory provisions.

In summary, the ATN does not squarely fall under any of the four criteria established by the *Siegel* opinion. Moreover, the facts presented are comparable to those analyzed in the *Leach* opinion. In both instances, we find particular significance in that the entity in question was composed of the very businesses affected by the assessments, control of the entity was exercised independently from the city imposing the assessments, and the entity had only the limited authority to use the assessments to fund services that specifically benefited the businesses. Accordingly, it does not appear from the facts you have provided that the ATN is currently a government agency under the provisions of the Act.

If you have other questions on this matter, please contact me at (916) 322-5660.

Sincerely,

Zackery P. Morazzini
General Counsel


By: Brian G. Lau
Counsel, Legal Division

BGL:jgl



DATE: JUNE 27, 2012
TO: ATN BOARD OF DIRECTORS
FROM: DIANA KOTLER, EXECUTIVE DIRECTOR
RE: AGENDA ITEM #11

RECOMMENDATION:

Adopt ATN Resolution #12-002 pertaining to the ATN Board of Directors Conflict of Interest Policy applicable to private nonprofit organizations and superseding ATN Resolution #11-03 adopted by the ATN Board of Directors on July 27, 2011.

DISCUSSION:

Receive report from ATN legal counsel to summarize

1. Current status of certain laws and corporate governance matters; and
2. Synopsis of the to be adopted ATN Board of Directors Conflict of Interest Policy

Enclosures:

1. Draft Resolution 12-022
2. ATN Resolution #11-03



RESOLUTION NO. 12-002 ON JUNE 27, 2012

CONFLICT OF INTEREST POLICY OF ANAHEIM TRANSPORTATION NETWORK

A Resolution Of The Board Of Directors Of The Anaheim
Transportation Network Adopting Its Conflict Of Interest Policy

**ARTICLE I
Purpose**

The purpose of the conflict of interest policy ("Policy") is to protect this tax-exempt organization, the Anaheim Transportation Network, a nonprofit public benefit corporation (the "Corporation"), when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or Director of the Corporation or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.

**ARTICLE II
Definitions**

1. Interested Person

Any Director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest

Any person has a financial interest if the person has, directly or indirectly, though business, investment or family:

2.1 An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement;

2.2 A compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement; and

2.3 A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

A financial interest is not necessarily a conflict of interest. Under Article II, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

ARTICLE III Procedures

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Board and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board of Directors or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists. If the Board decides a conflict of interest does not exist, then the Board member may enter the room and fully participate in the proceedings.

3. Procedures for Addressing the Conflict of Interest

3.1 An interested person may make a presentation at the Board of Directors or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

3.2 The chairperson of the Board of Directors or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

3.3 After exercising due diligence, the Board of Directors and/or committee shall determine whether the Corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

3.4 If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board of Directors or committee shall determine by a majority vote of disinterested trustees whether the transaction or arrangement is in the Corporation's interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

3.5 If there is only one Director and the Director is considered an interested person in a proposed transaction or arrangement, then the Director shall disclose the financial interest in the manner required above in Section 3.1 and shall then appoint a committee of 3 disinterested persons who shall take action as provided in this Article III to

determine whether or not a transaction or arrangement in which the sole Director has a financial interest may be entered. Such committee shall continue to exist for the purpose of any other actions that may need to be taken under this Conflict of Interest Policy.

In the unlikely event that there are multiple interested persons and the Board would otherwise be deprived of sufficient non-conflicted Directors to render a decision, then the Board Secretary shall select, at random (i.e., by blind draw), the minimum number of interested persons to allow the Board to act.

4. Violations of the Conflict of Interest Policy

4.1 If the Board of Directors or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform members of the Board of Directors of the basis for such belief and afford the accused Board member an opportunity to explain the alleged failure to disclose.

4.2 If, after hearing the Board member's response and after making further investigation as may be warranted by the circumstances, the Board of Directors or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary or corrective action.

ARTICLE IV Records of Proceedings

The minutes of the Board of Directors and all committees with Board delegated powers shall contain:

1. The names of the person who disclosed or otherwise were found to have financial interests in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's or committee's decision as to whether a conflict of interest in fact existed.

2. The names of persons who were present for discussions and votes related to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

ARTICLE V Compensation

1. A voting member of the Board of Directors who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.

2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.

3. No voting member of the Board of Directors or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

ARTICLE VI
Annual Statements

Each Director, principal officer and member of a committee with governing Board delegated powers shall annually sign a statement which affirms such person:

1. Has received a copy of the conflict of interest policy;
2. Has read and understands the policy;
3. Has agreed to comply with the policy; and
4. Understand the Corporation is a social welfare organization and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax exempt purposes.

ARTICLE VII
Periodic Reviews

To ensure the Corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

1. Whether compensation arrangements or benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
2. Whether partnerships, joint ventures and arrangements with management organizations conform to the Corporation's written policies, are properly recorded, reflect reasonable investment or payment for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

ARTICLE VIII
Annual Statements

When conducting the periodic reviews as provided for in Article VII, the Corporation may, but need not, use outside advisors. If outside advisors are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

ARTICLE IX
Interpretation of Policy

The Board of Directors has the authority to review a particular transaction or circumstance to determine whether it constitutes a conflict of interest as more fully described elsewhere in this policy.

EFFECTIVE DATE

This policy shall be effective immediately upon approval by the Board of Directors.

PASSED, APPROVED, AND ADOPTED on this 27th day of June 2012.

APPROVED:

ATN Chairman
Paul Sanford

ATTEST:

ATN Executive Director
Diana Kotler

RESOLUTION NO. 11-003

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE ANAHEIM TRANSPORTATION NETWORK
ADOPTING ITS CONFLICT OF INTEREST CODE

WHEREAS, Government Code Section 87300, *et seq.*, of the Political Reform Act requires state and local government agencies, and certain bodies established by them, to adopt conflict of interest codes and amend them on a regular basis; and

WHEREAS, the Fair Political Practices Commission ("FPPC") has adopted a regulation, 2 California Code of Regulations Section 18730, which contains the terms of a standard conflict of interest code which the FPPC recommends be adopted by reference; and

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE ANAHEIM TRANSPORTATION NETWORK DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The terms of 2 California Code of Regulations Section 18730, a current copy of which is attached hereto as Attachment "A," and any amendments to it hereafter duly adopted by the Fair Political Practices Commission, are hereby adopted and incorporated by reference. Regulation 18730, as amended, and Attachments "B" and "C" to this Resolution, in which members and employees are designated and disclosure categories are set forth and explained, shall constitute the Conflict of Interest Code for the Anaheim Transportation Network.

Section 2. Employees designated in Attachment "B" shall file statements of economic interests (Form 700) with the Executive Director. The Executive Director shall retain a copy of all statements of economic interest and make them available for public inspection and reproduction as required by law.

