



**Anaheim Transportation Network
Board of Directors and General Membership
Meeting Minutes
Wednesday, January 22, 2014
3:00 P.M. – 5:00 P.M.**

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

ATN Board Members in Attendance:

Sergio Bocci, Hilton Anaheim
Fred Brown, Desert Palms Hotel
Tony Bruno, Sheraton Park Hotel
Cesar Cazares, Anaheim Marriott (ATN Board of Directors term begins January 22, 2014)
Ron Kim, Propsera Hotels, Inc
Tom Morton, City of Anaheim
Bill O'Connell, Stovall Hotels
Kendall Payne, Disneyland Resort
Paul Sanford, Anabella
Christina Dawson, AOCVCB

ATN Staff Present:

Diana Kotler, ATN
Barbara Adams, ATN
Lita Aguilar, ATN

ATN Legal Counsel:

Fred Whitaker, Cummins & White, LLP

Ex-Officio Members:

Robert Johnson, MV Transportation

ATN Members Present:

None

Members of the Public Present:

Richard Bacigalupo, OCTA
Joe Escobar, MV Transportation
Terry Davis, MV Transportation
Christina Dawson, AOCVCB
Linda Johnson, City of Anaheim
Todd Priest, CP&A
Marie Rivas, MV Transportation
Ryan Thompson, Genfare / CooCoo
Emilio Vazquez, MV Transportation
Eric Williams, Cummins & White, LLP
Sue Zulke, OCTA



AGENDA

The ATN Board of Directors meeting was Called to Order at 3:02 pm.

WELCOME & INTRODUCTIONS

ADDITIONS/DELETIONS TO THE AGENDA

None

PUBLIC COMMENTS

None

SPECIAL CALENDAR:

Presentation of a Resolution to:

- a. Marie Rivas for the Anaheim Resort Transportation Operator for the Month of November
- b. Kevin Phan, Anaheim Resort Transportation Operator for the Month of December
- c. Terry Davis for the Anaheim Resort Transportation Operator of the Year
- d. Jasdeep Khabra for the Anaheim Resort Transportation Employee of the Year

CONSENT CALENDAR

Items 2 – 10 on the consent calendar will be acted on by one roll call vote unless members of the ATN Board of Directors, staff or the public request the item to be discussed and/or removed from the consent calendar for separate action:

2. Receive and approve minutes of the ATN Board of Directors and General Membership meeting held on Wednesday, November 12, 2013
3. Receive and file status report pertaining to the Anaheim Transportation Network operations ATN Focus Area Reports – November / December 2013
4. Receive and file ART Operating Reports through November / December, 2013
5. Receive and file ATN membership report for December 2013
6. Receive and close financial reports for the period of November 2013. File draft financial reports for the period of December 31, 2013
7. Receive and file customer service summary for November / December 2013
8. Receive and file sales report summary for November / December 2013



9. Receive and file Board of Directors 2014 Meeting Calendar

10. Receive and file update on ATN Federal Compliance Report

END OF CONSENT CALENDAR

By motion (Sanford/Morton) Items 2 – 10 on the Consent Calendar were acted upon and approved by one roll call vote.

AYES: 10 (Bocci, Brown, Bruno, Dawson, Kim, Morton, O’Connell, Payne and Sanford)

NOES: 0

ABSTAIN: 0

OPERATIONAL REPORT:

11. ART operational update – monthly report provided by MV Transportation, Inc. (MV)

Robert Johnson, General Manager, MV Transportation presented operational information for the months of November and December 2013 and January 2014. MV’s efforts concentrated on safety-related issues to reduce incidents and improve safety matters. MV’s efforts during this time period resulted in a monthly reduction of accidents and for the month of January 2014 accidents were reduced, on an average, by 3 accidents per the month. Additionally, Mr. Johnson recapped operational activities for the Holiday Season and Disney Tinkerbell Marathon. Mr. Johnson stated that MV’s efforts for the upcoming months will continue to concentrate on the hiring new operators for the upcoming Spring and Summer peak seasons.

BOARD WORKSHOP:

12. Review of the California open meeting law -- Ralph M. Brown Act and California Public Records Act

ATN’s legal counsel, Fred Whitaker with Cummins & White, LLP, provided an annual updated on the Brown Act. Corresponding presentation highlights ATN Board of Directors responsibilities and changes to the Brown Act enacted by the legislature.

INFORMATIONAL ITEM. RECEIVE AND FILE – NO ACTION REQUIRED.

ACTION CALENDAR:

13. ATN Board of Directors administrative matters:



- a. Appointment of Cesar Cazares, with Anaheim Marriott, to the ATN Board of Directors to fill the vacancy created by the resignation of Marcus Borman.

