



**Anaheim Transportation Network
Board of Directors Meeting Minutes
Wednesday, March 27, 2013
3:00 P.M. – 5:00 P.M.**

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

Board members in attendance:

Diana Kotler, ATN
Jerry Alder, Anaheim GardenWalk
Kevin Anderson, The Catch
Todd Ament, Chamber of Commerce
Sergio Bocci, Hilton Anaheim
Fred Brown, Desert Palm
Grant Dawdy, The Walt Disney Company
Christina Dawson, AOCVCB
Sven Grunder, Holiday Inn & Staybridge
Tom Morton, City of Anaheim
Bill O'Connell, BW Stovall Hotels
Paul Sanford, The Anabella Hotel

ATN Staff Present:

Diana Kotler, ATN
Lita Aguilar, ATN
Barbara Adams, ATN
Belinda Trani, ATN
Gary Allen, Newmark Grubb Knight Frank

Legal Counsel:

Fred Whitaker, Cummins & White, LLP

Ex-Officio Members:

Robert Johnson, MV Transportation, Inc.

ATN Members Present:

Larry Slagle, Western Transit

Members of the Public Present:

Richard Bacigalupo, OCTA
Todd Priest, Curt Pringle & Assoc.
Sue Zuhlke, OCTA

Others Present:

Gary Allen, Newmark Grubb Knight Frank
Kevin Mulcahy, Bauer's Transportation
Shannon Anderson, Bauer's Transportation
Dave Petersen, CPA

AGENDA

Call To Order: ATN Board of Directors meeting called to order at 3:04 p.m.

WELCOME & INTRODUCTIONS

Diana Kotler introduced Barbara Adams as the new Program Manager for the ATN.

SPECIAL CALENDAR

1. Diana Kotler presented a resolution for Barbara Bajados the Anaheim Resort Transportation Operator of the Month of March.

ADDITIONS/DELETIONS TO THE AGENDA -- NONE

PUBLIC COMMENTS -- NONE

CONSENT CALENDAR

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

2. Received and approved minutes of the ATN Board of Directors meeting held on Wednesday, February 27, 2013; and Special ATN Board of Directors meeting held on March 6, 2013
3. Received and filed status report pertaining to the Anaheim Transportation Network operations *ATN Focus Area Reports – February 28, 2013*
4. Received and filed ART Operating Reports through February 28, 2013
5. Received and filed ATN membership report.
6. Received and closed Audited Financial Statements, Supplementary Information, and Auditors' Reports as Required by Office of Management and Budget (OMB) Circular A-133 and Government Auditing Standards – June 30, 2012.
7. Received and filed draft financial reports for the period of January 31, 2013. File draft financial reports for the period of February 28, 2013.
7. Received and filed customer service summary for February 28, 2013.
8. Receive and file report pertaining to the ATN bus order. The report on the status of the remaining three low floor El Dorado Passport Compressed Natural Gas buses is provided with estimated delivery date slated for May 2013

END OF CONSENT CALENDAR

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

AYES: 12
NOES: 0
ABSTAIN: None

OPERATIONAL REPORT

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

Robert Johnson said that MV is currently gearing up for Spring Break and Summer seasons. They have completed a class with 23 new drivers. They have also recently finished the Natural Products Expo West and have been told that the service was great.

ACTION CALENDAR:

11. Review and file ATN independent financial audit report for Fiscal Year 2011/12 including a single A-133 audit as required in compliance with the federal requirements and approved by the ATN Ad Hoc Finance Subcommittee. Presentation by David Petersen with Carpenter, Petersen & Associates (CPA's). Agenda item materials will be distributed at the meeting

Discussion – David Peterson presented to their final report on the independent audit of financial reports for ATN. The report included a review of ATN's financial position as of June 30, 2012 and the A-133 audit as required by federal regulations.

By Motion (Morton/Brown), approved the *ATN Independent Audit*

Approved
AYES: 12
NOES: 0
ABSTAIN: None

12. Authorize Executive Director to award an agreement for Architectural and Design Services to Ware Malcomb in response to the ATN Request for Proposals (RFP#13-003) in the amount not to exceed \$35,800

Discussions:

- Add an additional \$10,000 to the maximum if needed for additional work sought, including:
 - Ware Malcomb will also need to increase the number of visits over the number included in their plan
 - Ensure that Ware Malcomb includes an ADA Study
 - Ware Malcomb may also take us through occupancy
 - Requesting compliance for fire suppression and soils studies to be conducted in the plan. RJA – can give ATN a quote on fire suppression.

By Motion (Brown/Sanford) approved Agreement for Architectural and Design Services to Ware Malcomb approving, with an additional \$10,000 if needed and the approval is contingent upon land purchase and loan funding.

AYES: 12
NOS: 0
ABSTAIN: 0

13. Award a three-year agreement with two one-year options to Electronic Data Magnetics, Inc. (EDM) for printing and production service for Anaheim Resort Transportation (ART) fare media/passes. *Agenda item presented and discussed at the ATN Board of Directors meeting on February 27, 2013*

Staff provided a comparison of the proposals submitted by Electronic Data Magnetics, Inc. (EDM) and Digital Printing Systems. Staff recommended that the award go to Electronic Data Magnetics, Inc.