Section 3. The Executive Director shall certify as to the adoption of this Resolution and cause the filing of the Conflict of Interest Code in the manner prescribed by law.

ADOPTED, SIGNED and APPROVED this 25th day of May, 2004.
ADOPTED, SIGNED and APPROVED this 27^h day of July, 2011.

Paul Sanford, Chairman

Attest:

Diana Kotler
Executive Director

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.

I, Diana Kotler, Executive Director of the Anaheim Transportation Network, DO HEREBY CERTIFY that the foregoing Resolution Number 11-003 was duly re-adopted by the Board of Directors of the Anaheim Transportation Network, a non-profit corporation, at a regular meeting of said Board on the 27th day of July 2011, and that it was so adopted by the following vote:

AYES: 10
NOES: 0
ABSENT: 3

Diana Kotler
Executive Director

ATTACHMENT "A"

CONFLICT OF INTEREST CODE
(FPPC Regulation 18730)

§ 18730. Provisions of Conflict of Interest Codes

(a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Government Code section 87300 or the amendment of a conflict of interest code within the meaning of Government Code section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of article 2 of chapter 7 of the Political Reform Act, Government Code sections 81000, et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Government Code section 87100, and to other state or local laws pertaining to conflicts of interest.

(b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

(1) Section 1. Definitions.

The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (2 Cal. Code of Regs. sections 18100, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

(2) Section 2. Designated Employees.

The persons holding positions listed in the Appendix are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on financial interests.

(3) Section 3. Disclosure Categories.

This code does not establish any disclosure obligation for those designated employees who are also specified in Government Code section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this

agency is the same as or is wholly included within the jurisdiction in which those persons must report their financial interests pursuant to article 2 of chapter 7 of the Political Reform Act, Government Code sections 87200, et seq.

In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:

(A) The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;

(B) The disclosure assigned in the code of the other agency is the same as that required under article 2 of chapter 7 of the Political Reform Act, Government Code section 87200; and

(C) The filing officer is the same for both agencies.¹

Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in the Appendix specify which kinds of financial interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those financial interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in the Appendix. It has been determined that the financial interests set forth in a designated employee's disclosure categories are the kinds of financial interests which he or she foreseeably can affect materially through the conduct of his or her office.

(4) Section 4. Statements of Economic Interests: Place of Filing.

The code reviewing body shall instruct all designated employees within its code to file statements of economic interests with the agency or with the code reviewing body, as provided by the code reviewing body in the agency's conflict of interest code.²

(5) Section 5. Statements of Economic Interests: Time of Filing.

(A) Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days

after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.

(B) Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

(C) Annual Statements. All designated employees shall file statements no later than April 1.

(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

(5.5) Section 5.5. Statements for Persons Who Resign Prior to Assuming Office.

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

(A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

(1) File a written resignation with the appointing power; and

(2) File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

(6) Section 6. Contents of and Period Covered by Statements of Economic Interests.

(A) Contents of Initial Statements.

Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

(B) Contents of Assuming Office Statements.

Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

(C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later.

(D) Contents of Leaving Office Statements.

Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

(7) Section 7. Manner of Reporting.

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

(A) Investment and Real Property Disclosure.

When an investment or an interest in real property³ is required to be reported,⁴ the statement shall contain the following:

1. A statement of the nature of the investment or interest;

2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
3. The address or other precise location of the real property;
4. A statement whether the fair market value of the investment or interest in real property exceeds two thousand dollars (\$2,000), exceeds ten thousand dollars (\$10,000), exceeds one hundred thousand dollars (\$100,000), or exceeds one million dollars (\$1,000,000).

(B) Personal Income Disclosure. When personal income is required to be reported,⁵ the statement shall contain:

1. The name and address of each source of income aggregating five hundred dollars (\$500) or more in value, or fifty dollars (\$50) or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was one thousand dollars (\$1,000) or less, greater than one thousand dollars (\$1,000), greater than ten thousand dollars (\$10,000), or greater than one hundred thousand dollars (\$100,000);
3. A description of the consideration, if any, for which the income was received;
4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;
5. In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.

(C) Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported,⁶ the statement shall contain:

1. The name, address, and a general description of the business activity of the business entity;

2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000).

(D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

(8) Section 8. Prohibition on Receipt of Honoraria.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (a), (b), and (c) of Government Code Section 89501 shall apply to the prohibitions in this section.

This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Government Code section 89506.

(8.1) Section 8.1. Prohibition on Receipt of Gifts in Excess of \$340.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than \$340 in a calendar year from any single source, if the member or employee would be required to report the receipt of income

or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (e), (f), and (g) of Government Code section 89503 shall apply to the prohibitions in this section.

(8.2) Section 8.2. Loans to Public Officials.

(A) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

(B) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(C) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.

(D) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over

which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(E) This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.
2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
3. Loans from a person which, in the aggregate, do not exceed five hundred dollars (\$500) at any given time.
4. Loans made, or offered in writing, before January 1, 1998.

(8.3) Section 8.3. Loan Terms.

(A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of five hundred dollars (\$500) or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This section shall not apply to the following types of loans:

1. Loans made to the campaign committee of the elected officer.

2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans made, or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

(8.4) Section 8.4. Personal Loans.

(A) Except as set forth in subdivision (B), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.

2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:

a. The date the loan was made.

b. The date the last payment of one hundred dollars (\$100) or more was made on the loan.

c. The date upon which the debtor has made payments on the loan aggregating to less than two hundred fifty dollars (\$250) during the previous 12 months.

(B) This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.

2. A loan that would otherwise not be a gift as defined in this title.

3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.

4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.

5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

(9) Section 9. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

(A) Any business entity in which the designated employee has a direct or indirect investment worth two thousand dollars (\$2,000) or more;

(B) Any real property in which the designated employee has a direct or indirect interest worth two thousand dollars (\$2,000) or more;

(C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;

(D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management;
or

(E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating \$340 or more provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

(9.3) Section 9.3. Legally Required Participation.

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

(9.5) Section 9.5. Disqualification of State Officers and Employees.

In addition to the general disqualification provisions of section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

(A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or

(B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services or 18705.2(c) totaling in value one thousand dollars (\$1,000) or more.

(10) Section 10. Disclosure of Disqualifying Interest.

When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act may be accompanied by disclosure of the disqualifying interest.

(11) Section 11. Assistance of the Commission and Counsel.

Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Government Code section 83114 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

(12) Section 12. Violations.

This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code sections 81000-91015. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Government Code section 87100 or 87450 has occurred may be set aside as void pursuant to Government Code section 91003.

1 Designated employees who are required to file statements of economic interests under any other agency's conflict of interest code, or under article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Government Code section 81004.

2 See Government Code section 81010 and 2 Cal. Code of Regs. section 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.