Board member's Cazares term will begin upon ATN Board of Directors vote and will continue through December 2015. Section 4.5 of the ATN by-laws state: *"Vacancies on the Board shall be filled for the remainder of their terms by nomination and appointment to the Board at the next regular Board meeting following such vacancies; provided, however, that if a vacancy occurs less than one month, but more than ten days, before a scheduled regular meeting of the Members, the election to fill that vacancy shall be held at that regular meeting. A person appointed Director to fill a vacancy as provided in this Section shall hold office for the unexpired term of his or her predecessor or until his or her removal or resignation as provided in these by-laws"*. Anaheim Marriott, as a member in good standing, nominated Cesar Cazares for the ATN Board of Directors for the remaining term through December 2015.

By motion (Brown / Sanford) Cesar Cazares, was appointed to the to the ATN Board of Directors to fill the vacancy created by the resignation of Marcus Borman.

AYES: 10 (Bocci, Brown, Bruno, Dawson, Kim, Morton, O'Connell, Payne and Sanford)
NOES: 0
ABSTAIN: 0

- b. Election of the 2014 Executive Committee

ATN Board member Bruno, with Sheraton Park, was nominated for the position of ATN Treasurer and Kyndell Paine, with the Walt Disney Company, was nominated for the position of Secretary. Paul Sanford and Fred Brown will continue their service on the ATN Executive Committee as Chair and Vice Chair, respectively. The role of the ATN's Executive Committee is to review the Executive Director's performance and address any other pertinent issues that may arise in the course of business.

2014 Executive Committee:
Chairman Paul Sanford
Vice Chair Fred Brown
Treasurer Tony Bruno
Secretary Kyndall Payne

By motion (Morton / O'Connell) Cesar Cazares, approved the slate of candidates for the 2014 ATN Executive Committee

AYES: 11 (Bocci, Brown, Bruno, Dawson, Kim, Cazares, Morton, O'Connell, Payne and Sanford)
NOES: 0
ABSTAIN: 0



- c. Appoint ATN Board members to the ATN Finance Ad Hoc Sub-Committee

To ensure that ATN-related matters and oversight are fully evaluated and deliberated, the ATN Board of Directors should appoint Board members to the following two (2) Ad Hoc Sub-committees:

1. ATN Finance Ad Hoc Sub-Committee – The Ad Hoc Finance Sub-Committee meets on as needed basis to discuss the ART operating budget and review independent financial audit recommendations. Board members appointed to the ATN Finance Ad Hoc Sub-Committee are Tony Bruno, Fred Brown and Paul Sanford
2. ATN Service Expansion Ad Hoc Sub-Committee – This sub-committee should meet, as necessary, to develop consistent policy, make recommendations and direct staff on matters related to the ATN service expansion to the areas outside of the current ART geographic service. Board members appointed to the ATN Service Expansion Ad Hoc Sub-Committee are Tom Morton and Cesar Cazares.

14. Discuss and provide staff with authorization to commence work with the ATN’s current validating farebox and ticketing vendor, GFI GenFare, to develop an electronic and e-ticket solution for ART service

Ryan Thompson of GenFare/CooCoo gave a presentation on electronic and e-ticket solutions mobile devices for the ATN’s fare media system.

Since 2006, the ATN enjoys a productive relationship with GFI GenFare for the provision of validating fare media technology, i.e. fareboxes, and Ticket Vending Machines (TVMs). In addition, GFI GenFare provides ATN with the wireless TVM monitoring solution and mobile vault, cash collection system.

Current ticketing system is based on the magnetic stripe technology. ATN passengers can purchase either as pre-encoded ART passes through point of sale locations ranging from internet sales on the ATN’s website, in-person sales at lodging establishments, through wholesale contracts or at 13 TVMs. If purchase occurred on a pre-arrival basis through wholesale contracts or on-line purchases, the ATN staff delivers ART passes to the lodging establishments of the passengers’ choice several days prior to their arrival. Certain top echelon wholesale customers have pre-printed ATN stock of tickets which they sell on consignment basis. Currently, ATN offers 13 denominations of ART passes. The cost to the ATN to print magnetic stripe tickets is \$0.02 each. Through its advertising program, ATN sells advertising to cover the cost of printing and to generate a modest revenue source for the ATN.

The current magnetic stripe ticketing system is robust and proven technology; however, mobile ticketing applications are taking hold, particularly in the wholesale industry. Several ATN



wholesale partners approached the ATN to develop a mobile ticketing application. An application that would provide a solution for a single admission and transportation ticket, thus enabling passengers to go from “bus to gate”.

For the past several years, the ATN challenged GFI GenFare to develop such a ticketing solution. Late in 2013, GFI GenFare in partnership with CooCoo developed such a solution, while keeping magnetic ticketing technology, as a baseline, while allowing for a bar code mobile application. The challenge with the proposed transit application is in the development of a technology that can co-exist with the magnetic stripe and keep track/validate multi-day transit passes.