By Motion (Brown/Grunder), approved Award for three year agreement, with two, one year options, to Electronic Data Magnetics, Inc., for printing and production service for ART fare media/passes.

AYES: 12
NOS: 0
ABSTAIN: 0

14. Discuss potential ART service expansion to Huntington Beach

ART sought input from the Board to ensure that they are on the right track with proposed ART service expansion to Huntington Beach. It was mentioned that benefit, room rates, costs, etc. of this expansion need to be addressed. ART mentioned that the route won't be able to be implemented until the Holiday season. OCTA said that they are checking to be sure that federal regulations will allow this route to be implemented. ART said that, to date, they have talked with: three hotels and the Chamber of Commerce in Huntington Beach; Natalie Meeks, Public Works Director, City of Anaheim and Gail Eastman, Mayor Pro Tem, City of Anaheim. The hotels will be paying for some of the services. ATN will also need to conduct Title VI public workshops, etc.

15. Other Business

a. Angel Baseball Express ART Service

Service begins on April 9, 2013, the Angels Baseball home opener for the 2013 season. Bus stops will be at Anaheim Garden Walk, Downtown Disney, Anaheim Convention Center Grand Plaza and Angels Stadium. Should there be a need to revise stops or implement route changes, the Board will consider in consideration with the Angels and Ducks.

CLOSED SESSION:

16. Conference with real property negotiator Executive Director Diana Kotler and Gary Allen with Newmark Grubb Knight Frank, 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

CLOSED SESSION:

Closed session convened at 4:35 p.m.

1. 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

By motion (Amend/O'Connell), Approved as stated in Resolution 11-005 Property Purchase and Resolution 11-006 ED Signature Property Purchase:

Adjourn Closed Session at 5:35 p.m.

Reconvene ATN Board of Directors Meeting

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

Resolution 11-005 Property Purchase:

THEREFORE, THE BOARD OF DIRECTORS OF THE CORPORATION DOES HEREBY RESOLVE, FIND, DETERMINE AND ORDER AS FOLLOWS:

Section 1: The Corporation approves the purchase of the real property set forth above hereby approves all terms and conditions of the PSA set forth in Exhibit A, subject only to closing contingencies and deliveries and waiving all non-closing contingencies; and

Section 2: The Corporation approves the use of up to \$680,000 of Restricted Reserve Funds and \$12,968 of Unrestricted Reserve Funds, plus the Deposit currently in escrow, to close escrow according to the terms of the PSA set forth in Exhibit A;

Section 3: The Corporation approves the use of financing to close escrow according to the terms of that separate resolution of this same date; and

Section 3: The Executive Director of the Corporation is hereby authorized and empowered on behalf of this Corporation and in its name to (a) use up to \$680,000 of Restricted Reserve Funds and \$12,968 of Unrestricted Reserve Funds, plus the deposit currently in escrow to close escrow according to the terms of the PSA set forth in Exhibit A, (b) undertake the financing to close escrow according to the terms of that separate resolution of this same date, and (c) execute any other escrow instructions, agreements, or any other instruments or documents, or amendments or supplements thereto, or to do and to cause to be done any and all other acts and things such Executive Director

may in her discretion deem necessary or appropriate to close escrow according to the terms of the PSA set forth in Exhibit A, including the delivery of this resolution to escrow and Sellers in a timely manner and to carry out the purposes of the foregoing resolution.

Resolution 11-006 ED Signature Property Purchase:

THEREFORE, THE BOARD OF DIRECTORS OF ATN DOES HEREBY RESOLVE, FIND, DETERMINE AND ORDER AS FOLLOWS:

Section 1: The Corporation hereby approves entering into that certain Commitment to Provide a Credit Facility dated March 13, 2013 ("Loan Agreement") with Citizens Business Bank, ("Lender") for a temporary loan in the amount of \$1, 687,500 to finance to be secured by a deed of trust recorded on title to property acquired by the Corporation ("Deed of Trust" and, collectively, with the Loan Agreement and any other documents required to be entered by the Lender, the "Loan Documents") and a line of credit in the amount of \$500,000 secured by certain collateral of the Corporation ("Letter of Credit"), so long as the Loan Agreement has the phrase "The lesser of \$2,062,500" removed from the description of Loan 3 on page 1 of the Loan Agreement. Should Lender not remove the foregoing phrase, then The Corporation hereby approves entering into that certain Commitment Letter dated March 6, 2013 with Bank of America as the ("Lender") in the same amounts and with the same documents set forth above and below; and

Section 2: The form of Loan Documents and Letter of Credit shall be commercially standard and must contain the terms of the Loan Agreement as approved in Section 1, and approved as to form and content by counsel for the Corporation; that the negotiations with respect to same are hereby ratified; and that the Chairman (or if permitted by Lender the Executive Director) of the Corporation is hereby authorized and directed to execute the Loan Documents and the Letter of Credit, with such changes as said officer(s) may approve, such approval to be conclusively evidenced by his execution and delivery of same on behalf of the Corporation.

Section 3: The President (or if permitted by Lender the Executive Director) of the Corporation is authorized and directed to deliver to Lender such corporate papers, certificates and other papers and documents as may be required by Lender and to take such action as may be necessary or proper in order to consummate the transaction authorized in this and the preceding resolution.

Adjourn 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, April 24, 2013.