3 For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

4 Investments and interests in real property which have a fair market value of less than \$2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

5A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

6 Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of

a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

AUTHORITY:

Note: Authority cited: Section 83112, Government Code. Reference: Sections 87103(e), 87300-87302, 89501, 89502 and 89503, Government Code.

HISTORY:

1. New section filed 4-2-80 as an emergency; effective upon filing (Register 80, No. 14). Certificate of Compliance included.
2. Editorial correction (Register 80, No. 29).
3. Amendment of subsection (b) filed 1-9-81; effective thirtieth day thereafter (Register 81, No. 2).
4. Amendment of subsection (b)(7)(B)1. filed 1-26-83; effective thirtieth day thereafter (Register 83, No. 5).
5. Amendment of subsection (b)(7)(A) filed 11-10-83; effective thirtieth day thereafter (Register 83, No. 46).
6. Amendment filed 4-13-87; operative 5-13-87 (Register 87, No. 16).
7. Amendment of subsection (b) filed 10-21-88; operative 11-20-88 (Register 88, No. 46).
8. Amendment of subsections (b)(8)(A) and (b)(8)(B) and numerous editorial changes filed 8-28-90; operative 9-27-90 (Reg. 90, No. 42).
9. Amendment of subsections (b)(3), (b)(8) and renumbering of following subsections and amendment of Note filed 8-7-92; operative 9-7-92 (Register 92, No. 32).
10. Amendment of subsection (b)(5.5) and new subsections (b)(5.5)(A)-(A)(2) filed 2-4-93; operative 2-4-93 (Register 93, No. 6).

11. Change without regulatory effect adopting Conflict of Interest Code for California Mental Health Planning Council filed 11-22-93 pursuant to title 1, section 100, California Code of Regulations (Register 93, No. 48). Approved by Fair Political Practices Commission 9-21-93.

12. Change without regulatory effect redesignating Conflict of Interest Code for California Mental Health Planning Council as chapter 62, section 55100 filed 1-4-94 pursuant to title 1, section 100, California Code of Regulations (Register 94, No. 1).

13. Editorial correction adding History 11 and 12 and deleting duplicate section number (Register 94, No. 17).

14. Amendment of subsection (b)(8), designation of subsection (b)(8)(A), new subsection (b)(8)(B), and amendment of subsections (b)(8.1)-(b)(8.1)(B), (b)(9)(E) and Note filed 3-14-95; operative 3-14-95 pursuant to Government Code section 11343.4(d) (Register 95, No. 11).

15. Editorial correction inserting inadvertently omitted language in footnote 4 (Register 96, No. 13).

16. Amendment of subsections (b)(8)(A)-(B) and (b)(8.1)(A), repealer of subsection (b)(8.1)(B), and amendment of subsection (b)(12) filed 10-23-96; operative 10-23-96 pursuant to Government Code section 11343.4(d) (Register 96, No. 43).

17. Amendment of subsections (b)(8.1) and (9)(E) filed 4-9-97; operative 4-9-97 pursuant to Government Code section 11343.4(d) (Register 97, No. 15).

18. Amendment of subsections (b)(7)(B)5., new subsections (b)(8.2)-(b)(8.4)(C) and amendment of Note filed 8-24-98; operative 8-24-98 pursuant to Government Code section 11343.4(d) (Register 98, No. 35).

19. Editorial correction of subsection (a) (Register 98, No. 47).

20. Amendment of subsections (b)(8.1), (b)(8.1)(A) and (b)(9)(E) filed 5-11-99; operative 5-11-99 pursuant to Government Code section 11343.4(d) (Register 99, No. 20).

21. Amendment of subsections (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) filed 12-6-2000; operative 1-1-2001 pursuant to the 1974 version of Government Code section 11380.2 and Title 2, California Code of Regulations, section 18312(d) and (e) (Register 2000, No. 49).

22. Amendment of subsections (b)(3) and (b)(10) filed 1-10-2001; operative 2-1-2001. Submitted to OAL for filing pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2001, No. 2).

23. Amendment of subsections (b)(7)(A)4., (b)(7)(B)1.-2., (b)(8.2)(E)3., (b)(9)(A)-(C) and footnote 4. filed 2-13-2001. Submitted to OAL for filing pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2001, No. 7).

24. Amendment of subsections (b)(8.1)-(b)(8.1)(A) filed 1-16-2003; operative 1-1-2003. Submitted to OAL for filing pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2003, No. 3).

25. Editorial correction of 24 (Register 2003, No. 12).

ATTACHMENT "B"

DESIGNATED POSITIONS
AND DISCLOSURE CATEGORIES

The following positions are held by individuals involved in the making or who participate in the making of decisions which may foreseeably have a material effect on an economic interest.

DESIGNATED OFFICIALS' OR EMPLOYEES' TITLE OR FUNCTION	DISCLOSURE CATEGORIES ASSIGNED
Executive Director	1, 2, 3, 4, 6, 7
Legal Counsel	1, 2, 3, 4, 6, 7
Member, Board of Directors	1, 2, 3, 4, 6, 7
Consultants*	1, 2, 3, 4, 5, 6, 7

* Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in this Code subject to the following limitation:

The Executive Director may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that are limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The Executive Director's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

ATTACHMENT "C"

DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of investments, business entities, sources of income, or real property which the designated employee must disclose for each disclosure category to which he or she is assigned. For the purposes of the disclosure categories described below, the term "jurisdiction" means the Anaheim Resort District Boundary.

Category 1: All investments and management positions and sources of income, including gifts, loans and travel payments, in or from all business entities that do business or own real property in the jurisdiction, plan to do business or own real property in the jurisdiction within the next year or have done business or owned real property in the jurisdiction within the past two years.

Category 2: All interests in real property which is located in whole or in part within, or not more than (2) miles outside, the boundaries of the jurisdiction.

Category 3: All investments and management positions and sources of income, including gifts, loans and travel payments, in or from business entities subject to the regulatory, permit or licensing authority of the Anaheim Transportation Network, will be subject to such authority within the next year or have been subject to such authority within the past two years.

Category 4: All investments and management positions and sources of income, including gifts, loans and travel payments, in or from business entities that are engaged in land development, construction or the acquisition or sale of real property in the jurisdiction, plan to engage in such activities in the jurisdiction within the next year or have engaged in such activities in the jurisdiction within the past two years.

Category 5: All investments and management positions and sources of income, including gifts, loans and travel payments, in or from business entities that are banking, savings and loan or other financial institutions.

Category 6: All investments and management positions and sources of income, including gifts, loans and travel payments, in or from business entities that provide services, supplies, materials, machinery or equipment of a type purchased or leased by the Anaheim Transportation Network.

Category 7: All investments and management positions and sources of income, including gifts, loans and travel payments, in or from business entities that provide services, supplies, materials, machinery or equipment of a type used or administered by the Anaheim Transportation Network.