The ATN staff is proposing to work with GFI GenFare, through their exclusive contractual relationship with CooCoo, to develop and deploy mobile ticketing options for the ATN’s ART system. The initial demonstration project would test two (2) ticket denominations: 1) 3-day adult and 2) 3-day child pass. Once technical issues and/or challenges have been resolved, the mobile application would transition to all ATN passes.

Several wholesale partners expressed strong interest in working with the ATN staff to develop and deploy a mobile ticketing application. These partners include Get-Away Travel, Knott’s Berry Farm and the Body’s Exhibit. Once testing is complete, the system would be expanded to include all wholesale markets as well as local sporting venues.

The cost associated with deployment of the mobile ticketing system includes:

- | | |
|--|------------------|
| 1. Mobile Ticketing Platform | \$30,000 |
| 2. Installation of <i>Fast Fare-e</i> Module | \$ 3,300 per bus |

The FY 2013/14 budget for ticketing applications is \$140,000. The initial deployment of the system would occur for the ATN’s core ART service on 30 buses for a total cost of \$129,000, plus applicable taxes.

The ATN recommends a sole source procurement with the following justifications:

1. In accordance with the ATN Procurement Manual, a sole source procurement is allowed if goods or services are available from only a single responsible source, and other suppliers or service providers will not satisfy the needs of ATN.
2. FTA allows a Sole Source procurement:
 - a. When services are available only from one responsive source
 - b. When patent and data rights restriction preclude competition
 - c. A unique or innovative concept or capability are not available from another source and details of which are kept confidential and is available to the recipient only from one source
 - d. In a case of continued development of a highly specialized equipment and major component and when it is likely that ward to another contractor



would result in substantial duplicative costs that are not expected to be recovered through competition

By motion (Sanford / Brown) the Board directed staff to further review this item and bring it back to the Board of Directors Meeting in February 2014.

AYES: 11 (Bocci, Brown, Bruno, Dawson, Kim, Cazares, Morton, O’Connell, Payne and Sanford)
NOES: 0
ABSTAIN: 0

15. Review and approve ATN Advertising Policy. Authorize staff to prepare a draft Request for Proposals to solicit advertising firms for the sale of advertising on ART system. Appoint ATN Board of Directors liaisons to assist with the preparation, evaluation and selection of the advertising firms

The ATN Board of Directors have deliberated the ATN Advertising Policy to determine policy direction and means for advertising on ATN’s assets such as: external bus wraps, internal advertising (static, real-time and rack cards), and collateral materials (system maps and ART passes).

The Executive Committee reviewed and recommended for adoption ATN Advertising Policy first (attached). Upon approval of the ATN Advertising Policy a Request for Proposals (RFP) will be released by the ATN to solicit a proposals. Final RFP will be brought to the ATN Board of Directors at its February Board of Directors Meetings. The evaluation of the received proposals and recommendation for award, will be conducted by the ATN staff and ATN Executive Committee.

By motion (Sanford / Brown) the Board adopted ATN Advertising Policy.

AYES: 11 (Bocci, Brown, Bruno, Dawson, Kim, Cazares, Morton, O’Connell, Payne and Sanford)
NOES: 0
ABSTAIN: 0

16. Authorize Executive Director to submit grant applications to:

- a. Caltrans for Transportation Planning Grant Program – Integrated and Capacity Building Plan
- b. FTA Section 5312 Discretionary Funding for Low or No Emission Bus Deployment Grant

By motion (Sanford / Kim) the Board voted to authorize the Executive Director to submit the Caltrans for Transportation Planning Grant – Integrated and Capacity Building plan and FTA Section 5312 Discretionary Funding for Low or No Emission Bus Deployment Grant.



AYES: 11 (Bocci, Brown, Bruno, Dawson, Kim, Cazares, Morton, O’Connell, Payne and Sanford)
NOES: 0
ABSTAIN: 0

Director Morton, left the ATN Board of Directors meeting at 4:40 pm.