DATE: JUNE 27, 2012
TO: ATN BOARD OF DIRECTORS
FROM: DIANA KOTLER, EXECUTIVE DIRECTOR
RE: AGENDA ITEM #12

RECOMMENDATION:

Approve as to form template hotel service agreement, subject to any further modifications or revisions that do not materially alter the business terms presented but that are deemed necessary and/or reasonable by the Executive Director and legal counsel.

DISCUSSION:

As part of the ATN fare increase, which is slated for adoption at the ATN Board of Directors meeting on July 25, 2012 and implementation on October 1, 2012, the ATN needs to amend its template Hotel Service Agreement for the Anaheim Resort Transportation (ART) service.

ART Hotel Service Agreement was last amended in 2006. Among some of the proposed changes, the ATN staff and legal counsel recommend changes to the proposed fare structure, term, termination provisions, etc.

Upon receipt of comments from the Board of Directors, Executive Director and legal counsel will prepare a final template Hotel Service Agreement. The final template will be distributed to all ART participants the first week of July 2012. Execution of all agreement shall be completed by October 1, 2012.

Enclosure:
Draft Hotel Service Agreement

**ANAHEIM RESORT TRANSIT
SERVICE AGREEMENT**

This Anaheim Resort Transit Service Agreement (the "Agreement") shall be effective _____ ("Effective Date") and is entered into by and between the Anaheim Transportation Network, a California nonprofit public benefit corporation ("ATN"), and _____, a _____ ("HOTEL").

RECITALS

A. The "Anaheim Resort" is a geographic area identified by the Anaheim and Disneyland Resort Specific Plans, which plans have been approved by the City of Anaheim ("CITY") and have been amended from time to time. In addition, a geographic area known as the "Platinum Triangle" is identified by the Platinum Triangle Specific Plan approved by the CITY, as amended from time to time.

B. The Platinum Triangle, Hotel Circle and the Anaheim and Disneyland Resort Specific Plans identify Disneyland Resort, Disney's California Adventure, Downtown Disney District, Anaheim Stadium, the Honda Center and City National Grove [Done] and the Anaheim Convention Center as special activity centers ("ACTIVITY CENTERS").

C. The Platinum Triangle, Hotel Circle and Anaheim and Disneyland Resort Specific Plans' certified environmental impact reports require property developed within the specific plan areas to satisfy mitigation measures, including measures that require participation of property owners in the funding, development and implementation of a clean fuel shuttle system.

D. The ATN is a private, non-profit transportation management association created in 1995 to, among other things, implement the CITY's mitigation measures described above and to develop and operate a resort-oriented transportation system commonly known as the Anaheim Resort Transit ("ART") for the Anaheim Resort™, the Platinum Triangle and other areas of the CITY and surrounding communities. As part of ART, ATN manages and operates a clean fuel coach/shuttle system along fixed routes. The ATN is made up of membership and HOTEL, by its execution hereof, desires become a member thereof for the term of this agreement (or any Extension Term, as defined below), subject to the provisions contained in this Agreement.

E. The ATN has entered a franchise agreement, as amended, with the CITY to develop and administer the ART Clean Fuel Shuttle System within the CITY.

F. The ATN contracts with a third party ("CONTRACTOR"), in order to provide ART service in accordance with the ATN's commitment to the CITY.

AGREEMENT

NOW THEREFORE, for good and valuable consideration of the preceding Recitals, which are incorporated into this Agreement, the mutual covenants and undertakings set forth below, and the receipt and sufficiency of other consideration, ATN and HOTEL agree as follows:

I. ROLES AND RESPONSIBILITIES

1.1 ATN Roles and Responsibilities

The ATN agrees to provide clean fuel motor coaches/shuttles for resort-oriented shuttle transportation service to the Anaheim Resort™ and Platinum Triangle on the following terms and conditions:

1.1.1 The ART service provided to HOTEL patrons and other passengers is not a dedicated service but is part of a fixed route with multiple stops. Presently, the nearest route stop to HOTEL for pick-up/drop-off of HOTEL patrons and other passengers is located at ~~[insert closest location for the particular HOTEL here for each agreement]~~. However, as provided in Section II, routes and route stop locations may be changed. This Agreement does not confer on HOTEL a right to, or impose an obligation on ATN to provide, a specific route or route stop location (including, without limitation, on or near the HOTEL or the location identified in the second sentence of this paragraph).

1.1.2 The ART service shall be provided to HOTEL patrons and other passengers approximately every twenty (20) minutes during the operational hours described in Section 1.1.3, subject to any commercially reasonable delays or delays that are not within the control of ATN.

1.1.3 ART operational hours shall begin sixty (60) minutes before the opening of the ACTIVITY CENTERS with the last pick-up from the ACTIVITY CENTERS occurring thirty (30) minutes after the posted closing hours of the ACTIVITY CENTERS.

1.1.4 HOTEL patron and other passenger pick-up/drop-off shall occur only at route stop locations that are identified in routes approved by ATN's board of directors. The ATN shall provide ART route maps, or any updated maps, to HOTEL for distribution at the HOTEL.

1.1.5 The ATN shall coordinate ART related marketing, advertising, and public awareness activities with HOTEL and shall provide the HOTEL with materials for the implementation of the above mentions activities. A description of material available to HOTEL is listed on Exhibit 1 attached hereto and incorporated herein by this reference.

1.1.6 Hotel shall not be in uncured default of any of its nonmonetary obligations in this Agreement or in any default (whether cured or uncured) of HOTEL's monetary obligations in this Agreement.

1.2 HOTEL Roles and Responsibilities

1.2.1 HOTEL shall timely and fully pay all HOTEL's monetary obligations contained in this Agreement in compliance with the provisions in Section III of this Agreement.

1.2.2 HOTEL shall distribute and sell ART passes to all HOTEL patrons using the ART service. No passengers will be admitted on ART vehicles without ART passes.

1.2.3 HOTEL shall maintain all printed materials, time schedules, folders, circulars, and bulletins supplied by the ATN pursuant to Section 1.1.5 and shall, to the best of its ability, furnish to patrons complete and accurate information regarding ART service.

1.2.4 HOTEL shall not sell, resell, transfer or distribute ART passes to other hotels, retail, commercial or other commercial outlets. HOTEL shall sell, resell, transfer or distribute ART passes only to HOTEL patrons or other bona fide users/passengers of the ART system. HOTEL shall only sell, resell, transfer or distribute ART passes at their Face Value (defined below) and shall not provide complimentary, discounted or marked up (from Face Value) ART passes to any person or entity. ART passes shall only be sold, resold, transferred or distributed by HOTEL upon receipt of funds from the recipient of the passes.

1.2.5 HOTEL shall designate employees who shall have responsibility regarding ART service and make them available to the ATN for training relating to the ART service. This training shall be conducted at times and places reasonably acceptable to HOTEL. HOTEL shall within ten (10) days of entering this Agreement provide the names of these persons to ATN. HOTEL may change the persons identified at its discretion but shall notify ATN of such changes within ten (10) days.

1.2.6 HOTEL shall provide ATN weekly updates on expected occupancy, group movements, and any other information pertinent to efficient ART service, planning and dispatch functions. HOTEL understands and agrees that failure to provide this information may cause delay in ART services to HOTEL, to other members of ATN and may result in system-wide delays in ART service.

1.2.7 HOTEL shall actively participate in a minimum of five (5) of the marketing and public outreach programs as indicated in "Exhibit 1".

II. ART SERVICE CHANGE PROCEDURE

2.1 Notwithstanding any other provision of this Agreement that may be to the contrary, ATN has the right, in its sole and absolute discretion subject to the process outlined in this Section II and any other process established in or permitted by the ATN Bylaws (as may be amended), to change ART service, routes, and stop locations from time to time, including without limitation during the term of this Agreement. If any process in the Bylaws (as they now exist or may be amended in the future) materially differs from the process

established in this Agreement, then any directly conflicting Bylaw procedures shall control. Unless the ATN Bylaws provide for a lengthier notification period, the ATN will provide HOTEL with thirty (30) days written notice of any material changes to the ART service, routes or route stop locations located within five hundred (500) feet of the HOTEL. The following procedure shall apply for changes to the ART service:

2.1.1 The ATN may evaluate ART service efficiencies, routes or route stop locations from time to time. Any recommended changes to the ART service, routes or route stop locations shall be presented to the ATN Board of Directors and shall be held as a public hearing at a regularly scheduled meeting of the ATN Board of Directors.

2.1.2 All changes approved by the ATN Board of Directors shall automatically become effective and shall apply to this Agreement on the first (1st) day of the second month following the month in which the changes are approved by the Board. For example, changes approved at the January ATN Board of Directors meeting would become effective March 1st.

III. CHARGES

3.1 HOTEL shall pay the ATN a flat monthly rate of forty eight (48) cents per room per night (the "Flat Rate"), subject to change as reflected in Section 3.10. The Flat Rate payment shall be paid monthly by HOTEL in advance (i.e., shall be due in full the first day of the month for which the payment relates) without deduction or off-set.

3.2 HOTEL shall pay for ART passes that it requests from ATN. HOTEL's request for ART passes shall be accompanied by full payment of the requested passes at their Face Value (defined below) unless HOTEL is entitled to purchase adult passes at the rates provided in Sections 3.3 or 3.5. Passes may only be ordered in multiples of 100. Passes will be available for purchase only at the ATN office during posted purchase hours. ATN has no obligation to sell ART passes to HOTEL at the Wholesale Rate (defined below) or the Benchmark Rate (defined below) unless all outstanding monetary obligations of HOTEL under this Agreement, including payment of ATN invoices, are paid current (including payment of any late charges and delinquency fees as provided in Section 3.11) at the time that HOTEL requests and tenders payment for passes. ATN's right to withhold sale of ART passes to HOTEL at the Wholesale Rate or the Benchmark Rate in the previous sentence shall apply even if HOTEL has been notified of a monetary default and is in a cure period. If HOTEL has not paid all its monetary obligations at the time of a request for ART passes, then HOTEL shall pay the Face Value of ART passes until such time as all monetary obligations are fully satisfied.

3.3 So long as HOTEL is not in default of its monetary obligations (whether cured or uncured), HOTEL shall have the right to purchase adult passes at the following rates ("Wholesale Rates"), subject to the provisions of Section 3.10:

3.3.1 1-day ART pass - \$4.50

3.3.2 3-day ART pass - \$10.70

3.3.3 5-day ART pass - \$17.80

3.3.4 The intent of the parties is that HOTEL receives a wholesale rate that is 11% below the Face Value of adult passes. Therefore, in the event that any change in the Face Value for ART adult passes is made by ATN pursuant to Section 3.10, then the parties intend that the Wholesale Rates listed above shall be revised to maintain an 11% discount. The Wholesale Rate is meant to reflect the time, cost and effort of HOTEL to market ART to HOTEL patrons.

3.4 Subject to the provisions of Section 3.10, the price of ART passes to adult passengers shall be:

3.4.1 1-day ART pass - \$5.00

3.4.2 3-day ART pass - \$12.00

3.4.3 5-day ART pass - \$20.00

Prices in Sections 3.4.1-3.4.3 apply unless special rates below apply.

3.4.4 Children (Ages 3 to 9):

(A) 1-day ART pass-\$2.00

(B) 3-day ART pass-\$3.00

(C) 5-day ART pass-\$5.00

3.4.5 Children (Ages 2 and under) free of charge with pass holding adult.

3.4.6 Reduced Fare pass for seniors (65& older), persons with disabilities and Medicare card holders:

(A) 1- day Reduced Fare - \$ 2.00

(B) 3- day Reduced Fare - \$ 5.00

(C) 5- day Reduced Fare - \$ 8.00

The prices in this Section 3.4 are the "Face Value" of the ART passes.

3.5 Notwithstanding Section 3.3, but subject to Section 3.10, HOTEL shall have the right to purchase adult passes at the following rates if, and only if, HOTEL achieves a sales benchmark of ____ [insert unique benchmark for each hotel updated annually based on average pass sales for the previous two years] (the "Benchmark Rate") so long as HOTEL is not in default of its monetary obligations (whether cured or uncured):

3.5.1 1-day ART pass - \$4.00

3.5.2 3-day ART pass - \$9.00

3.5.3 5-day ART pass - \$15.00

HOTEL has no right to the Benchmark Rate until ATN notifies HOTEL that it has met the benchmark number listed above. HOTEL shall only be entitled to the Benchmark Rate for passes first purchased after the date ATN determines HOTEL has met the Benchmark Rate.

In the event that any change in the Face Value for ART adult passes is made by ATN pursuant to Section 3.10, then the parties intend that the Benchmark Rate listed above shall be revised to proportionately reflect the difference between the adult pass Face Value and the prices listed in this Section 3.5.

3.6 HOTEL may retain all revenue it collects from the sale of ART passes, unless HOTEL violates Section 1.2.4, in which case any "profit" (e.g., the amount in excess of the Face Value) shall be turned over to ATN. There shall be no returns, exchanges and/or refunds on ART passes purchased by HOTEL or patrons.

3.7 HOTEL shall have the option of installing ticket vending machines ("TVM") to dispense ART passes. Solely for informational purposes, the current cost to have an ART TVM on site is \$1,000.00 per month per TVM, subject to adjustment by ATN's Board of Directors. If HOTEL is interested in this option it shall negotiate with ATN to enter a separate agreement with ATN regarding the use of a TVM. Hotels that have a TVM shall be entitled to receive a rebate for the Wholesale Rate (on a monthly basis) or (if applicable) the Benchmark Rate (on an annual basis), to the extent that HOTEL would otherwise be entitled to such prices, as part of the terms of any separate agreement for use of the TVM.