17. Discuss ATN’s fleet maintenance methodology and vision. Authorize Executive Director to release the following Requests for Proposals relative to the ATN fleet maintenance needs:

- a. RFP #14-003 for Transit Tire Lease Program
- b. RFP #14-005 Transit Fleet Bulk Fuel Supply, Delivery and Mobile Fueling Infrastructure
- c. RFP #14-006 ART Fleet Maintenance Services for 35 LNG Transit Buses

The ATN’s ability to adequately maintain, and therefore service 35 Liquefied Natural Gas (LNG) buses, which the ATN will acquire from Orange County Transportation Authority (OCTA) in April 2014, depends on a thoughtful and methodical approach. This approach includes contracting out for maintenance related functions for three (3) services:

1. Transit Tire Lease Program – the ATN may be in a position to consider the leasing of its tires in lieu of the current practice of purchasing tires for its bus fleet. First of all, economies of scale may have been achieved to obtain cost savings through the tire lease program. In addition to the cost consideration, the ATN needs to consider lack of storage availability at the new locations, additional staffing requirements to repair, install and rotate tires, as well as potential exposure to liability. RFP for Transit Tire Leases services will assist the ATN in the decision making process and determining whether it would be cost effective to consider lease of transit tires for all ATN operations for the entire ART fleet of buses.
2. Transit Fleet Bulk Fuel Supply, Delivery, and Mobile Fueling Infrastructure – ATN has an LNG fueling agreement with OCTA through November 2014. In preparation for the acquisition and assumption of the LNG bus maintenance, ATN needs to develop a fueling strategy for its LNG bus fleet. The enclosed RFP for fueling services seeks proposals for turn-key installation of mobile LNG fueling station as well as supply and delivery of LNG fuel to ATN’s property. As the costs associated with the deployment of LNG fuel are being considered, additional cost issues will need to be considered by the ATN, including reductions in deadhead time, ability to claim tax credits of \$.50 per gallon for use of alternative fuels, fuel cost savings from driving to/from fueling facilities, etc.
3. ART Fleet Maintenance Services for 35 LNG Transit Buses – Being cognizant of the demands for the relocation of the ATN current facilities to the new locations, while assuming maintenance responsibilities for the fleet of 35 LNG buses, may not only put stress on the personnel, which may impact service delivery, but also may draw on financial resources of the ATN to ensure that our facilities are fully compliant with the requirements for LNG maintenance. Staff recommends contracting of LNG maintenance services, on a temporary



or long-term basis. The enclosed RFP is soliciting pricing and technical information from the private sector and will provide the ATN with a baseline cost, liability and contractual consideration, to assist the ATN staff and Board of Directors with information to determine long-term strategy for the provision of maintenance services for 35 LNG buses.

To bridge the gap in time between the award of the maintenance service contract in response to the RFP and immediate needs of the ATN, as well as to test the viability of contracting for maintenance services, staff is working on an interim solution which will be presented to the ATN Board at its February Board of Directors meeting.

By motion (Sanford / Brown) the Board voted to authorize the Executive Director to release RFP #14-003 for Transit Tire Lease Program, RFP #14-005 Transit Fleet Bulk Fuel Supply, Delivery and Mobile Fueling Infrastructure, RFP #14-006 ART Fleet Maintenance Services for 35 LNG Transit Buses

AYES: 10 (Bocci, Brown, Bruno, Dawson, Kim, Cazares, O'Connell, Payne and Sanford)
NOES: 0
ABSTAIN: 0

18. Status Updates:

- a. Demolition and Tenant Improvements update -- Construction activities at the new ATN location at 1354 South Anaheim Boulevard are preceding on schedule and on budget. The anticipated completion date is February 28, 2014. ATN staff will need the entire month of March to complete site preparation for occupancy. Relocation to the new facility is slated for the mid- to late April or immediately after spring break peak season.
- b. ART Services RFP #13-006 -- In response to RFP #13-006 for Contracted ART Transportation Services, the ATN received four (4) proposals. Following evaluation of the submitted proposals, top two (2) firms were invited to the interviews based upon scores earned from their written proposals.

	Total Awarded Points/Score
National Express	63.5
MV Transportation	97.71
First Transit	89.64
Veolia	75.43



Upon completion of the proposals' review, two (2) firms were invited to participate in the final phase of the selection process. First Transit and MV Transportation were invited to the interviews which were held on Thursday, January 16. Based on the Evaluation Committee's deliberations after the interviews, ATN will enter into Best and Final Offer negotiations (BAFO) with both finalists. Final recommendations for the selection of the transportation services provider in response to RFP #13-006 will be presented to the ATN Board of Directors at its February Board meeting.

INFORMATIONAL ITEM. RECEIVE AND FILE – NO ACTION REQUIRED.

19. Other Business -- NONE

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: 321 West Katella Avenue, Anaheim, California 92806

Owner/Negotiating Party: Anaheim Capital Partners LLC; dba Anaheim Retail Partners LLC
ACPL 399 Park Avenue, 6th Floor, New York, NY 10022

**Personnel Matters – Public Employee Performance Evaluation pursuant to Govt. Code § 5457(b)(1)
Title: Executive Director**

Reconvene ATN Board of Directors Meeting

Adjourn Closed Session at 5:15 p.m. ATN legal counsel, Mr. Whitaker, made a report. No action to report.

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, February 26, 2014.