3.8 Yearly ATN membership invoices are issued in November of each calendar year and payment of the Membership Fee (defined below) is due in full and without offset on or before January 31st of each year. HOTEL shall maintain a current ATN membership in order to be eligible for ART service. ATN's Membership Fee are set by the ATN Board of Directors each November for the following calendar year (or at such other time that is permitted by ATN's Bylaws) and are subject to change as reflected in Section 3.10. The ATN "Membership Fee" for HOTEL as of the Effective Date is \$1.75 per room with a \$300.00 minimum and a \$1,500.00 maximum.

3.9 HOTEL shall not represent or permit to represent on its behalf in any advertisement or publication that it offers ART services or passes at "no charge", a reduced rate from the then-current ART pass Face Values or "complimentary" to its patrons or any other party.

3.10 This Agreement does not confer on HOTEL or any other party a right to, or impose an obligation on ATN to maintain, the Flat Rate, Membership Fee or the Face Value rate for ART passes at the rates identified in this Agreement. ATN has the right in its sole

and absolute discretion during the term of this Agreement to increase, decrease or otherwise change the Flat Rate, the Membership Fee or the Face Value rate for ART passes. In the event the ATN determines to either increase or decrease the Flat Rate, the Face Value rate for ART passes, or the Membership Fee to an amount different from what is identified in this Agreement, then the ATN will give written notice to HOTEL at least sixty (60) days prior to the effective date of the changes(s).

3.11 Notwithstanding anything else in this Agreement (including without limit the provisions of Section XVI, a ten percent (10%) late charge shall be added to all payments due but not received by ATN with ten (10) days following the due date, unless another due date is specified in this Agreement. In addition, all unpaid amounts shall accrue at a delinquency rate of one and a half percent (1 ½ %) per month or any portion of a month until paid in full. ATN and HOTEL hereby agree that such late charges and delinquency rates represent a fair and reasonable estimate of the costs ATN will incur by HOTEL's late payment, including, without limitation, lost opportunities and the cost of servicing the delinquent account. Acceptance of such late charges and delinquency rates (and/or any portion of the overdue payment) by ATN does not constitute a waiver of HOTEL's default with respect to such overdue payment, or prevent ATN from exercising any of the other rights and remedies granted in this Agreement.

IV. TERM AND TERMINATION

The term of this Agreement shall commence on the Effective Date and shall continue for a period of five (5) year from the Effective Date, subject to any amendment or earlier termination due to default as provided in Sections VIII and XVI, respectively. Unless a party delivers written notice to the other party of its intent to terminate this Agreement at the end of the then existing term, by delivering such notice no more than one hundred and twenty (120) and no less than ninety (90) days prior to the end of the then existing term, this Agreement shall automatically extend without further act or deed of the Parties for successive five (5)-year periods (each an "Extension Term"), subject to any amendment or earlier termination due to default as provided in Sections VIII and XVI, respectively.

V. ASSIGNMENT; BINDING ON SUCCESSORS AND ASSIGNS

HOTEL may not assign, hypothecate, encumber, or otherwise transfer (voluntarily or involuntarily) this Agreement or any of its rights or obligations (whether in whole or in part) (each an "Assignment") without the prior written consent of ATN, which consent shall not be unreasonably withheld or delayed. Any Assignment by HOTEL shall require, as a condition of consent, for the assignee to enter an assignment and assumption agreement in a form and content reasonably approved by ATN's legal counsel. Regardless of any Assignment, such Assignment shall not release HOTEL from liability from its obligations under this Agreement. Subject to the limitations on HOTEL's Assignment, this Agreement shall be binding on and shall inure to the benefit of the permitted successors and assigns of each party.

VI. LICENSING

The ATN shall take commercially reasonable action to ensure that CONTRACTOR is appropriately licensed for the work required pursuant to the contract between the ATN and CONTRACTOR and shall require that CONTRACTOR maintain evidence of CONTRACTOR's valid business license with the CITY.

VII. INTEGRATION

This Agreement sets forth the entire agreement between the ATN and HOTEL with respect to the subject matter hereof. All agreements, covenants, representations, or warranties, express or implied, of the ATN and HOTEL with regard to the subject matter hereof are contained herein. No other agreements, covenants, representations, or warranties, express or implied, oral or written, have been made by any party to the other, with respect to the subject matter of this Agreement and all prior and contemporaneous conversations, negotiations, possible and alleged agreements and representations, covenants, and warranties with respect to the subject matter herein are waived, merged herein and superseded hereby.

VIII. NO ORAL MODIFICATION

All amendments or modifications to this Agreement must be in writing and signed by the parties. Any waiver of provisions of this Agreement must be in writing and signed by the party agreeing to the waiver of the other party's performance, covenant or condition. The waiver by any party hereto of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

IX. WARRANTY OF AUTHORITY TO EXECUTE AGREEMENT

HOTEL and ATN each represent, warrant, covenant, and agree that the persons executing this Agreement on each party's behalf are authorized and empowered to enter into and execute this Agreement for and on behalf of the person(s) and/or entity (ies) they represent, and by their execution hereof, each respective entity or person they represent, and all persons, partnerships, corporations, joint ventures and any person or thing affiliated therewith, shall be bound by the terms hereof.

X. BENEFIT OF COUNSEL

Each party to this Agreement hereby confirms and admits that it has read and understands this Agreement, and had the opportunity to have it reviewed by counsel.

XI. SEVERABILITY

If any provision of this Agreement is declared or held, found or determined to be illegal, unenforceable or invalid for any reason, the remaining provisions shall remain in effect, and the parties shall take further action as may be reasonably necessary and available to effectuate the intent of the parties as to all provisions set forth in this Agreement..

XII. COUNTERPARTS

This Agreement may be executed in counterparts, each of which is hereby declared to be an original; all, however, shall constitute but one and the same Agreement. Facsimile signatures shall have the same force and effect as "original" signatures.

XIII. ATTORNEYS' FEES AND COSTS

13.1 In the event that any suit or proceeding is brought to enforce, construe, interpret, rescind or cancel this Agreement or any of its provisions, or based on the breach of this Agreement, the prevailing party shall recover against the non-prevailing party or parties to that suit or proceeding its actual attorneys' fees and costs incurred in connection with such suit or proceeding, including attorneys' fees and costs incurred in connection with any enforcement of judgment, bankruptcy or appeals.

XIV. GOVERNING LAW

This Agreement is made, executed and entered into and is intended to be performed within the State of California and shall be construed under the laws of the State of California. Any action to enforce or interpret this Agreement shall be brought exclusively in the state or federal courts located in Orange County, California.

XV. DISPUTE RESOLUTION

15.1 Prior to the resolution by arbitration or otherwise of any dispute which may arise involving this Agreement, the ATN and HOTEL agree to submit all disputes between them to non-binding mediation. While the parties are not required to resolve their dispute during mediation, they are required to participate in good faith in such mediation in an effort to avoid arbitration or, where applicable, court intervention.

15.2 Except for matters involving ATN's provisional remedies set forth in Section XVI below (which ATN need not submit to arbitration), any dispute between the parties arising out of or relating to this Agreement or a party's default of this Agreement will be resolved by submission to binding arbitration in Orange County, California, before a neutral arbitrator from the American Arbitration Association ("AAA") who will apply the Commercial Arbitration Rules to such dispute. Each party shall bear its own costs and expenses in preparing for and participating in the arbitration, except that each party is responsible for paying one-half (1/2) of the compensation payable to the arbitrator, one-half (1/2) of any filing fees and one-half (1/2) of any other costs related to the proceedings. Notwithstanding the prior sentence, the arbitrator shall award attorneys' fees and costs (including arbitrator fees) to the prevailing party.

15.3 The arbitrator is affirmatively instructed to apply California law (except where preempted by federal law) in conducting the arbitration, including determination of all issues relating to the arbitrability or the enforcement of the Agreement to arbitrate.

15.4 Either party may present briefs and depositions of witnesses who are unable to attend hearings. Discovery shall be limited in accordance with the Commercial Arbitration Rules. The arbitration award shall be final and binding on the parties and judgment on the award may be entered in any federal or state court having jurisdiction.

XVI. DEFAULT; REMEDIES; LIMITATION ON DAMAGES

16.1 In addition to any other remedies permitted by this Agreement, either party may terminate this Agreement if the other party has defaulted in its obligations contained in this Agreement, provided that the terminating party has provided the defaulting party with written notification of such determination and the defaulting party has refused or failed to cure the default prior to the expiration of the cure period below. The written notification of default shall set forth the nature of the actions required to cure such default (if curable). The defaulting party shall have thirty (30) days as to nonmonetary defaults and five (5) days as to monetary defaults (from the date of the written notification) to cure the identified defaults. If such default is not cured within the time periods in the previous sentence, then the termination shall be deemed effective as of the date of the terminating party's notice. As to nonmonetary defaults, a party shall not be deemed in default if the curing of the default takes longer than thirty (30) days and the defaulting party commences to cure the default within such thirty (30) day period and diligently and continuously pursues curing the default to completion. Time is of the essence to a defaulting party's cure of any default.

16.2 Except for HOTEL's right to terminate this Agreement in accordance with Section 16.1, HOTEL's exclusive remedy for an uncured ATN default is to seek specific performance of the terms of this Agreement or to seek declaratory relief as to the parties' rights and obligations under this Agreement and in no event shall HOTEL have the right, and HOTEL expressly waives the right, to seek monetary damages of any kind (including but not limited to actual damages, economic damages, consequential damages, or lost profits) from ATN in the event of a default by ATN under this Agreement or any action related to this Agreement. Any remedy sought to be enforced by HOTEL shall be pursued as provide in Section XV.

16.3 ATN shall have all remedies available at law and equity, including, without limitation, damages, specific performance, declaratory and injunctive relief.

16.4 HOTEL understands and agrees that CITY is hereby granted the right to enforce HOTEL's performance of its obligations contained in this Agreement. In addition, HOTEL understands that any breach of this Agreement by HOTEL may lead to an enforcement action by the CITY pursuant to any state, federal or local laws or regulations including, but not limited to, an action to modify or revoke the CUP. CITY is a third party beneficiary to HOTEL's performance of its obligations in this Agreement.

16.5 If HOTEL terminates this agreement during the term, or any Extension Term, for any reason other than ATN's uncured default, then HOTEL shall pay to ATN a cash termination payment (the "Termination Payment") in an amount equal to the following costs

amortized over the initial term (or Extension Term as the case may be) with eight percent (8%) interest:

- (A) All Membership Fees, plus
- (B) All Flat Rates.

ATN and HOTEL hereby agree that the Termination Payment represent a fair and reasonable estimate of the costs ATN will incur by HOTEL's termination, without limitation, lost opportunities and also represents a fair and reasonable estimate of the cost of continuing to maintain routes and potential route stops (subject to ATN's right to modify or change such routes or route stops as provided elsewhere in this Agreement) that HOTEL will continue to benefit from despite HOTEL's termination. The Termination Payment does not constitute a waiver of HOTEL's default, or prevent ATN from exercising any of the other rights and remedies granted in this Agreement.

XVII. NOTICE

Any notice or communication required or permitted hereunder shall be given in writing: (1) delivered in person; or (2) sent by facsimile transmission with confirmation; or (3) sent by United States mail or other overnight delivery or courier service, addressed as follows:

To HOTEL:

_____, CA _____
Attention: _____
Fax: (714) _____

To ATN:

Anaheim Transportation Network
1280 South Anaheim Blvd.
Anaheim, CA 92805
Attention: Diana Kotler, Executive Director
Fax: (714) 563-5289

With Copy To:

Cummins & White, LLP
Attn: Michael R.W. Houston
2424 S.E. Bristol St., Suite 300
Newport Beach, CA 92660
Fax: (949) 852-8510

or such other address as shall be designated by notice in writing from the applicable party served as specified above. Such notice or communication shall be deemed to have been

given or made, regardless of whether or not actually received, as of the date delivered or sent as provided above.

XVIII. TIME OF THE ESSENCE

Time is of the essence to the performance of each and every of the parties' obligations in this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the date indicated by the signature, to be effective as of the Effective Date.

HOTEL

ANAHEIM TRANSPORTATION NETWORK

By _____
[Property Name]

By: Diana Kotler
Its: Executive Director

By: [Name]
Its: [Title]

_____ Date

_____ Date

2012 ART SERVICE AGREEMENT

EXHIBIT 1

To assist with public awareness and marketing of the ART service, hospitality establishments shall choose a minimum of five (5) marketing methods (at no additional cost to participating property(ies)). Please indicate marketing/public outreach method(s) most appropriate for your property.

_____ Display of ART poster (22x28) in hotel/motel lobby. ATN shall provide one poster and display easel. Additional poster(s) and display easel(s) shall be provided to the hotel/motel at cost and shall not exceed \$150.

_____ Number of Posters

_____ Web link to www.RideArt.org (mutual web links)

_____ Social Media link to www.RideArt.org (mutual links)

_____ Reservation confirmation tagline, i.e. "ART - absolutely the best way to ride, dine, shop and play when you're visiting The Anaheim Resort™. Ask about ART upon check-in."

_____ Guest Services Directory -- Allocate an exclusive ART page or inclusion on "Transportation" page of in-room directories. (ATN will provide copy points).

_____ Rotating page on dailies that are viewed in lobby and function areas. (ATN to provide page make up based upon properties providing electronic specifications).

_____ Insert with guest check-in. (ATN will provide copy points).

_____ Email sign off similar to what AOCVCB and ATN uses:

Jim Kissinger, VP Convention Sales
Anaheim/Orange County Visitor & Convention Bureau
<http://www.anaheimoc.org>
jkissinger@anaheimoc.org
714/765-8842 fax: 714/991-8963

On your next visit to The Anaheim Resort, try the Anaheim Resort Transit system -- a great way to access all the Resort has to offer!!

____ *Quarterly Meeting with Front Office & Group Sales/Services Staff*

Properties shall assign, at the beginning of the contract cycle, dedicated staff member(s), to meet with ATN representative(s) one time per quarter. Presentation time shall not to exceed 15 minutes for each department and shall focus on updates, current charter info, group discounts and new programs/route enhancements for the entire ART system. The following individual(s) shall be assigned to this task:

<i>Name</i>	<i>Title</i>	<i>Phone Number</i>	<i>e-mail</i>
<i>Name</i>	<i>Title</i>	<i>Phone Number</i>	<i>e-mail</i>
<i>Name</i>	<i>Title</i>	<i>Phone Number</i>	<i>e-mail</i>

____ *Inclusion of ART program in all sales & service proposals - sample:*

Getting Around the Anaheim Resort™ The Anaheim Resort Transit (ART) provides shuttle service to and from Disneyland®, Disney's California Adventure™, Downtown Disney® and throughout the greater Anaheim Resort™. ART makes it easy to dine, shop and play throughout the Anaheim Resort™, and it's inexpensive.

All-day passes are priced at:

<i>Adults</i>	<i>Children</i>
<i>1-day \$5</i>	<i>1-day \$2</i>
<i>3-day \$12</i>	<i>3-day \$3</i>
<i>5-day \$20</i>	<i>5-day \$5</i>

Children 2 and under ride free

Tickets may be purchased in advance for your group and distributed through Guest Services or Conference Services. Just simply ask the Front Desk or Concierge for passes and they will be ready to provide you with the exact amount you require.

If your plans include several days in our lovely Resort, please ask about our value tickets for multiple-day use that provide quick and convenient shuttle service to all of the exciting destinations within the Resort. For additional information on ART, please ask your sales representative for details, or visit the ART site at www.rideart.org.

____ *Inclusion of ART in all monthly emails to Convention Calendar recipients.
(ATN will provide copy points).*

____ *Inclusion in Guest Newsletter or other In-Room informational materials.
(ATN will provide copy points).*

_____ ART 11" x 17" full-color posters in back of house areas, i.e. employee cafeteria, front office, group sales, banquets, etc. Posters will be provided by the ATN to reinforce top-of-mind awareness with line staff and management. Posters shall be mounted in limited service properties' laundry rooms for greater guest awareness.

_____ On Hold Message (recommended text to be provided by the ATN).

_____ When guests are placed on hold at most properties a pre-recorded message is used to sell them on the amenities of the property, i.e. restaurants, entertainment, etc. Add short ART message to this on hold opportunity (text to be provided by the ATN).

_____ Arrival/Welcome Message (recommended text to be provided by the ATN).

_____ Similar to above, include ART message when guest checks in and their message light is on to receive their welcome greeting from the property's management. (recommended text to be provided by the ATN).



DATE: JUNE 27, 2012
TO: ATN BOARD OF DIRECTORS
FROM: DIANA KOTLER, EXECUTIVE DIRECTOR
RE: AGENDA ITEM #13

RECOMMENDATION:

Approve 2012-13 Continuation Operating Budget at last fiscal year's level. Authorize Executive Director to make changes as needed between the 2012-13 Continuation Operating Budget and the budget to be submitted to the ATN Board of Directors at July 25, 2012 meeting.

DISCUSSION:

The ATN traditionally adopted an annual budget for operation of the ATN at its June Board of Director meeting. However, in the upcoming ATN 2012-13 Fiscal Year, the ATN anticipates several significant changes to its operating methodology that would impact the operating budget.

ATN staff is requesting approval of the following:

1. Approval of a Continuation Budget for FY 2012-13. The continuation operating budget is based on the prior year budget due to:
 - a. Final location and cost of the ATN operating facility;
 - b. Relocation costs and timing of the ATN operating facility; and
 - c. Outcome of certain contractual amendments that will have direct results on
2. Authorize Executive Director to make changes as needed between the 2012-13 Continuation Operating Budget and budget to be submitted to the ATN Board of Directors on July 25, 2012.

ATN 2012/2013
Operating Budget v.3

	July 2012/13 Proposed Budget	July 2010/11 Actual
REVENUES		
Route 17	\$485,650	\$429,131
Hotel Assessments	\$148,000	\$154,920
Retail Assessments	\$19,750	\$19,750
Ticket Sales:		
Hotels	\$246,418	\$241,587
Kiosks	\$164,674	\$161,445
Pre-Sale	\$70,000	\$79,662
Farebox	\$26,000	\$25,793
Internet	\$3,000	\$2,766
Child Ticket Sales	\$16,942	\$16,610
Other Sales	\$13,800	\$269
Groups	\$17,000	\$16,819
Kiosk Leases	\$9,500	\$10,000
Advertising	\$50,000	\$50,824
Rideshare/TDM	\$24,800	\$6,700
Membership	\$0	\$226
Other/Misc	\$0	\$0
TOTAL REVENUE	\$1,295,534	\$1,216,502
EXPENSES		
CA UBIT Taxes	\$1,810	\$4,703
GPS Charges	\$2,400	\$2,400
Facility Rental	\$8,100	\$8,098
Bus Leasing	\$46,675	\$46,674
Bus Maintenance	\$180,100	\$180,395
Fuel	\$94,000	\$92,148
Utilities -- Building	\$4,940	\$5,810
Moving Expenses	\$0	\$0
Personnel	\$110,017	\$105,286
Transportation Services		
Rt 17	\$299,266	\$267,390
ART	\$279,696	\$273,653
Hotel Sales Credit	\$13,000	\$12,998
Property Taxes	\$2,000	\$1,946
Supplies/Repairs	\$8,200	\$8,732
Marketing	\$7,200	\$10,702
Dues	\$1,550	\$4,473
Professional Services	\$44,650	\$36,708
Travel/Entertainment	\$1,500	\$1,004
Equipment Repair	\$4,300	\$14,625
Communications	\$3,700	\$5,734
Finance Charges	\$13,300	\$12,873
Insurance	\$6,106	\$6,030
Bad Debt	\$600	\$0
Depreciation	\$11,000	\$10,862
Other/Misc	\$66,500	\$32,956
TOTAL EXPENSES	\$1,210,610	\$1,146,200
Excess Revenue	\$84,924	\$70,302